

DIRECTORS' REPORT

To,
The Members,
Svatantra Holdings Private Limited

Your Directors have pleasure in presenting their Fourth Annual Report of the Company together with the Audited Accounts for the Financial Year ended 31st March, 2022.

1. FINANCIAL HIGHLIGHTS:

The summary of the Financial Results of the Company for the Financial Year ended on 31st March, 2022 is as follows:

Particulars	Standalone		(Amount in Rs. Lakhs') Consolidated	
	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021
Income				
Revenue from Operations	3.56	9,885.53	11,179.56	18,355.47
Other Income	55.37	29.18	177.13	115.70
Total Income	58.93	9,914.71	11,356.69	18,471.17
Less: Total Expenditure	9.09	2,075.81	10,277.88	10,420.01
Profit / (Loss) Before Exceptional Items, Extraordinary Items and Tax	49.84	7,838.90	1,078.81	8,051.16
Exceptional Item	-	-	-	-
Extraordinary Item	-	-	-	-
Profit / (Loss) Before Tax	49.84	7,838.90	1,078.81	8,051.16
Less: Current Tax			319.04	181.40
Earlier year tax adjustments			-	3.73
Less: Deferred tax expenses / (credit)	14.48	2,495.27	(107.57)	2,341.01
Profit/(Loss) for after tax	35.36	5,343.63	867.34	5,525.02

2. **PERFORMANCE REVIEW OF THE BUSINESS OF THE COMPANY:**

Standalone Financials: For the Financial Year ended on 31st March 2022, the Company has Net profit of Rs. 35.36 (Previous year Net Profit Rs. 5,343.63 (Amount in Rs. Lakhs)

Consolidated Financials: For the Financial Year ended on 31st March 2022, the Company has consolidated Net Profit of Rs. 867.34 (Previous year consolidated Net Profit Rs. 5,525.02. (Amount in Rs. Lakhs)

3. **DIVIDEND:**

Considering the financial position of the Company, your Directors do not propose any dividend for the period under review.

4. **TRANSFER TO RESERVES:**

No amount was transferred and/or required to be transferred to the Reserves during the period under review.

5. **STATE OF COMPANY'S AFFAIRS:**

During the year under review, the Company has acquired 49,14,000 Equity Shares of Rs. 10/- each fully paid up at the premium of Rs. 30.70/- per share amounting to Rs. 19,99,99,800/- of its wholly owned subsidiary Company Svatanttra Micro Housing Finance Corporation Limited.

During the year under review, the Company has also acquired 2,50,00,000 Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) of Rs. 100/- each fully paid up amounting to Rs. 2,50,00,00,000/- of Svatanttra Microfin Private Limited, a Non-Banking Financial Company engaged in the business of providing microfinance loan to women entrepreneurs in Rural India.

6. **CHANGE IN NATURE OF BUSINESS:**

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

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

There are no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year to which the financial statement relate and the date of the this report.

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

There are no significant material orders passed by the regulators/courts/tribunals which would impact the going concern status of the Company and its future operations.

9. **DETAILS OF SUBSIDIARY/JOINT VENTURES / ASSOCIATE COMPANY:**

The details of subsidiary company is as follows:

Sr. No.	Name of Company	Type	Date of becoming subsidiary
1	Svatantra Micro Housing Finance Corporation Limited (Erstwhile known as Micro Housing Finance Corporation Limited) Regd. Office: Office no 1,2,3,4, Ground floor, Pushpak CHSL, Malaviya Road, Vile Parle (East) Mumbai – 400057	Subsidiary	15.09.2018

The Company does not have any joint ventures or Associate Company as on financial year ended 31st March, 2022 and date of this report.

There are no Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the year under review.

10. **SHARE CAPITAL:**

During the year under review, the Authorised Share Capital of the Company has increased from Rs. 1000,00,00,000/- (Rupees One Thousand Crores Only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each and 8,00,00,000 (Eight Crores) Preference Shares of Rs. 100/- (Rupees One Hundred only) each to Rs. 1500,00,00,000/- (Rupees One Thousand Five Hundred Crores Only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each and 13,00,00,000 (Thirteen Crores) Preference Shares of Rs. 100/- (Rupees One Hundred only) each by creating additional 5,00,00,000 (Five Crores) Preference Shares of 100/- (Rupees One Hundred Only) each

During the year under review, the Company has made following allotments –

Sr. No.	Security	Maturity Period	Date of allotment	No. of securities allotted	Issue Price per security (Rs.)	Amount (Rs.)
1	6% Compulsorily Convertible Non-Cumulative Preference Shares ("CCPS")	10 Years	30.09.2021	75,00,000	100	75,00,00,000
2	6% Compulsorily Convertible Non-Cumulative Preference Shares ("CCPS")	10 Years	31.12.2021	1,00,00,000	100	1,00,00,00,000
3	6% Compulsorily Convertible Non-Cumulative Preference Shares ("CCPS")	10 Years	29.03.2022	95,00,000	100	95,00,00,000
Total				2,70,00,000	100	2,70,00,00,000

As on 31st March 2022, the paid-up capital of the Company stood at Rs. 9,39,10,00,000/- (Rupees Nine Hundred Thirty-Nine Crores and Ten Lakhs Only) divided into 1,00,000 (One Lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each and 9,39,00,000 (Nine Crore Thirty-Nine Lakhs) Preference Shares of Rs. 100/- (Rupees One Hundred only) each.

11. CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the Companies Act, 2013 ("the Act") and Indian Accounting Standard applicable on Consolidated Financial Statements, the audited consolidated financial statement is presented in addition to the standalone audited financial statements of the Company.

12. PUBLIC DEPOSITS:

During the period under review, the company has not accepted any deposit from the public as covered under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

13. DISCLOSURE REGARDING COST RECORD:

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

14. SECRETARIAL AUDIT:

The requirement for appointment of Secretarial Auditor and conducting Secretarial Audit under Section 204(1) of Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

15. APPOINTMENT OF INDEPENDENT DIRECTOR:

The requirement for appointment of Independent Director under Section 149 of Companies Act, 2013 read with relevant Rules are not applicable to the Company.

16. COMPLIANCE OF APPLICABLE LAWS AND SECRETARIAL STANDARDS:

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

17. STATUTORY AUDITORS:

Suresh Surana & Associates LLP, Chartered Accountants [Firm Registration No. 121750W/W-100010] vide their letter dated 29th October 2021 resigned from the position of Statutory Auditors of the Company, resulting into a casual vacancy in the office of Statutory Auditors of the Company as per section 139(8) of the Companies Act, 2013.

In order to fill the casual vacancy caused due to the resignation M/s. Suresh Surana & Associates LLP as a Statutory Auditor, M/s P Y S & Co. LLP, Chartered Accountants, (Firm Registration No. 012388S/S200048) appointed as Statutory Auditor of the Company in the Third Annual General Meeting of the Company held on 6th November, 2021. The Company also appointed M/s P Y S & Co. LLP as Statutory Auditor in the Third Annual General Meeting to hold office for a period of five years from the conclusion of Third Annual General Meeting until the conclusion of the Eighth Annual General Meeting of the Company to be held in the year 2026 at such remuneration plus applicable taxes, and out of pocket expenses, as may be duly approved by the Board of Director of the Company in consultation with the Auditors

18. AUDITOR'S REPORT:

M/s P Y S & Co. LLP, Chartered Accountants, (Firm Registration No. 012388S/S200048) Statutory Auditors for the Company who conducted the audit for the period commencing from 01st April, 2021 to 31st March, 2022 have submitted their report. The Notes to the Accounts forming part of Financial Statements are self-explanatory and do not call for any further comments.

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

19. EXTRACT OF THE ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as *Annexure I*.

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

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 regarding Conservation of energy, Technology absorption, and research and development are not applicable to the Company.

During the year under review, the foreign exchange inflow and outflow was NIL.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a. Composition of Board of Directors:

As on 31st March, 2022, the Board of the Company is duly constituted as per the Companies Act, 2013, with the following as the Members:

Mr. Anil Chirania	-	Director
Mr. Shriram Jagetiya	-	Director

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

b. Changes in the Composition of Board of Directors:

During the year under review, there is no change in the composition of Board of Director of the Company.

c. Key Managerial Personnel:

The following are the Key Managerial Personnel as on 31st March, 2022:

Mr. Rohit Sahu – Company Secretary

During the year under review, there are no changes in Key Managerial Personnel of the Company.

22. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the period commencing from 01st April, 2021 to 31st March, 2022, 13 (Thirteen) Meetings of the Board of Directors of the Company were held. The attendance of the Board of Directors in these Meetings were as follows:

Sr. No.	No. of the Board Meeting	Date of the Board Meeting	No. of Directors Present
1.	1/2021-22	03.04.2021	2
2.	2/2021-22	02.07.2021	2
3.	3/2021-22	11.08.2021	2
4.	4/2021-22	03.09.2021	2
5.	5/2021-22	11.09.2021	2
6.	6/2021-22	30.09.2021	2
7.	7/2021-22	29.10.2021	2
8.	8/2021-22	03.12.2021	2
9.	9/2021-22	11.12.2021	2
10.	10/2021-22	31.12.2021	2
11.	11/2021-22	02.03.2022	2
12.	12/2021-22	11.03.2022	2
13.	13/2021-22	29.03.2022	2

Name of Directors	No. of Board Meetings during the period commencing from 01.04.2021 to 31.03.2022		
	Held	Eligible to attend	Attended
Mr. Anil Chirania	13	13	13
Mr. Shriram Jagetiya	13	13	13

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year under review, the Company has acquired 49,14,000 Equity Shares of Rs. 10/- each fully paid up at the premium of Rs. 30.70/- per share amounting to Rs. 19,99,99,800/- of its wholly owned subsidiary Company Svatantra Micro Housing Finance Corporation Limited.

During the year under review, the Company has also acquired 2,50,00,000 Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) of Rs. 100/- each fully paid up amounting to Rs. 2,50,00,00,000/- of Svatantra Microfin Private Limited, a Non-Banking Financial Company engaged in the business of providing microfinance loan to women entrepreneurs in Rural India.

However, being an Investment Company, Section 186 of the Companies Act, 2013 is not applicable to the Company.

During the year under review the Company has given Corporate Guarantee of Rs. 1,30,00,00,000/- (Rupees One Hundred and Thirty Crores only) to National Housing Bank (NHB) on behalf of its wholly owned subsidiary Svatantra Micro Housing Finance Corporation Limited and the same is exempt under the provision of Section 186 of Companies Act, 2013.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other related parties which may have potential conflict with the interest of the Company at large.

25. CORPORATE SOCIAL RESPONSIBILITY (CSR):

As on 31st March, 2021, the net worth of the Company crosses the threshold limit as provided in Section 135(1) of the Companies Act, 2013 which mandates the Company to constitute the CSR Committee during the financial year 2021-22. However as per Section 135(9) of Company Act, 2013 where the amount to be spent on does not exceed Rs. 50 Lakhs during the financial year the requirement of constitution of CSR Committee shall not be applicable and Board of Directors of such Company can discharge the functions of CSR Committee. Since Company does not require to spend any amount on CSR during the Financial Year 2021-22 it does not require to constitute CSR Committee.

As per the requirement of Section 135 of the Companies Act, 2013 read with relevant rules, disclosures to include an annual report on CSR activities containing the particulars specified in the Rules are not attached hereto as the same is not applicable on the Company.

26. **STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURES:**

Pursuant to Sub-section (3) of the Section 129 of the Act, the statement containing the salient features of the financial statement of Company's subsidiary or subsidiaries, associate company or companies and joint ventures is given as ***Annexure II***.

Further, brief about the business of the Subsidiary is given hereunder –

Svatantra Micro Housing Finance Corporation Limited (Erstwhile known as Micro Housing Finance Corporation Limited)

Svatantra Micro Housing Finance Corporation Limited (Erstwhile known as Micro Housing Finance Corporation Limited), which is a subsidiary of the Company is a Housing Finance Company registered with National Housing Bank (NHB) that provides housing finance to lower income households in urban India.

The financial statement of Svatantra Micro Housing Finance Corporation Limited for financial year ended 31st March, 2022 have been prepared in accordance with Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standard) Rules, 2015 and other relevant provisions of the Act.

As on 31st March, 2022, the total revenue of Svatantra Micro Housing Finance Corporation Limited was Rs. 11,363.26 (Previous Year - Rs. 9,230.18) and the Net Profit after tax was Rs. 869.78 (Previous Year - Rs. 577.60). (Amount in Rs. Lakhs)

27. **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Sub-Section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained/ received from the operating management, your Directors make the following statement and confirm that:

- (a) in the preparation of the annual accounts for the period under review, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the period ended on 31st March, 2022 and of the Profit of the company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a 'going concern basis';
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12):

There are no frauds detected by the Auditors which needs to be reported under Section 143(12) of the Companies Act, 2013.

29. RISK MANAGEMENT:

The Company has duly adopted the Risk Management Policy as per the requirement of the Companies Act, 2013. Further, adequate care has been taken in its implementation by identifying various element of risk which may cause serious threat to the existence of the Company and also the strategy to mitigate such risk(s).

30. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

For the period under review, as per the provisions of Section 143(3)(i) of the Companies Act, 2013 the Company has in place an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022.

31. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company during the period under review.

32. PARTICULARS OF EMPLOYEES:

The information regarding employee remuneration as required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 was not applicable during the period under review.

33. OTHER DISCLOSURES:

- a. Your Company has not issued any shares with differential rights or sweat equity shares.
- b. There is no revision in the financial statements both standalone and consolidated.
- c. The Company has not made any application and there are no proceedings pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.
- d. the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or financial institutions along with the reasons thereof.
– Not Applicable

34. APPRECIATION:

Your Directors take this opportunity to express their deep and sincere gratitude to the Banks, Financial Institutions, Investors, business associates and Employees for their continued assistance, support, confidence and patronage as well as to the Government of India and Regulatory Authorities for their co-operation, unstinted support and guidance during the period and look forward to their continued support in future.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
SVATANTRA HOLDINGS PRIVATE LIMITED**



**ANIL CHIRANIA
(DIRECTOR)
DIN: 01082719**



**SHRIRAM JAGETIYA
(DIRECTOR)
DIN: 01638250**



Date: 20th September, 2022
Place: Mumbai

ANNEXURE – I

**Form MGT-9
EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31st March, 2022
(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014)**

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U67200MH2018PTC309327
2.	Registration Date	11/05/2018
3.	Name of the Company	Svatantra Holdings Private Limited
4.	Category/Sub-category of the Company	Company limited by Shares/Indian Non-Govt Company.
5.	Address of the Registered office & contact details	213, 2 nd Floor, T. V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai- 400030 Contact: 022-24952543
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company):

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
N. A	N.A.	N.A.	N. A

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

No.	Name and Address of Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Svatantra Micro Housing Finance Corporation Limited (Erstwhile known as Micro Housing Finance Corporation Limited) Regd. Office: Office No. 1,2,3,4, Ground Floor, Pushpak CHSL, Malaviya Road, Vile Parle (East) Mumbai – 400057	U67190MH2008PL C182274	Subsidiary	100	Section 2 (87)

C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1,00,000	1,00,000	100	-	1,00,000	1,00,000	100	-

B. Shareholding of Promoters:

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in sharehold ing during the year
		No. of Shares	% of total Shares of the compa ny	%of Shares Pledged / encumbere d to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbere d to total shares	
1	Ms. Ananyashree Birla	90,000	90	-	90,000	90	-	-
2	Mr. Anil Chirania	5,000	5	-	5,000	5	-	-
3	Mr. Shriram Jagetiya	5,000	5	-	5,000	5	-	-

C. Change in Promoters' Shareholding: NIL

D. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): NIL

E. Shareholding of Directors and Key Managerial Personnel:

excess of Rs 1 lakh									
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	6,69,00,000	6,69,00,000	100	-	9,39,00,000	9,39,00,000	100	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	6,69,00,000	6,69,00,000	100	-	9,39,00,000	9,39,00,000	100	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	6,69,00,000	6,69,00,000	100	-	9,39,00,000	9,39,00,000	100	-

B. Shareholding of Promoters: NIL

C. Change in Promoters' Shareholding: Not Applicable

D. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

S N	Shareholder's Name	Shareholding		Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)			Cumulative Shareholding during the year	
		No. of shares at the beginning of the year	% of total Preference Shares of the company	Date	Increase/ Decrease	Reason	No. of Shares	% of total Preference shares of the Company
1	Birla Group Holdings Private	10000000	14.95	31.12.2021	Decrease	Transfer	NIL	NIL

	Limited (Earlier Turquoise Investments & Finance Private Limited)							
2	IGH Holdings Private Limited	56900000	85.05	30.09.2021 31.12.2021 31.12.2021 30.03.2021	7500000 10000000 10000000 9500000	Allotment Transfer Allotment Allotment	93900000	100

E. Shareholding of Directors and Key Managerial Personnel: NIL

V. INDEBTEDNESS –

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -

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

B. Remuneration to other directors: NIL

C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
SVATANTRA HOLDINGS PRIVATE LIMITED**



**ANIL CHIRANIA
(DIRECTOR)
DIN: 01082719**



**SHRIRAM JAGETIYA
(DIRECTOR)
DIN: 01638250**



**Date: 20th September, 2022
Place: Mumbai**

Annexure II

Form AOC-1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Svatantra Holdings Private Limited

Part "A": Subsidiaries

(Amount in Rs. Lakhs)

Name of the Subsidiary	Svatantra Micro Housing Finance Corporation Limited (Erstwhile known as Micro Housing Finance Corporation Limited)
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
Share capital	Rs. 4,639.16/-
Reserves & surplus	Rs. 14,986.10/-
Total Assets	Rs.1,27,211.27 /-
Total Liabilities	Rs. 1,27,211.27 /-
Investments	NIL
Turnover	Rs. 11,186.13/-
Profit before taxation	Rs. 1,079.48/-
Provision for taxation	Rs. 209.70/-
Profit after taxation	Rs. 869.78/-
Proposed Dividend	NIL
% of shareholding	100

Names of subsidiaries which are yet to commence operations - Not Applicable

Name of subsidiaries which have been liquidated or sold during the year - Not Applicable

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - Not Applicable

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
SVATANTRA HOLDINGS PRIVATE LIMITED


ANIL CHIRANIA
(DIRECTOR)
DIN: 01082719




SHRIRAM JAGETIYA
(DIRECTOR)
DIN: 01638250



Date: 20th September, 2022

Place: Mumbai

**SVATANTRA HOLDING PRIVATE
LIMITED**

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022**



INDEPENDENT AUDITORS' REPORT

To,
The Members of
Svatantra Holdings Private Limited

Report on the audit of the Standalone Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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



P Y S & Co (a partnership firm) converted into P Y S & Co LLP (a Limited Liability Partnership with LLP Identification No AAG-9715) w.e.f. 20th July 2016.

Mumbai Office : Saraswati Bhuvan, Sahakar Road, Tejpal Scheme Road No. 5, Vile Parle (East), Mumbai - 400 057.

Tel : 9987068582 / 8286051811 Email: emails@pys.ind.in

Registered Office : No. 777/D, New Bridge Corporate Centre, 100 Feet Road, Indiranagar, Bengaluru – 560 038.
Other Offices: New Delhi-NCR and Surat



Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1	Measurement of Investments in accordance with Ind AS 109 "Financial Instruments"	Principal Audit Procedures
	<p>On initial recognition, Investments are recognized at fair value, in case of Investments which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the investments.</p> <p>The Company's investments are subsequently classified into following categories based the objective of its business model to manage the cash flows and options available in the standard:</p> <ul style="list-style-type: none"> •Debt instruments at fair value through profit or loss (FVTPL) •Equity instruments measured at fair value through other comprehensive income FVTOCI. • Compulsorily non-cumulative convertible preference shares measured at fair value through other comprehensive income FVTOCI <p>Since valuation of investments at fair value involves critical assumptions, significant risk in valuation, the valuation of investments as per Ind AS 109 is determined to be a key audit matter in our audit of the standalone financial statements.</p> <p>Refer note 2.4, 4 and 23 to the standalone financial statements.</p>	<ul style="list-style-type: none"> • Obtained an understanding of the determination of the measurement of the investments and tested the reasonableness of the significant judgements applied by the management; • Evaluated the design of internal controls relating to the measurement and also tested the operating effectiveness of the aforesaid controls; • Obtained valuation certificate of independent valuer in respect of fair value investments; • Verified that the Company has used valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs; • Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.

Information Other than the standalone financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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



Management's Responsibility for the standalone Financial Statements

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

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

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

Auditors' Responsibility for the audit of the standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under the 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 Board of Directors.
- Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

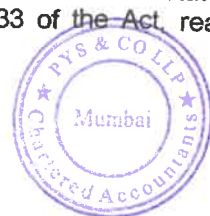
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or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

Other Matter

The comparative standalone financial information of the Company for the year ended March 31, 2021, included in the Standalone Financial Statements, were audited by the then statutory auditors "Suresh Surana & Associates LLP", whose reports dated October 29, 2021, expressed an unmodified opinion on those standalone financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as, it appears from our examination of those books;
 - c) The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and statement of cash flows dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;





- e) On the basis of the written representations received from the directors as on 31 March 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid or provided remuneration to its directors during the year.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 22F no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 22F (ii) to the standalone financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



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

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year

For PYS & CO. LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048



G.D. Joglekar
Partner
Membership No.: 39407
UDIN: 22039407ATIOL1648



Place: Mumbai
Date: 20 September 2022

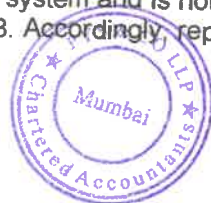
ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements'
of our report of even date)

- i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- According to the information and explanations given to us, there are no Property, Plant and Equipment and Intangible Assets during the year. Hence, paragraphs 3 (i) (a) to 3 (i) (d) of the Order are not applicable to the Company.
 - According to the information and explanations given to us and based on management representations, there are no proceedings initiated or are pending against the Company as at March 31, 2022 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the provisions of paragraph 3 (i)(e) of the Order are not applicable to the Company
- ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of the Company's inventories:
- Considering the nature of business, the Company does not have inventory. In view of this, paragraph 3 (ii) (a) of the Order are not applicable to the Company.
 - During the year, the Company has not been sanctioned working capital limit in excess of Rs. 5 crores from banks or financial institution on the basis of security of current assets. Accordingly, the provisions of paragraph 3 (ii)(b) of the Order are not applicable to the Company
- iii) In respect of the Company's investments, loan, guarantee or security:
- According to information and explanations given to us, the Company has not provided any loan and security to its wholly owned subsidiary. The Company has provided guarantee in relation to loan taken by its wholly owned subsidiary. Further, the Company has not provided any loans or advances in nature of loans or security, secured or unsecured, to companies, firms, limited liability partnerships or any other parties other than above mentioned loan, guarantee and security. (Refer note 20 (B) and 21 to the standalone financial statements).
 - In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest.
 - During the year, the Company has not granted any loans and advances and accordingly, reporting under paragraphs 3(iii)(c) and 3(iii)(d) of the Order is applicable to the Company
 - During the year, no loan or advance has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties and accordingly, reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company.
 - During the year, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment and accordingly, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company
- iv) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made, guarantees, and securities provided, as applicable.





- v) The Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and provision of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder apply.
- vi) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.
- vii) (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including income tax, cess and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial period for a period of more than six months from the date they became payable. As informed, statutory dues in the nature of provident fund, employee state insurance, sales tax, duty of customs, goods and service tax and duty of excise are not applicable to the Company.
- (b) According to information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax and cess which have not been deposited with the appropriate authorities on account of any dispute.
- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) In our opinion and according to information and explanations given to us, the Company does not have any loans or borrowings from banks, financial institutions, government and has not issued any debentures during the year. Hence, paragraphs 3 (ix) (a) to 3 (ix) (f) of the Order are not applicable to the Company.
- x) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraphs 3 (x) (a) and 3 (x) (b) of the Order is not applicable to the Company.
- xi) In respect of frauds and whistle blower complaints:
- a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, we have not come across any instance of material fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by management.
- b) No report under sub-section (12) of section 143 of the Companies 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 upto the date of this report.
- c) According to the information and explanations given to us, we have not come across any instance of whistle blower complaints reported during the year, nor have we been informed of such case by management
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us, in our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable to the Company.





- xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) In respect of the Reserve Bank of India Act, 1934:
- In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraphs 3(xvi)(a) and 3(xvi)(b) of the Order is not applicable to the Company.
 - The Company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
 - According to the information and explanations given to us by the management, the Group has one CIC which is not required to be registered with the Reserve Bank of India.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) During the year, Suresh Surana & Associates LLP, the Statutory auditors of the Company have resigned with effect from 29 October, 2021 consequent to amended rules/regulations applicable to the Company. (i.e. vide RBI circular dated April 27, 2021). As informed, there have been no issues, objections or concerns raised by the said outgoing auditors.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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 the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) In respect of Corporate Social Responsibility (CSR), there are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable for the year to the Company.

For PYS & CO. LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048

G.D. Joglekar
Partner
Membership No.: 39407
UDIN: 22039407ATIOL1648



Place: Mumbai
Date: 20 September 2022



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

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

We have audited the internal financial controls over financial reporting of **Svatantra Holdings Private Limited** (the Company) as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

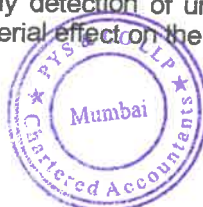
Our responsibility is to express an opinion on the Company internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, prescribed under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

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For PYS & CO. LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048



G.D. Joglekar
Partner
Membership No.: 39407
UDIN: 22039407ATIOL1648



Place: Mumbai
Date: 20 September 2022

Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Standalone Balance sheet as at 31 March 2022

₹ in Lakhs

Particulars		Notes	As at March 31, 2022	As at March 31, 2021
ASSETS				
(1)	Financial assets			
(a)	Cash and cash equivalents	3 (a)	2.59	1.29
(b)	Bank balance other than (a) above	3 (b)	-	0.02
(c)	Investments	4	97,535.59	73,402.65
	Total financial assets		97,538.18	73,403.96
(2)	Non-financial assets			
(a)	Current tax assets (net)	5	-	0.40
	Total non-financial assets		-	0.40
	TOTAL ASSETS		97,538.18	73,404.36
LIABILITIES AND EQUITY				
(A)	LIABILITIES			
(1)	Financial Liabilities			
(a)	Trade payables	7		
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises		2.16	5.52
(b)	Other financial liabilities	8	1,528.30	282.61
	Total financial liabilities		1,530.46	288.13
(2)	Non-financial Liabilities			
(a)	Deferred tax liabilities (net)	6	735.53	1,767.33
(b)	Other non-financial liabilities	9	1.19	1.00
	Total non financial liabilities		736.72	1,768.33
	TOTAL LIABILITIES		2,267.18	2,056.46
(B)	EQUITY			
(a)	Equity share capital	10	10.00	10.00
(b)	Instruments entirely equity in nature	10	93,900.00	66,900.00
(c)	Other equity	11	1,361.00	4,437.90
	TOTAL EQUITY		95,271.00	71,347.90
	TOTAL LIABILITIES AND EQUITY		97,538.18	73,404.36

Summary of Significant accounting policies

2

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached

For PYS & CO. LLP

Chartered Accountants

Firm's Registration No. 012388S/S200048



G.D. Joglekar

Partner

Membership No: 39407



For and on behalf of the Board of Directors of

Svatantra Holdings Private Limited



Anil Chirania

Director

DIN: 01082719



Shriram Jagetiya

Director

DIN: 01638250



Rohit Sahu

Company Secretary

(ACS : A53565)



Place: Mumbai

Date: 20 SEP 2022

Place: Mumbai

Date: 20 SEP 2022

Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Standalone Statement of profit and loss for the year ended 31 March 2022

₹ in Lakhs

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations			
Net gain on fair value changes	12	3.56	9,885.53
Total Revenue from operations		3.56	9,885.53
Other income	13	55.37	29.18
Total income		58.93	9,914.71
Expenses			
Finance costs	14	-	2,065.83
Others expenses	15	9.09	9.98
Total expenses		9.09	2,075.81
Profit/ (loss) before tax		49.84	7,838.90
Tax expense:			
- Current tax		-	-
- Deferred tax expenses / (credit)	17	14.48	2,495.27
		14.48	2,495.27
Profit/ (loss) for after tax		35.36	5,343.63
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
- Gain / (loss) on equity instrument designated at FVOCI		(4,157.19)	(52.00)
- Income tax relating to items that will not be reclassified to profit or loss		1,046.28	13.09
(ii) Items that will be reclassified to profit or loss			
Other comprehensive income, net of income tax		(3,110.91)	(38.91)
Total Comprehensive Income for the year		(3,075.55)	5,304.72
Earnings per equity share			
Basic earnings per share (₹)	18	0.0048	14.8440
Diluted earnings per share (₹)		0.0048	14.8440
Nominal value		10.00	10.00

Summary of Significant accounting policies

2

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached

For PYS & CO. LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048

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

G.D. Joglekar
Partner
Membership No: 39407



Anil Chirania

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya

Shriram Jagetiya
Director
DIN: 01638250

Rohit Sahu

Rohit Sahu
Company Secretary
(ACS : A53565)

Place: Mumbai

Date: 20 SEP 2022

Place: Mumbai

Date: 20 SEP 2022



Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Standalone Statement of Cash Flows for the year ended 31 March 2022

₹ in Lakhs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before Exceptional Items and Tax	49.84	7,838.90
Adjustments for:		
Gain on sale of mutual fund units	(3.56)	(4.07)
Fair value gain on financial assets measured at FVTPL (net)	-	(9,881.46)
Finance cost on preference shares measured at amortised cost	-	2,065.83
Commission income on financial guarantee	(55.34)	(29.18)
Operating loss before working capital changes	(9.06)	(9.98)
Adjustments for:		
Increase / (Decrease) in trade payables	(3.36)	4.97
Increase / (Decrease) in other financial liabilities	-	(149.32)
Increase / (Decrease) in other non-financial liabilities	0.19	(3.05)
Cash generated from / (used in) operations	(12.23)	(157.38)
Income tax paid (net of refund)	0.40	(0.20)
Net cash generated from / (used in) operating activities	(11.83)	(157.58)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investment in subsidiary-Equity Shares	(2,000.00)	(1,500)
Purchase of investment in other Company - Preference Shares	(25,000.00)	(17,500)
Increase / (decrease) in escrow account balance	(0.02)	149.32
(Purchase) / sale of investments in mutual fund units (net)	14.49	9.00
Net cash generated from / (used in) investing activities	(26,985.53)	(18,841.68)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of preference shares capital	27,000.00	19,000.00
Transaction costs paid	(1.35)	(0.95)
Net cash (used in) / generated from financing activities	26,998.65	18,999.05
Net increase/ (decrease) in cash and cash equivalents	1.29	(0.21)
Cash and cash equivalent at beginning of year	1.29	1.50
Cash and cash equivalent at end of year	2.59	1.29
Net increase/(decrease) as disclosed above	1.30	(0.21)
Cash and cash equivalents of closing balance comprise of:		
Cash on hand	0.02	0.02
Balances with banks accounts	2.57	1.27
	2.59	1.29

Summary of Significant accounting policies

2

The accompanying notes are an integral part of standalone financial statements

Note:

The above Statement of Cash Flows is prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows".

As per our report of even date attached

For PYS & CO. LLP

Chartered Accountants

Firm's Registration No. 012388S/S200048

G.D. Joglekar

G.D. Joglekar
Partner

Membership No: 39407



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

Anil Chirania

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya

Shriram Jagetiya
Director
DIN: 01638250

Rohit Sahu

Rohit Sahu
Company Secretary
(ACS : A53565)



Place: Mumbai

Date: 20 SEP 2022

Place: Mumbai

Date: 20 SEP 2022

Svatantra Holdings Private Limited

CIN: U67200MH2018PTC309327

Standalone Statement of changes in equity for the year ended 31 March 2022

A. Share capital

₹ in Lakhs

Particulars	No of shares	Amount
Balance at 01 April 2020	1,00,000	10.00
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting year	-	-
Issued during the year	-	-
Balance at 31 March 2021	1,00,000	10.00
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting year	-	-
Issued during the year	-	-
Balance at 31 March 2022	1,00,000	10.00

B. Instruments entirely equity in nature

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

₹ in Lakhs

Particulars	No of shares	Amount
Balance at 01 April 2020	-	-
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting year	-	-
Issued during the year	1,90,00,000.00	19,000.00
Conversion due to change in terms of 8% Non-convertible non-cumulative redeemable preference shares to 6% Compulsorily convertible non-cumulative preference shares (refer note 10)	4,79,00,000.00	47,900.00
Balance as at 31 March 2021	6,69,00,000.00	66,900.00
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting year	-	-
Issued during the year	2,70,00,000.00	27,000.00
Balance at 31 March 2022	9,39,00,000.00	93,900.00

C. Other equity

₹ in Lakhs

Particulars	Reserves and surplus		Items of other comprehensive income	Total
	Retained earnings	Equity component of financial instrument	Equity Instrument through other comprehensive income	
Balance at the closing of the reporting period i.e. 01 April 2020	(6,730.03)	29,952.36	1,730.12	24,952.45
Profit/ (loss) for the year	5,343.63	-	-	5,343.63
Other comprehensive income for the year	-	-	(38.91)	(38.91)
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	(0.95)	-	-	(0.95)
Derecognition of 8% Non convertible non cumulative redeemable preference shares	4,134.04	(29,952.36)	-	(25,818.32)
Balance at the closing of the reporting period i.e. 31 March 2021	2,746.69	-	1,691.21	4,437.90
Profit/ (loss) for the year	35.36	-	-	35.36
Other comprehensive income for the year	-	-	(3,110.91)	(3,110.91)
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	(1.35)	-	-	(1.35)
Balance at the closing of the reporting period i.e. 31 March 2022	2,780.70	-	(1,419.70)	1,361.00

Summary of Significant accounting policies

2

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached

For PYS & CO. LLP

Chartered Accountants

Firm's Registration No. 012388S/S200048

G.D. Joglekar

G.D. Joglekar

Partner

Membership No: 39407



For and on behalf of the Board of Directors of

Svatantra Holdings Private Limited

Anil Chirania *Shriram Jagetiya*

Anil Chirania

Director

DIN: 01082719

Shriram Jagetiya

Director

DIN: 01638250

Rohit Sahu

Rohit Sahu

Company Secretary

(ACS : A53565)

Place: Mumbai

Date: 20 SEP 2022



Place: Mumbai

Date: 20 SEP 2022

Svatantra Holdings Private Limited

CIN: U67200MH2018PTC309327

Notes to the Standalone financial statements for the year ended 31 March 2022

1 CORPORATE INFORMATION

Svatantra Holdings Private Limited ("the Company") was incorporated on 11 May 2018 under the Companies Act, 2013 and registered at Registrar of Companies, Mumbai, Maharashtra and its registered office at 213, Second Floor, TV Industrial Estate, 52, SK Ahire Marg, Worli, Mumbai - 400030.

The Company is a Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India (RBI) on August 25, 2016. Further, the Board of Directors of the Company have passed a resolution on 21 May 2018 confirming that the Company shall not access public funds at any point of time without obtaining registration with RBI.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements:

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and on the basis of accounting principle of a going concern in accordance with generally accepted accounting principles (GAAP). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been presented in accordance with Schedule III-Division III General Instructions for Preparation of financial statements of a Non-Banking Financial Company (NBFC) that is required to comply with Ind AS.

The financial statements for the year ended 31 March 2022 were authorised and approved for issue by the Board of Directors on 20 September 2022

Functional and presentation currency:

The financial statements are presented in Indian Rupees, rounded off to the nearest lakhs and decimal thereof which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.2 Use of judgment and estimates:

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected and, if material, the effects of such changes are disclosed in the notes to financial statement.

2.3 Measurement of Fair value

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries,) at fair values at each Balance Sheet date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the company has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price.

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



Level 1: are quoted prices (unadjusted) in active markets for identical assets and / or liabilities that the entity can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term.

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there are no quoted prices in an active market, then the Company uses a valuation technique that maximize the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

2.4 Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

Financial Asset Other than Equity instrument at amortised cost

A 'Financial Asset' is measured at the amortised cost if both the following conditions are met:

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

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

Financial Asset at Fair value through Other Comprehensive Income (FVOCI)

Financial Asset ' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

Financial Asset at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.



Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognised in the Statement of Profit or Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

2.5 Financial Liabilities

Initial recognition and measurement

Financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

Financial Liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the effective interest rate ("EIR") method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss. However, if the lender is directly or indirectly acting as shareholder or member of the promoter group then any loss or gain is recognised directly in to equity.



Svatantra Holdings Private Limited

CIN: U67200MH2018PTC309327

Notes to the Standalone financial statements for the year ended 31 March 2022

Financial Guarantee Obligations:

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations. The Company's guarantees in relation to loans of subsidiary are provided for no compensation, the fair values as on the date of transition are accounted for as contributions and recognised as part of the cost of the equity investment.

Offsetting of financial instruments

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

Initial recognition gain or loss (Day 1 gain or loss)

In case a financial instrument for which transaction price differs from fair value and fair value is evidenced through quoted price in active market (i.e., level 1) or based on valuation technique that uses data from observable market inputs, the Company shall recognise the difference between the fair value at initial recognition and transaction price as gain or loss.

With respect to financial instruments, the Company on case to case basis understand the reason for any difference between the fair value at initial recognition and transaction price. This could be capital contribution or deemed contribution or deemed distribution or consideration for goods and services depending upon circumstances. In all other cases, at the measurement required by paragraph 5.1.1 Ind AS 109, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the entity shall recognise that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

2.6 Finance charges:

Finance Charges are recognised as an expense in the period in which they are incurred.

2.7 Revenue recognition:

Profit or loss on sale of investments is recognised on the date of sale of mutual fund units and is determined as the difference between the sale price and the carrying value of the investments.

Net gain on fair value changes

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

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

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

2.8 Taxation:

Tax expense comprises of current and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is a reasonable certainty / virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

In case of unabsorbed depreciation or carried forward losses under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.



2.9 Provisions, contingent liabilities and assets:

The Company creates a provision when there is a present obligation as 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. Where 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.

Contingent assets are neither recognized nor disclosed in the financial statements.

2.10 Cash and Cash Equivalents

The Cash flow statement is prepared under the "indirect method" and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

2.11 Earnings Per Share:

The basic earnings per share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.12 Transactions in foreign currencies:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the date of the balance sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement and translation of monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary foreign currency items are carried at historical cost.

2.13 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.



Svatantra Holdings Private Limited

CIN: U67200MH2018PTC309327

Notes to the Standalone financial statements for the year ended 31 March 2022

3 a) Cash and cash equivalents

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	0.02	0.02
Balances with banks - In current account	2.57	1.27
Total	2.59	1.29

b) Other Bank Balances

₹ in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Other Bank Balances - In escrow account*	-	0.02
Total	-	0.02

* Escrow account balance lien to erstwhile promoters of subsidiary Company.



Particulars	As at March 31, 2022					Total
	Amortised cost	Through other comprehensive income	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Subtotal	
(I) Units of Mutual Fund 28,143,618 Units of Aditya Birla Sunlife Liquid Fund - Growth - Direct	-	-	96.57	-	96.57	96.57
(II) Equity instruments - Unquoted - in subsidiary 4,63,91,575* Equity shares of Svatantra Micro Housing Finance Corporation Limited of ₹ 10 each fully paid-up**	-	-	-	-	-	40,115.71
- in other company 40,000,000 Equity shares of Svatantra Microfin Private Limited of ₹ 10 each fully paid-up	-	5,576.00	-	-	5,576.00	5,576.00
(III) Preference instruments - Unquoted - in other company 5,05,00,000 5% Compulsory Convertible Non-Cumulative Preference Shares of ₹ 100 each fully paid-up of Svatantra Microfin Private Limited #	-	51,747.31	-	-	51,747.31	51,747.31
Total - Gross (A)	-	57,323.31	96.57	-	57,419.88	97,535.59
(A) Investments outside India	-	-	-	-	-	-
(B) Investments in India	-	57,323.31	96.57	-	57,419.88	97,535.59
Total - Gross (B)	-	57,323.31	96.57	-	57,419.88	97,535.59
Total of (A) to tally with (B)	-	-	-	-	-	-
Less: Impairment loss allowance (C)	-	-	-	-	-	-
Total - Net [D = (A) - (C)]	-	57,323.31	96.57	-	57,419.88	97,535.59

*Including 6 equity shares held by others as nominee of the Company.

During the year, the Company has invested in 25,000,000 5% Compulsory convertible non-cumulative preference shares of ₹ 100 each ('CCPS') for cash at par aggregating to ₹ 25,000.00 Lakhs in three tranches as detailed below. The CCPS shall carry a fixed rate of dividend of 5% on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The CCPS shall be compulsorily convertible into fixed number of equity shares at mutually agreed price.

Allotment details	₹ in Lakhs		
	Allotment date	No. of shares	Amount
7,500,000 CCPS of ₹ 100 each	30-Sep-21	75,00,000	7,500.00
1,00,00,000 CCPS of ₹ 100 each	04-Jan-22	1,00,00,000	10,000.00
7,500,000 CCPS of ₹ 100 each	30-Mar-22	75,00,000	7,500.00



Svatantra Holdings Private Limited

CIN: U67200MH2018PTC309327

Notes to the Standalone financial statements for the year ended 31 March 2022

5 Current tax assets (net)

₹ in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Advance income tax	-	0.40
Total	-	0.40

6 Deferred tax assets/ (liabilities) (net)

₹ in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets:		
On the account of Expenses allowable on section 35D	0.20	0.39
Less: Deferred tax liabilities:		
Fair value gain / (loss) on investments	(714.45)	(1,760.38)
Financial guarantee commission	(21.28)	(7.34)
Total	(735.53)	(1,767.33)

7 Trade payables

₹ in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	2.16	5.52
Total	2.16	5.52

Trade Payables - Ageing Schedule (FY 2021-2022)

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues -MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-
(v) Unbilled	-	-	-	-	2.16
Total	-	-	-	-	2.16

Trade Payables - Ageing Schedule (FY 2020-2021)

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues -MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-
(v) Unbilled	-	-	-	-	5.52
Total	-	-	-	-	5.52



Svatantra Holdings Private Limited

CIN: U67200MH2018PTC309327

Notes to the Standalone financial statements for the year ended 31 March 2022

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

₹ in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

8 Other financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Payable to erstwhile promoters of subsidiary company	-	0.03
Unearned financial guarantee commission	1,528.30	282.58
Total	1,528.30	282.61

9 Other non-financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory liabilities	1.19	1.00
Total	1.19	1.00



10 Share capital

(a) Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	₹ in Lakhs	No. of shares	Amount
Authorised :				
Equity shares of ₹ 10 each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
Preference share capital of ₹ 100 each	13,00,00,000	1,30,000.00	8,00,00,000	80,000.00
		1,50,000.00		1,00,000.00
Issued, subscribed and fully Paid-Up				
Equity shares of ₹ 10 each, fully paid up	1,00,000	10.00	1,00,000	10.00
Total issued, subscribed and fully paid up equity share capital		10.00		10.00

(ii) Rights preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Reconciliation of number and amount of shares outstanding:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Equity shares				
Shares outstanding at the beginning of the year	1,00,000	10.00	1,00,000	10.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,00,000	10.00	1,00,000	10.00

(iv) Shares in the Company held by each shareholders holding more than 5 percent shares:

Name of shareholder	As at 31 March, 2022		As at 31 March, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ananyashree Birla	90,000	90%	90,000	90.00%

v) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2022 is as follows

Name of the Promoters	As at 31-03-2022		As at 31-03-2021		% change
	Nos.	% Holding	Nos.	% Holding	
Ananyashree Birla	90,000	90.00%	90,000	90.00%	-
Anil Chirania	5,000	5.00%	5,000	5.00%	-
Shriram Jagetiya	5,000	5.00%	5,000	5.00%	-

Disclosure of shareholding of promoters as at 31 March 2021 is as follows

Name of the Promoters	As at 31-03-2021		As at 31-03-2020		% change
	Nos.	% Holding	Nos.	% Holding	
Ananyashree Birla	90,000	90.00%	90,000	90.00%	-
Anil Chirania	5,000	5.00%	5,000	5.00%	-
Shriram Jagetiya	5,000	5.00%	5,000	5.00%	-

(vi) Shares issued for consideration other than cash

The Company has not issued/ allotted any shares pursuant to contracts without payment being received in cash, nor issued any bonus shares nor there has been buy back of shares since incorporation i.e. 11 May 2018.

(b) Instruments entirely equity in nature

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
6 % Compulsory convertible non cumulative preference shares (CCPS) of ₹ 100 each fully paid up	9,39,00,000	93,900	6,69,00,000	66,900

(ii) Rights preferences and restrictions attached to preference shares

The CCPS shall carry a fixed rate of dividend of 6% on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The payment of dividend on CCPS will be on non-cumulative basis. The CCPS shall be compulsorily convertible into equity shares of the Company after the expiry of 10 years from the date of allotment of CCPS in the ratio of 10:1 i.e. 1 CCPS of ₹ 100 each fully paid up shall be convertible into 10 Equity shares of ₹ 10 each fully paid up. The CCPS will carry preferential rights vis-a-vis Equity Shares of the Company with respect to payment of dividend or repayment of capital during winding up. The CCPS holders shall not be entitled to participate in the surplus funds of the Company. The CCPS holders shall be non-participating in the surplus assets and profits on winding up which may remain after the entire capital has been repaid. The CCPS holders shall carry voting rights as per the provisions of Memorandum and Articles of the Company. All other terms, conditions and rights of the preference shareholders shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the Companies Act, 2013.



(iii) Reconciliation of number and amount of shares outstanding:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	6,69,00,000	66,900.00	-	-
Shares issued during the year	2,70,00,000	27,000.00	1,90,00,000	19,000.00
Conversion of terms of 8% non cumulative redeemable preference shares to 6% compulsorily convertible non cumulative preference shares	-	-	4,79,00,000	47,900.00
Shares outstanding at the end of the year	9,39,00,000	93,900.00	6,69,00,000	66,900.00

Allotment details	Allotment date	₹ in Lakhs
10,000,000 CCPS of ₹ 100 each	28-Sep-18	10,000.00
22,500,000 CCPS of ₹ 100 each	28-Sep-18	22,500.00
4,00,000 CCPS of ₹ 100 each	12-Dec-18	400.00
5,000,000 CCPS of ₹ 100 each	03-Sep-19	5,000.00
2,500,000 CCPS of ₹ 100 each	31-Dec-19	2,500.00
3,500,000 CCPS of ₹ 100 each	06-Feb-20	3,500.00
4,000,000 CCPS of ₹ 100 each	30-Mar-20	4,000.00
6,500,000 CCPS of ₹ 100 each	30-Sep-20	6,500.00
12,500,000 CCPS of ₹ 100 each	30-Mar-21	12,500.00
7,500,000 CCPS of ₹ 100 each	30-Sep-21	7,500.00
10,000,000 CCPS of ₹ 100 each	31-Dec-21	10,000.00
9,500,000 CCPS of ₹ 100 each	29-Mar-22	9,500.00
		93,900.00

(iv) Shares in the Company held by each shareholders holding more than 5 percent shares:

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Birla Group Holdings Private Limited *	-	-	1,00,00,000	14.95%
IGH Holdings Private Limited	9,39,00,000	100.00%	5,69,00,000	85.05%
Total	9,39,00,000	100.00%	6,69,00,000	100.00%

* During Financial year 2021-22 Birla Group Holdings Private Limited has sold the 6% compulsorily convertible non cumulative preference shares to IGH Holdings Private Limited.

v) Disclosure of Shareholding of Promoters

There is no promoters shareholding in preference share capital as at 31 March 2022 and as at 31 March 2021.

11 Other equity

₹ in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Retained earnings		
At the beginning of the year	2,746.69	(6,730.03)
Profit / (loss) for the current year	35.36	5,343.63
Derecognition of 8% Non convertible non cumulative redeemable preference shares	-	4,134.04
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	(1.35)	(0.95)
Closing balance of retained earnings (A)	2,780.70	2,746.69
(ii) Equity component of financial instrument		
At the beginning of the year	-	29,952.36
Derecognition of 8% Non convertible non cumulative redeemable preference shares	-	(29,952.36)
Closing balance of Equity component of financial instrument (B)	-	-
(iii) Other comprehensive income		
Equity Instrument through other comprehensive income		
At the beginning of the year	1,691.21	1,730.12
Other comprehensive income for the year	(3,110.91)	(38.91)
Closing balance of other comprehensive income (C)	(1,419.70)	1,691.21
Total (A+B+C)	1,361.00	4,437.90



12 Net gain/ (loss) on fair value changes

₹ in Lakhs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss		
- Investments in mutual funds	3.56	4.07
- Investments in preference shares	-	9,881.46
	3.56	9,885.53
Total net gain/ (loss) on fair value changes		
Fair value changes:		
- Realised	0.30	0.19
- Unrealised*	3.26	9,885.34
Total net gain/ (loss) on fair value changes	3.56	9,885.53

* Also refer note 4

13 Other Income

₹ in Lakhs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Commission income on financial guarantee	55.34	29.18
Interest on Income tax refund	0.03	-
Total	55.37	29.18

14 Finance costs

₹ in Lakhs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
On financial liabilities measured at amortised costs		
Finance cost on preference shares measured at amortised cost	-	2,065.83
Total	-	2,065.83

15 Other expenses

₹ in Lakhs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Legal and professional charges	5.06	7.54
Payments to Auditors'		
- Audit fees	2.36	2.36
- Taxation matters	1.42	-
- Reimbursement of expenses	0.17	0.03
Miscellaneous expenses	0.08	0.05
Total	9.09	9.98



Svatantra Holdings Private Limited

CIN: U67200MH2018PTC309327

Notes to the standalone financial statements for the year ended 31 March 2022**16 Contingent liabilities and capital commitments not provided for:**

- a) There is no contingent liability as on the balance sheet date.
b) There are no contracts remaining to be executed on capital account and not provided for as at 31 March 2022.

17 Tax expense

₹ in Lakhs		
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax expense		
Current tax for the year	-	-
Total	-	-
Deferred taxes		
Relating to origination and reversal of temporary differences	14.48	2,495.27
Net deferred tax expense	14.48	2,495.27
Income tax expense recognised in statement of profit and loss	14.48	2,495.27

Tax reconciliation

₹ in Lakhs		
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before income tax expense	49.84	7,838.90
Statutory income tax rate	25.1680%	25.1680%
Tax at statutory income tax rate	12.54	1,972.89
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax impact on non deductible items / additional deductible	(0.54)	519.67
Business loss on which differed tax was not created	2.48	2.71
Income tax expense recognised in statement of profit and loss	14.48	2,495.27

18 Basic and diluted earnings per share

₹ in Lakhs		
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net Profit/(Loss) after tax attributable to equity holders (₹ in Lakhs)	35.36	5,343.63
Weighted average number of equity shares outstanding (numbers) - Basic and diluted*	73,24,15,068	3,59,98,630
Basic and diluted earnings per share (Nominal Value of share ₹ 10) (₹)	0.0048	14.8440

* Weighted average number of equity shares outstanding as at 31 March 2022 includes compulsorily convertible non cumulative preference shares

19 Segment Reporting:

In accordance with Indian Accounting Standard (Ind AS) 108, the Company operates in a single operating segment i.e. "Investment Activity" within India. Accordingly, no separate disclosure is required. The Board of Directors of the Company are collectively Chief Operating Decision Makers (CODMs) of the Company.



Svatantra Holdings Private Limited

CIN: U67200MH2018PTC309327

Notes to the standalone financial statements for the year ended 31 March 2022**20 Related Party Transactions:****(A) Relationships:****a) Subsidiary**

Svatantra Micro Housing Finance Corporation Limited

b) Key Management Personnel (KMP)

Mr. Anil Chirania, Director

Mr. Shriram Jagetiya, Director

(B) Following transactions were carried out in the ordinary course of business with the parties referred to in (A) above:**Subsidiary**

₹ in Lakhs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
1) Transactions during the year		
a) Investment made in Equity shares	2,000.00	1,500.00
b) Financial Guarantee given on behalf of subsidiary to National Housing Bank (NHB)	13,000.00	4,600.00
2) Carrying value/ outstanding balances		
a) In Equity shares	40,115.71	36,814.64
b) Financial Guarantee given on behalf of subsidiary to National Housing Bank (NHB)	17,600.00	4,600.00

21 The Company was incorporated as a Private Limited Company on May 11, 2018 under the provisions of the Companies Act, 2013 ("Act"). The Company has become a Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India (RBI) on August 25, 2016 (as amended). Thus, particulars of loans and investments under the provisions of Section 186 of the Act are not applicable to the Company.

Additional information as required under Section 186 (4) of the Companies Act, 2013 during the year:

₹ in Lakhs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Financial Guarantee given on behalf of subsidiary to National Housing Bank (NHB)	17,600.00	4,600.00
Maximum outstanding	17,600.00	4,600.00



22 Additional Regulatory Information under MCA Notification dated March 24, 2021

- a) Details of Benami Property held: There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- b) Relationship with Struck off Companies : During the year, the Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- c) Registration of charges or satisfaction with Registrar of Companies (ROC): The Company does not have any borrowings during the year. Hence, there is no requirement to create any charges with ROC.
- d) Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- e) Compliance with approved Scheme(s) of Arrangements: NA
- f) Utilisation of Borrowed funds and share premium:
During the financial year ended March 31, 2022, other than the transactions undertaken in the normal course of business.
(i). No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii). No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- g) Undisclosed Income: The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.
- h) Details of Crypto Currency or Virtual Currency: The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- i) Capital work in progress (CWIP), Property plant and equipment and Intangible asset: The Company does not have any CWIP, Property plant and equipment and Intangible asset under development.
- j) Financial ratio- Not Applicable



23 Financial Instruments and related disclosures

a) Categories of Financial Instruments

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments:

Particulars	As at 31 March 2022				Fair value
	FVTPL	FVTOCI	Amortized cost	Total Carrying Value	
Financial Assets					
Cash and Cash Equivalents	-	-	2.59	2.59	2.59
Investments *	96.57	57,323.31	-	57,419.88	69,696.20
Total	96.57	57,323.31	2.59	57,422.47	69,698.79
Financial Liabilities					
Trade payables	-	-	2.16	2.16	2.16
Other financial liabilities	-	-	1,528.30	1,528.30	1,528.30
Total	-	-	1,530.46	1,530.46	1,530.46

* Excludes investments measured at cost (Refer note 4).

Particulars	As at 31 March 2021				Fair value
	FVTPL	FVTOCI	Amortized cost	Total Carrying Value	
Financial Assets					
Cash and Cash Equivalents	-	-	1.29	1.29	1.29
Bank Balance other than above	-	-	0.02	0.02	0.02
Investments *	107.51	36,480.50	-	36,588.01	41,126.95
Total	107.51	36,480.50	1.31	36,589.32	41,128.26
Financial Liabilities					
Trade payables	-	-	5.52	5.52	5.52
Other financial liabilities	-	-	282.61	282.61	282.61
Total	-	-	288.13	288.13	288.13

* Excludes investments measured at cost (Refer note 4).





b) Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted preference shares and unquoted equity shares (rights) carried at FVTPL and unquoted equity securities carried at FVTOCI included in level 3.

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022:					
Financial Instruments measured at fair value:					
Investments at fair value through profit and loss (Note 4)	31 March 2022	96.57	96.57	-	-
Investments in mutual fund					
Investments at fair value through OCI (Note 4)	31 March 2022	5,576.00	-	-	5,576.00
Investments in unquoted equity shares	31 March 2022	64,023.63	-	-	64,023.63
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares*					

There have been no transfers between Level 1 and Level 3 during the period.

Reconciliation of deferred Day 1 gain/(loss)

Particulars	₹ in Lakhs	
	31-Mar-22	31-Mar-21
Opening balance	4,538.94	-
Add: Deferred during the year	7,737.38	4,538.94
Less: recognised during the year	-	-
Closing balance	12,276.32	4,538.94

As at 31 March 2022, the Company has deferred gain of ₹ 12,276.32 Lakhs (previous year ₹ 4,538.94 Lakhs) arises on initial measurement of financial assets for which the Level 3 fair value inputs have been used. The Company will recognise aforesaid deferred gain only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021:					
Financial Instruments measured at fair value:					
Investments at fair value through profit and loss (Note 4)	31 March 2021	107.51	107.51	-	-
Investments in mutual fund					
Investments at fair value through OCI (Note 4)	31 March 2021	6,260.00	-	-	6,260.00
Investments in unquoted equity shares	31 March 2021	34,759.44	-	-	34,759.44
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares*					



Notes to the standalone financial statements for the year ended 31 March 2022

There have been no transfers between Level 1 and Level 3 during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- 1) **Investment in Equity Instruments of Subsidiary Company are carried at cost.**
- 2) **Unquoted equity shares fair values have been arrived as per methods prescribed under Ind AS 113 Fair Value Measurement.**
The valuation of unquoted preference shares requires management to make certain assumptions about the model inputs, including forecast of cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted preference shares and bonds. In case of instruments having option to convert with the Company, the management has assigned probable likelihood of conversion depending on equity stake in the target entity, domain of operation and liquidity. Wherever, the probability is low, valuation has been done based on redemption assumptions.

c) Sensitivity of fair value measurements to changes in unobservable market data

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2022 and March 31, 2021 are as shown below:

Description of significant unobservable inputs to valuation:

Particulars	Valuation Technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value	₹ in Lakhs
Investments in Unquoted Equity Instruments	DCF method (Income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2022 CAPM Rate 22.30% 31 March 2021: CAPM Rate 23.50%	Fair Value when Interest Rate increases by 1% as on 31 March 2022 - ₹ 5,164.00 Lakhs (31 March 2021 - ₹ 5,852.00 Lakhs) Fair Value when Interest Rate decrease by 1% as on 31 March 2021 - ₹ 5,936.00 Lakhs (31 March 2021 - ₹ 6,656.00 Lakhs)	
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares	DCF method (Income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2022 CAPM Rate-22.30% 31 March 2021 CAPM Rate-23.50%	Fair Value when Interest Rate increases by 1% as on 31 March 2022 - ₹ 5,92,93.05 Lakhs (31st March 2021-₹ 3,24,93.96 Lakhs) Fair Value when Interest Rate decrease by 1% as on 31 March 2022 - ₹ 6,81,57.15 Lakhs (31st March 2021-₹ 3,69,58.27 Lakhs)	



23 Financial Instruments and related disclosures (continue)

d) Financial risk management objectives and policies

Risk management framework

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

(i) Market risk

Market risk is the risk that changes in market prices such as interest rates, will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments and long term debt. The objective of market risk management is to avoid exposure to interest rate risk.

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 does not have any exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations.

Currency Risk: Currency risk is the risk that the future cash flows of a financial instrument will change because of changes in currency rates. During the period under review, the company did not fact currency risk.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity risk management (based on commercial terms):

₹ in Lakhs

Particulars	On demand	Less than 3 months	3 to 12 months	> 12 months	Total
As on 31 March 2022					
Financial Liabilities					
Trade payable	-	2.16	-	-	2.16
Other financial liabilities	-	45.00	135.00	1,348.30	1,528.30
Total	-	47.16	135.00	1,348.30	1,530.46
As on 31 March 2021					
Financial Liabilities					
Trade payable	-	5.52	-	-	5.52
Other financial liabilities	-	12.50	37.50	232.58	282.58
Total	-	18.02	37.50	232.58	288.10

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Pledge obligation risk is the risk that may occur in case of default on part of Pledgee company which may immediately amount to loss of assets of Company. The Company has adopted a policy of only dealing with creditworthy counterparties to mitigating the risk of financial loss from defaults.

(iv) Dividend Income risk

Dividend income risk refers to the risk of changes in the Dividend income due to dip in the performance of the investee companies .

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

₹ in Lakhs

Particulars	Within 12 months	After 12 months	Total
As on 31 March 2022			
Assets			
Cash and cash equivalents	2.59	-	2.59
Investments	96.57	97,439.02	97,535.59
Total	99.16	97,439.02	97,538.18
Liabilities			
Trade payables	2.16	-	2.16
Other financial liabilities	180.00	1,348.30	1,528.30
Other non-financial liabilities	1.19	-	1.19
Total	183.35	1,348.30	1,531.65



₹ in Lakhs

Particulars	Within 12 months	After 12 months	Total
As on 31 March 2021			
Assets			
Cash and cash equivalents	1.29	-	1.29
Bank Balance other than above	0.02	-	0.02
Investments	107.51	73,295.14	73,402.65
Current tax assets (Net)	-	0.40	0.40
Total	108.82	73,295.54	73,404.36
Liabilities			
Trade payables	5.52	-	5.52
Other financial liabilities	50.03	232.58	282.61
Other non-financial liabilities	1.00	-	1.00
Total	56.55	232.58	289.13

Capital management

For the purpose of the Company's capital management, capital includes issued equity and preference capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The Company manages its capital structure and makes adjustment in light of changes in business condition. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

₹ in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables	2.16	5.52
Other financial liabilities	1,528.30	282.61
Less: cash and cash equivalents	(2.59)	(1.29)
Net debt (A)	1,527.87	286.84
Equity share capital	10.00	10.00
Instruments entirely equity in nature	93,900.00	66,900.00
Other equity	1,361.00	4,437.90
Total member's capital (B)	95,271.00	71,347.90
Capital and net debt (C=A+B)	96,798.87	71,634.74
Gearing ratio (%) (A/C)	1.58	0.40

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any borrowings in the current year.

No changes were made in the objectives, policies or processes for managing capital during the aforesaid financial period.

25 Expenditure towards Corporate Social Responsibility (CSR) activities :

₹ in Lakhs

Particulars	As at 31 March 2022	As at 31 March 2021
Amount required to be spent by the company during the year	NIL	NA
Amount of expenditure incurred	NIL	NA
Shortfall at the end of the year	NA	NA
Total of previous years shortfall	NA	NA
Reason for shortfall	NA	NA
Nature of CSR activities	NA	NA
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

The amount to be spent for the year is equivalent to at least 2% of average net profit of the immediately preceding three financial years. Since, the average net profit for the immediately preceding three financial years works out as losses, CSR liability does not arise for the current year.

- 26 The comparative financial information of the Company for the year ended 31 March 2021 are based on the previously issued statutory financial statements prepared in accordance with the Accounting Standards Specified under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India audited by Suresh Surana & Associates & LLP, predecessor auditor whose report for the year ended 31 March 2021 dated 29 October 2021 expressed an unmodified opinion on those financial statements.



Svatantra Holdings Private Limited

CIN: U67200MH2018PTC309327

Notes to the standalone financial statements for the year ended 31 March 2022

27 Events after reporting date:

There have been no events after the reporting date that require adjustment/disclosure in these financial statements.

Signatures to Notes 1 to 27

As per our report of even date attached
For PYS & CO. LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048

G.D. Joglekar
Partner
Membership No: 39407



Place: Mumbai

Date : 20 SEP 2022

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

Anil Chirania
Director
DIN: 01082719

Rohit Sahu
Company Secretary
(ACS : A53565)

Place: Mumbai

Date : 20 SEP 2022

Shriram Jagetiya
Director
DIN: 01638250



**SVATANTRA HOLDINGS PRIVATE
LIMITED**

**AUDITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022**



INDEPENDENT AUDITORS' REPORT

To,
The Members of
Svatantra Holdings Private Limited

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Svatantra Holdings Private Limited** ("the Holding Company") and its subsidiary company (together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and 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 and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.





Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated 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 consolidated financial statements. The results of audit procedures performed by us and by other auditors of subsidiary company not audited by us, as reported by them in their audit reports furnished to us by the management, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1	<p>Measurement of Investments in accordance with Ind AS 109 "Financial Instruments"</p>	<p>Principal Audit Procedures</p>
	<p>On initial recognition, Investments are recognized at fair value, in case of Investments which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the investments.</p> <p>The Group's investments are subsequently classified into following categories based the objective of its business model to manage the cash flows and options available in the standard:</p> <ul style="list-style-type: none"> • Debt instruments at fair value through profit or loss (FVTPL) • Equity instruments measured at fair value through other comprehensive income FVTOCI. • Compulsorily non-cumulative convertible preference shares measured at fair value through other comprehensive income FVTOCI <p>Since valuation of investments at fair value involves critical assumptions, significant risk in valuation, the valuation of investments as per Ind AS 109 is determined to be a key audit matter in our audit of the Consolidated financial statements.</p>	<ul style="list-style-type: none"> • Obtained an understanding of the determination of the measurement of the investments and tested the reasonableness of the significant judgements applied by the management; • Evaluated the design of internal controls relating to the measurement and also tested the operating effectiveness of the aforesaid controls; • Obtained valuation certificate of independent valuer in respect of fair value investments; • Ensured that the Group has used valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs; • Assessed the appropriateness of the disclosure in the Consolidated financial statements in accordance with the applicable financial reporting framework.





	Refer note 2.f, 6 and 39 to the Consolidated financial statements.	
2	Impairment of loans	Principal Audit Procedures
	<p>Recognition and measurement of impairment of loans and advances involve significant management judgement.</p> <p>Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss (ECL) estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Group's estimation of ECLs are:</p> <p>Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</p> <p>Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result these are considered as the most significant judgmental aspect of the Group's modelling approach.</p> <p>Economic scenarios - Ind AS 109 requires the Group to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment arising from COVID-19.</p> <p>Restructuring - The Group has restructured loans in the current year on account of COVID-19 related regulatory measures. This has resulted in increased management estimation over</p>	<p>-Evaluation of the appropriateness of the impairment principles used by management based on the requirements of Ind AS 109, our business understanding and industry practice.</p> <p>-Understanding management's revised processes, systems and controls implemented in relation to impairment allowance process, particularly in view of COVID-19 regulatory package.</p> <p>-Evaluating management's controls over collation of relevant information used for determining estimates for management overlays on account of COVID-19.</p> <p>-Assessing the design and implementation of key internal financial controls over loan impairment process used to calculate the impairment charge.</p> <p>-Using the specialist to test the model methodology and reasonableness of assumptions used, including management overlays.</p> <p>-Testing of review controls over measurement of impairment allowances and disclosures in Ind AS financial statements.</p> <p>-Assessing the appropriateness of management rationale for determination of criteria for Significant Increase in Credit Risk (SICR) considering both: adverse effects of COVID 19 and mitigants in the form of the RBI / Government financial relief package.</p> <p>-Corroborate through independent check and enquiries the reasonableness of management's assessment of grading of severity of impact of COVID-19 on segments of its loan portfolio and the resultant impairment provision computed.</p> <p>-Focus on appropriate application of accounting principles, validating completeness and accuracy of the data and reasonableness of assumptions used in the</p>





	<p>determination of provision for such restructured loans.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the consolidated financial statements as a whole, and possibly many times that amount.</p> <p>The disclosures (including disclosures prescribed by RBI) regarding the Group's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p> <p>Refer note 2.m and 40C of the consolidated financial statements.</p>	<p>model.</p> <p>-Test of details over of calculation of impairment allowance for assessing the completeness, accuracy and relevance of data.</p> <p>-Model calculations testing through re-performance where possible.</p> <p>-The appropriateness of management's judgments was also independently reconsidered in respect of calculation methodologies, segmentation, economic factors, and the period of historical loss rates used and the valuation of recovery assets.</p> <p>-Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Consolidated financial statements are appropriate and sufficient.</p>
3	IT systems and controls	Principal Audit Procedures
	<p>Financial accounting and reporting processes, especially in the financial services sector, are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, hence we identified IT systems and controls over financial reporting as a key audit matter for the Subsidiary Company.</p> <p>Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure reliable financial reporting.</p>	<ul style="list-style-type: none"> - We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. - We tested IT general controls (logical access, changes management and aspects of IT operational controls). These included testing requests for access to systems were reviewed and authorized. - We tested the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorisation. <p>In addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting.</p>





Information Other than the consolidated financial statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group is responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.





Auditors' Responsibility for the audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group, 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 Board of Director'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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.





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

Other Matter

- a) We did not audit the financial statements of a subsidiary company, whose financial statements reflect total assets of Rs 127,211.27 Lakhs as at 31 March 2022, total revenues of Rs. 11,186.13 Lakhs, , total net profit after tax of Rs. 869.78 Lakhs and total net cash outflows amounting to Rs. 890.95 Lakhs for the year ended on that date, as considered in the consolidated financial statements.

These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to amounts and disclosures included in respect of the subsidiary company, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary company, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

- b) The consolidated financial statements of the Company for the year ended 31 March 2021 have been audited by the predecessor auditors "Suresh Surana & Associates LLP". The report of the predecessor auditors dated 29 October 2021 expressed an unmodified opinion on those consolidated financial statements. Our opinion is not modified in respect of this matter.





Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of subsidiary company as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, 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 aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - g) With respect to the other matters to be included in 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 Group has not paid or provided remuneration to its directors during the year.

2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary company, as noted in the 'Other Matters' paragraph;
 - i. The Group has disclosed the impact of pending litigations on its consolidated financial position, (Refer note 44 to the Consolidated financial statements);
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts and





- iii. There was no amount, required to be transferred, to the Investor Education and Protection Fund by the Group.
- iv.
 - a) The respective Managements of the Holding Company and subsidiary company, whose financial statements have been audited under the Act, have represented to us and other auditor of the subsidiary company that, to the best of their knowledge and belief, as disclosed in the note 49(e)(i) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective Managements of the Holding Company and its subsidiary company, whose financial statements have been audited under the Act, have represented to us and other auditor of subsidiary company that, to the best of their knowledge and belief, as disclosed in the note 49(e)(ii) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and the reports of the auditors of its subsidiary company, whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Group has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and CARO reports issued by other auditors in case of its subsidiary company included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except below.





Sr. No.	Name of the Entity	CIN	Holding Company/ Subsidiary/ Associates/ Joint Venture	Clause Number of the CARO report which is qualified or adverse
1	Svatantra Micro Housing Finance Corporation Limited	U67190MH2008PLC182274	Subsidiary company	Clause3(vii)(b)

For PYS & CO. LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048

G.D. Joglekar
Partner
Membership No.: 39407
UDIN: 22039407ATSP0A5757



Place: Mumbai
Date: 20 September 2022



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

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

In conjunction with our audit of the consolidated financial statements of **Svatantra Holdings Private Limited** (hereinafter to as "Holding Company" or "the Company"), as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of the Company and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its subsidiary company, which are the companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the of the Company and its subsidiary company, which are the companies incorporated in India.





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 the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of the other auditors as mentioned in the Other Matters paragraph below, the Company and its subsidiary company, which are the companies incorporated in India have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary is based on the corresponding reports of the auditors of such subsidiary company incorporated in India.

For PYS & CO. LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048


G.D. Joglekar
Partner
Membership No.: 39407
UDIN: 22039407ATSPOA5757



Place: Mumbai
Date: 20 September 2022

(Rs. in lakhs)

	Note no.	As at 31 March 2022	As at 31 March 2021
Assets			
Financial assets			
Cash and cash equivalents	3	7,852.14	8,741.80
Bank balances other than cash and cash equivalents	4	6,045.33	3,018.48
Loans	5	1,12,482.91	80,934.65
Investments	6	57,419.88	36,588.01
Other financial assets	7	166.58	192.12
Total financial assets		1,83,966.84	1,29,475.06
Non-financial assets			
Current tax assets (net)	8	11.26	30.95
Investment property	10	1.49	1.49
Property, plant and equipment	11	86.33	32.12
Goodwill		20,352.93	20,352.93
Other Intangible assets	12	-	0.43
Intangible assets under development	13	2.83	-
Right of use asset	14	117.51	97.70
Other non-financial assets	15	125.25	65.01
Total non-financial assets		20,697.60	20,580.63
Total assets		2,04,664.44	1,50,055.69
Liabilities and equity			
Liabilities			
Financial liabilities			
Payables			
Trade payables	16	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		32.12	47.80
Other payables	17	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		92.74	56.70
Debt securities	18	11,766.43	9,237.98
Borrowings (other than debt securities)	19	92,957.50	66,635.36
Subordinated Liabilities	20	2,000.00	-
Other financial liabilities	21	503.56	438.15
Total financial liabilities		1,07,352.35	76,415.99
Non-financial liabilities			
Deferred tax liabilities (net)	9	338.78	1,490.76
Provisions	22	178.07	145.25
Other non-financial liabilities	23	113.90	83.03
Total non-financial liabilities		630.75	1,719.04
Total liabilities		1,07,983.10	78,135.03
Equity			
Equity share capital	24	10.00	10.00
Instruments entirely equity in nature	24	93,900.00	66,900.00
Other equity	25	2,771.34	5,010.66
Total equity		96,681.34	71,920.66
Total liabilities and equity		2,04,664.44	1,50,055.69

Summary of Significant accounting policies 2

The accompanying notes form an integral part of consolidated financial statements

As per our report of even date attached

For PYS & CO. LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048

G.D. Joglekar

G.D. Joglekar
Partner
Membership No: 39407
Place: Mumbai
Date: 20 SEP 2022



On behalf of the Board of Directors of
Svatantra Holdings Private Limited

Anil Chirania

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya

Shriram Jagetiya
Director
DIN: 01638250

Rohit Sahu

Rohit Sahu
Company Secretary
Membership No: A53565
Place: Mumbai
Date: 20 SEP 2022



	Note no.	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations			
Interest income	26	11,035.32	8,446.09
Fees and commission income	27	56.03	-
Net gain on fair value changes	28	88.21	9,909.38
Total revenue from operations		11,179.56	18,355.47
Other income	29	177.13	115.70
Total income		11,356.69	18,471.17
Expenses			
Finance costs	30	7,437.17	8,111.49
Impairment on financial instruments	31	74.83	357.18
Employee benefits expense	32	1,954.88	1,383.71
Depreciation and amortisation	33	104.69	78.41
Other expenses	34	706.31	489.22
Total expenses		10,277.88	10,420.01
Profit /(loss) before tax		1,078.81	8,051.16
Tax expense:			
- Current tax	35	319.04	181.40
- Deferred tax expenses / (credit)	35	(107.57)	2,341.01
- Earlier year tax adjustments		-	3.73
		211.47	2,526.14
Profit /(loss) after tax		867.34	5,525.02
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans (cost)		7.48	15.73
- Gain / (loss) on equity instrument designated at FVOCI		(4,157.19)	(52.00)
(ii) Income tax relating to items that will not be reclassified to profit or		1,044.40	9.13
Other comprehensive income, net of income tax		(3,105.31)	(27.14)
Total comprehensive income		(2,237.97)	5,497.88
Profit /(loss) for the year attributable to			
Owner of the Company		867.34	5,525.02
Non controlling interest		-	-
Other comprehensive income for the year attributable to			
Owner of the Company		(3,105.31)	(27.14)
Non controlling interest		-	-



Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327

Consolidated Statement of Profit and Loss for the year ended 31 March 2022

(Rs. in lakhs)

Total comprehensive income for the year attributable to

Owner of the Company	(2,237.97)	5,497.88
Non controlling interest	-	-

Earnings per share

36

Basic earnings per share (Rs.) (Nominal Value - Rs. 10)	0.12	15.35
Diluted earnings per share (Rs.) (Nominal Value - Rs. 10)	0.12	15.35

Summary of Significant accounting policies

2

The accompanying notes form an integral part of financial statements

As per our report of even date attached

For PYS & CO. LLP

Chartered Accountants

Firm's Registration No. 012388S/S200048



G.D. Joglekar

Partner

Membership No: 39407

Place: Mumbai

Date: 20 SEP 2022



On behalf of the Board of Directors of
Svatantra Holdings Private Limited



Anil Chirania

Director

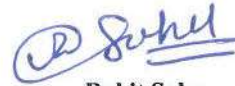
DIN: 01082719



Shriram Jagetiya

Director

DIN: 01638250



Rohit Sahu

Company Secretary

Membership No: A53565

Place: Mumbai

Date: 20 SEP 2022



Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327
Statement of Cash Flows for the year ended 31 Mar 2022

(Rs. in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	1,078.81	8,051.16
Cash flow from operating activities		
Adjusted for:		
Finance costs on lease liabilities	10.68	7.13
Transaction costs on borrowings	(3.26)	(287.68)
Realised / unrealised gain on mutual funds	(88.21)	(27.92)
Depreciation and amortisation	104.69	78.41
Gain on termination of lease	(2.47)	(0.65)
Interest on fixed deposits and Inter Corporate deposits	(272.14)	(282.25)
Impairment on financial instruments	74.83	357.18
Transaction costs on Loans	(403.30)	815.74
Unwinding interest income	(2.56)	(1.99)
Fair value gain on financial assets measured at FVTPL (net)	-	(9,881.46)
Finance cost on preference shares measured at amortised cost	-	2,065.83
Loss on sale of property, plant and equipment	(0.30)	-
Operating profit before working capital changes	496.77	893.50
Changes in working capital		
- (Increase) / decrease in loans	(31,219.79)	(12,566.54)
- (Increase) / decrease in other financial Assets	28.10	(136.92)
- (Increase) / decrease in other non financial Assets	(60.24)	16.30
- Increase / (decrease) in trade payables	19.87	37.53
- (Increase) / decrease in other financial Liabilities	47.30	(97.32)
- (Increase) / decrease in other non financial Liabilities	30.87	34.37
- Increase / (decrease) in provisions	40.30	51.25
Cash generated from operating activities	(30,616.82)	(11,767.83)
Income tax paid (net)	(299.36)	(180.76)
Net cash used in operating activities	(30,916.18)	(11,948.59)
Cash flows from investing activities:		
Purchase of property, plant and equipment and intangibles	(102.74)	(22.91)
Proceeds from sale of property, plant and equipment	1.13	0.02
Investment in equity shares	-	-
Investment in preference shares	(25,000.00)	(17,500.00)
(Purchase) / sale of investments in mutual fund units (net)	99.15	32.85
Interest received on fixed deposits and Inter Corporate deposits	465.75	131.95
Maturity / (investments) of / in fixed deposits	(3,220.46)	(620.70)
Net cash generated from / (used in) investing activities	(27,757.17)	(17,978.79)
Cash flows from financing activities:		
Share issue expenses	(1.35)	(0.95)
Proceeds from issue of debentures	2,500.00	4,000.00
Proceeds from long term borrowings	47,184.00	29,360.00
Repayment of long term borrowings	(20,829.66)	(13,675.84)
Proceeds from Subordinated liabilities	2,000.00	-
Proceeds from short term borrowings (net)	-	2,250.00
Repayment of short term borrowings	-	(3,244.00)
Proceeds from issue of preference shares capital	27,000.00	19,000.00
Repayment of lease liabilities	(58.62)	(53.65)
Interest paid on lease liabilities	(10.68)	(7.13)
Transaction costs paid	-	-
Net cash generated from financing activities	57,783.69	37,628.43
Net increase in cash and cash equivalents	(889.66)	7,701.05
Cash and cash equivalents as at the beginning of the year	8,741.80	1,040.75
Closing balance of cash and cash equivalents	7,852.14	8,741.80



Svatantra Holdings Private Limited

CIN:U67200MH2018PTC309327

Statement of Cash Flows for the year ended 31 Mar 2022

Components of cash and cash equivalents

Cash in hand	2.74	2.87
Balances with banks		
- With banks in current accounts	1,792.28	8,738.93
'Deposits with maturity of less than 3 months	6,057.12	-
Cash and cash equivalents	7,852.14	8,741.80

Cash Flow Statement (Contd..)

	(Rs. in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Opening balance	75,973.33	57,527.25
Proceeds from long-term borrowings	51,501.00	33,360.00
Repayment /(addition) in lease liabilities (net)	28.79	50.72
Finance costs on lease liabilities	(10.68)	(7.13)
Proceeds from short borrowings (net)	-	2,250.00
Repayments of long-term borrowings	(20,829.66)	(13,675.84)
Repayments of Short-term borrowings	-	(3,244.00)
Transaction costs on borrowings	179.25	(287.67)
Closing balance	1,06,842.03	75,973.33

Summary of Significant accounting policies

2

The accompanying notes form an integral part of financial statements

As per our report of even date attached

For PYS & CO. LLP

Chartered Accountants

Firm's Registration No. 012388S/S200048

G.D. Joglekar

Partner

Membership No: 39407

Place: Mumbai

Date: 20 SEP 2022



**On behalf of the Board of Directors of
Svatantra Holdings Private Limited**

Anil Chirania

Director

DIN: 01082719

Shriram Jagetiya

Director

DIN: 01638250

Rohit Sahu

Company Secretary

Membership No: A53565

Place: Mumbai

Date: 20 SEP 2022



Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327
Consolidated Statement of Changes in Equity for the year ended 31 March 2022

A. Equity share capital		
	(Rs. in lakhs)	
Particulars	No of shares	Amount
Balance at 1 April 2020	10,000	10.00
Addition during the year	-	-
Balance at 31 March 2021	10,000	10.00
Addition during the year	-	-
Balance at 31 March 2022	10,000	10.00

B. Instruments entirely equity in nature		
Compulsorily convertible non-cumulative preference shares ("CCPS")		
	(Rs. in lakhs)	
Particulars	No of shares	Amount
Balance at 1 April 2020	-	-
Issued during the year	1,90,00,000	19,000.00
Conversion due to change in terms of 8% Non-convertible non-cumulative redeemable preference shares to 6% Compulsorily convertible non-cumulative preference shares (refer note 22)	4,79,00,000	47,900.00
Balance at 31 March 2021	6,69,00,000	66,900.00
Issued during the year	2,70,00,000	27,000.00
Balance at 31 March 2022	9,39,00,000	93,900.00

Other equity						(Rs. in lakhs)
Particulars	Reserves and Surplus				Items of other comprehensive income	Total
	Statutory reserves	Impairment reserve	Equity component of financial instrument	Retained earnings	Equity Instrument through other comprehensive income	
Balance as at 1 April 2020	147.24	88.51	29,952.36	(6,586.19)	1,730.12	25,332.04
Profit for the year	-	-	-	5,525.02	-	5,525.02
Other comprehensive income for the year	-	-	-	11.77	(38.91)	(27.14)
Transfer from / to retained earnings	115.52	359.78	-	(475.30)	-	-
Derecognition of 8% Non convertible non cumulative redeemable preference shares	-	-	(29,952.36)	4,134.05	-	(25,818.31)
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	-	-	-	(0.95)	-	(0.95)
Balance at 31 March 2021	262.76	448.29	-	2,608.40	1,691.21	5,010.66
Profit for the year	-	-	-	867.34	-	867.34
Other comprehensive income for the year	-	-	-	5.60	(3,110.91)	(3,105.31)
Transfer from / to retained earnings	259.18	149.26	-	(408.44)	-	-
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	-	-	-	(1.35)	-	(1.35)
Balance at 31 March 2022	521.94	597.55	-	3,071.55	(1,419.70)	2,771.34

Summary of Significant accounting policies - refer note 2
The accompanying notes are an integral part of consolidated financial statements
As per our report of even date attached

For PYS & CO. LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048


G.D. Joglekar
Partner
Membership No: 39407
Place: Mumbai
Date: 20 SEP 2022



On behalf of the Board of Directors of
Svatantra Holdings Private Limited


Anil Chirania
Director
DIN: 01082719


Shriram Jagetiya
Director
DIN: 01638250


Rohit Sahu
Company Secretary
Membership No: A53565
Place: Mumbai
Date: 20 SEP 2022



Corporate Information :

Svatantra Holdings Private Limited, the Parent Company (hereinafter referred to as the 'Holding Company') and its subsidiary i.e. Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited) collectively referred to as the 'Group'.

The Holding Company was incorporated on 11 May 2018 under the Companies Act, 2013 and registered at Registrar of Companies, Mumbai, Maharashtra and its registered office at 213, Second Floor, TV Industrial Estate, 52, SK Ahire Marg, Worli, Mumbai - 400030. The Holding Company is a Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India (RBI) on August 25, 2016. Further, the Board of Directors of the Company have passed a resolution on 21 May 2018 confirming that the Holding Company shall not access public funds at any point of time without obtaining registration with RBI.

The Holding Company has acquired the 100% fully paid equity shares of Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited) on 15 September 2018 which is incorporated with the objective to provide housing finance for financially excluded families, particularly lower income informal sector households. The Subsidiary company was registered with National Housing Bank ("NHB") as housing finance company. However, vide certificate of registration dated 12 February 2020, the Company is also registered with the Reserve Bank of India ("RBI") as a housing finance company.

1 Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and on the basis of accounting principle of a going concern in accordance with generally accepted accounting principles (GAAP). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Financial Statements are presented in Lakhs or decimal thereof.

The consolidated financial statements have been presented in accordance with Schedule III-Division III General Instructions for Preparation of financial statements of a Non-Banking Financial Company (NBFC) that is required to comply with Ind AS.

The financial statements for the year ended 31 March 2022 were authorised and approved for issue by the Board of Directors on 20 September 2022

2 Significant accounting policies

a. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiary as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- (ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a) The contractual arrangement with the other vote holders of the investee
- b) The ability to use its power over the investee to affect its returns
- c) The Group's voting rights and potential voting rights
- d) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The consolidated financial statements have been prepared on the following basis:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full) except as stated in point no (d). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- (d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.
- (e) Changes in ownership interests



The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in Consolidated Profit and Loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(f) The excess of cost to the Parent Company of its investment in the subsidiary over the Parent Company's portion of equity of the subsidiary is recognised in the Consolidated Financial Statements as Goodwill. This Goodwill is tested for impairment at the end of the financial year. The excess of Parent Company's portion of equity over the cost of investment as at the date of its investment is treated as Capital Reserve.

(g) The financial statements of the subsidiary used in consolidation are drawn up to the same reporting date as that of the Parent Company.

(h) Following companies are consolidated:

Name of the Company	Relationship	% of ownership either directly or indirectly	Date of becoming subsidiary	Country of incorporation
Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited)	Subsidiary	100.00%	15 September 2018	India

b. Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

c. Functional and presentation currency

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

d. Measurement of fair values

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

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.



The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

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

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

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

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

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

e. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest Income

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instruments or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the Statement of Profit and Loss.

Net gain on Fair value changes:

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

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

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

Profit or loss on sale of investments is recognised on the date of sale of mutual fund units and is determined as the difference between the sale price and the carrying value of the investments.

Fees and commission

Service fees and facilitation charges are recognised on satisfactory completion of service delivery.

f. Financial instruments

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

Initial recognition and measurement

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



Non-derivative financial assets

Subsequent measurement

i. Financial assets carried at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

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

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

ii. Investments in equity instruments

Investments in equity instruments which are held for trading are classified at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to Statement of Profit and Loss. However, the Group transfers the cumulative gain or loss within equity.

Dividends on such investments are recognised in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. Investments in mutual funds

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

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also de-recognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

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

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss. However, if the lender is directly or indirectly acting as shareholder or member of the promoter group then any loss or gain is recognised directly in to equity.

Offsetting of financial instruments

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

Initial recognition gain or loss (Day 1 gain or loss)

In case a financial instrument for which transaction price differs from fair value and fair value is evidenced through quoted price in active market (i.e., level 1) or based on valuation technique that uses data from observable market inputs, the Company shall recognise the difference between the fair value at initial recognition and transaction price as gain or loss.

With respect to financial instruments, the Company on case to case basis understand the reason for any difference between the fair value at initial recognition and transaction price. This could be capital contribution or deemed contribution or deemed distribution or consideration for goods and services depending upon circumstances. In all other cases, at the measurement required by paragraph 5.1.1 Ind AS 109, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the entity shall recognise that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

g. Foreign currency

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

h. Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

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



Depreciation and amortisation

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written down method over the useful life of the assets, as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Asset Class	Useful life
Office equipment	5 years
Computer equipment	3 years
Furniture and fixture	10 years

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year. PPE costing up to Rs. 5,000 individually are depreciated fully in the year in which they are purchased.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss, when the asset is de-recognised.

Capital work-in-progress

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

i. Intangible assets**Recognition and initial measurement**

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Computer software - 3 years

Amortisation

Intangible assets are amortised over a their estimated useful lives. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any. The estimated useful lives of intangible assets are as follows:

Computer Software - 3 years

i. Income taxes

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to item that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

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

Deferred tax

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

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

j. Employee Benefits**Short-term employee benefits:**

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

Contribution to provident fund and other funds :

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



Gratuity:

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

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

Compensated Absences:

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

k. Borrowing costs:

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

l. Impairment of non-financial assets

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

m. Impairment of financial assets

Loan assets

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

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

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

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

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

i) Stage 1: 12-months ECL - For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 29 days are classified as stage 1. The Group has identified zero bucket and bucket with DPD less than or equal to 29 days as two separate buckets.

ii) Stage 2: Lifetime ECL – not credit impaired - For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD equal to 30 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group has identified cases with DPD equal to or more than 30 days and less than or equal to 59 days and cases with DPD equal to or more than 60 days and less than or equal to 89 days as two separate buckets.

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

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI and carrying amount of the financial asset is not reduced in the balance sheet.

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

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary. Refer note 37 (C) for detailed note.

Trade receivables

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



Write-offs

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

m. Cash and cash equivalents

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

n. Provisions, Contingent liabilities and Contingent assets:

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

Contingent liability is disclosed for:

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

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

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

o. Reimbursement of processing fee and other charges

As per the guidelines of new government schemes under Pradhan Mantri Awas Yojana (PMAY), no processing fee is allowed to be charged to the eligible customers. However, the Group is entitled to get a reimbursement from the customers for the expenses incurred in connection with origination of the loans. Such reimbursement receivable forms part of "Non-housing loans", included under Loans and advances in the Balance Sheet.

The expenses presented in the Statement of Profit and Loss such as Salaries and wages, Insurance, Franking charges, etc. are stated net of such recoveries from customers.

p. Earnings per share

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

r. Segment Reporting

Identification of Segments

Operating Segments are identified based on monitoring of operating results by the chief operating decision maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, and is measured consistently with profit or loss of the Group. Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

Segment Policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments, which is primarily market based. Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

s. Leases

As a lessee

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

i. Right of use assets

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

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



ii. Lease liabilities

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

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

The Group's lease liabilities are included in other financial liabilities

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

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

As a lessor

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

t. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. on March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 37 – Onerous contracts - costs of fulfilling a contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.



3 Cash and cash equivalents

(Rs. in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Cash on hand	2.74	2.87
Balances with banks - in current accounts*	1,792.28	8,738.93
Deposits with maturity of less than 3 months	6,057.12	-
Total	7,852.14	8,741.80
* Includes amounts received towards NHB subsidy pending transfer to customers	0.94	0.94

4 Bank balances other than cash and cash equivalents

(Rs. in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Other Bank Balances		
- In escrow account*	-	0.03
Deposits with maturity of more than 3 months but less than 12 months**	6,045.33	3,018.45
Total	6,045.33	3,018.48
* Escrow account balance lien to erstwhile		
** Bank deposit held as securities:		
- against borrowings	161.39	154.45
- against bank guarantee	2,232.39	2,543.81
- debt service and reserve account maintained with State Bank of India.	649.22	320.18
	3,043.00	3,018.44

5 Loans

(Rs. in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
At amortised cost		
(i) Term loans		
(a) Housing loans	1,04,622.56	78,341.48
(b) Non housing loans	8,454.80	3,199.99
(c) Loan to employees	33.29	10.86
Total (i) - Gross	1,13,110.65	81,552.33
Less: Impairment loss allowance	(627.74)	(617.68)
Total (i) - Net	1,12,482.91	80,934.65
(ii) Secured/unsecured		
(a) Secured by tangible assets	1,13,077.36	81,541.47
(b) Unsecured	33.29	10.86
Total (ii) - Gross	1,13,110.65	81,552.33
Less: Impairment loss allowance	(627.74)	(617.68)
Total (ii) - Net	1,12,482.91	80,934.65
(iii) Loans in India		
(a) Public sector	-	-
(b) Others	1,13,110.65	81,552.33
Total (iii) - Gross	1,13,110.65	81,552.33
Less: Impairment loss allowance	(627.74)	(617.68)
Total (iii) - Net	1,12,482.91	80,934.65
(iv) Loans outside India		
(a) Loan outside India	-	-
Total (iv)	-	-

Loans or advances in the nature of loans are granted to the promoters, directors, KMP's, and the related parties, either severally or jointly with any other persons.

(Rs. in lakhs)

Particulars	As at 31 March 2022	% to the total loans and advances in the nature of loans	As at 31 March 2021	% to the total loans and advances in the nature of loans
Promoters	-	-	-	-
Directors	-	-	-	-
KMP's	-	-	-	-
Related parties	-	-	-	-



6 Investments

Particulars	As at 31 March 2022				Subtotal	Others (At Cost)	Total
	Amortised cost	At Fair Value		Designated at fair value through profit or loss			
		Through other comprehensive income	Through profit or loss				
(I) Units of Mutual Fund 28,143.618 Units of Aditya Birla Sunlife Liquid Fund - Growth - Direct	-	-	96.57	-	96.57	-	96.57
(II) Equity instruments - Unquoted - in other company 40,000,000 Equity shares of Svatantra Microfin Private Limited of Rs. 10 each fully paid-up	-	5,576.00	-	-	5,576.00	-	5,576.00
(III) Preference instruments - Unquoted - in other company 25,500,000 5% Compulsory Convertible Non-Cumulative Preference Shares of Rs.100 each fully paid-up of Svatantra Microfin Private Limited #	-	51,747.31	-	-	51,747.31	-	51,747.31
Total – Gross (A)	-	57,323.31	96.57	-	57,419.88	-	57,419.88
(A) Investments outside India	-	-	-	-	-	-	-
(B) Investments in India	-	57,323.31	96.57	-	57,419.88	-	57,419.88
Total – Gross (B)	-	57,323.31	96.57	-	57,419.88	-	57,419.88

During the year, the Holding Company has invested in 25,000,000 5% Compulsory convertible non-cumulative preference shares of Rs. 100 each ('CCPS') for cash at par aggregating to Rs. 25,000.00 Lakhs in three tranches as detailed below. The CCPS shall carry a fixed rate of dividend of 5% on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The CCPS shall be compulsorily convertible into fixed number of equity shares at mutually agreed price.

Allotment details	Allotment date	No. of shares	(Rs. in lakhs)	
			Amount	Amount
7,500,000 CCPS of ₹ 100 each	30-Sep-21	75,00,000	7,500.00	7,500.00
1,00,00,000 CCPS of ₹ 100 each	04-Jan-22	1,00,00,000	10,000.00	10,000.00
7,500,000 CCPS of ₹ 100 each	30-Mar-22	75,00,000	7,500.00	7,500.00



6 Investments

Particulars	As at 31 March 2021				Subtotal	Others (At Cost)	Total
	Amortised cost	At Fair Value		Designated at fair value through profit or loss			
		Through other comprehensive income	Through profit or loss				
(I) Units of Mutual Fund 32,428,237 Units of Aditya Birla Sunlife Liquid Fund - Growth - Direct	-	-	107.51	-	107.51	-	107.51
(II) Equity instruments - Unquoted - in other company 40,000,000 Equity shares of Svatantra Microfin Private Limited of Rs. 10 each fully paid-up	-	6,260.00	-	-	6,260.00	-	6,260.00
(III) Preference instruments - Unquoted - in other company 25,500,000 5% Compulsory Convertible Non-Cumulative Preference Shares of Rs.100 each fully paid-up of Svatantra Microfin Private Limited #	-	30,220.50	-	-	30,220.50	-	30,220.50
Total – Gross (A)	-	36,480.50	107.51	-	36,588.01	-	36,588.01
(B) Investments outside India	-	-	-	-	-	-	-
Total – Gross (B)	-	36,480.50	107.51	-	36,588.01	-	36,588.01

The Holding Company has invested in 13,000,000 5% Compulsorily convertible non-cumulative preference shares of Rs. 100 each ('CCPS') for cash at par aggregating to Rs.13,000 Lakhs in four tranches as detailed below. The CCPS shall carry a fixed rate of dividend of 5% on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The CCPS shall be compulsorily convertible into such number of Equity shares on expiry of 10 years from date of allotment (Refer below) at price valued by a Chartered Accountant having minimum 10 years' of experience at that point of time and shall be non-cumulative.

Allotment details	(Rs. in lakhs)	
	Alotment date	Amount
2,500,000 CCPS of Rs. 100 each	16-Jan-20	2,500.00
2,500,000 CCPS of Rs. 100 each	10-Feb-20	2,500.00
3,000,000 CCPS of Rs. 100 each	31-Mar-20	3,000.00
5,000,000 CCPS of Rs. 100 each	30-Sep-20	5,000.00

Pursuant to the Consent letter dated 30 March 2021, the aforesaid conversion term are revised as follows:
 CCPS shall be compulsorily convertible into equity shares of the issuer company after expiry of ten years from the date of allotment (refer note above) of CCPS in the ratio of 871:100 i.e. 100 CCPS of Rs. 100 each fully paid-up shall be convertible into 871 Equity shares of Rs. 10 each fully paid up (Face value per equity share of Rs. 10 plus premium of Rs. 1.48 per share). All other terms and conditions of CCPS shall remain in full force and effect. Accordingly, the Company has recognised the unrealised gain or loss on derecognition of the previous instruments and recognised the new instruments into the statement of profit and loss presented under Net gain/ (loss) on fair value changes.

Further, the Holding Company has also invested in 12,500,000 5% Compulsorily convertible non-cumulative preference shares of Rs. 100 each ('CCPS') for cash at par aggregating to Rs.12,500 Lakhs on 30 March 2021 as per revised terms mentioned above.



7 Other financial assets

(Rs. in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
At amortised cost		
Security deposits	56.25	39.29
Staff advances	3.16	7.24
Receivable from government authority*	43.02	-
Others receivables	64.15	56.82
Ex-gratia claims receivable (Refer note 51)	-	88.77
Total	166.58	192.12

* Represents receivable from municipal authority on account of loans defaulted by the customers under BSUP scheme.

8 Current tax assets (net)

(Rs. in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance tax*	11.26	30.95
Total	11.26	30.95

*(net of provision for tax 31 March 2022:Rs. 500.45 Lakhs (Previous year Rs 181.40 Lakhs)

9 Deferred Tax Assets/ Liabilities (net)

(Rs. in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred Tax assets		
Provision for impairment of assets	157.99	155.46
Provision for employee benefits	44.82	36.56
Timing difference on PPE	16.27	13.11
Unearned processing fee	0.94	6.58
Share issue expenses	4.50	6.47
Transaction cost on loans	245.27	138.65
Lease liabilities	0.15	0.57
Total deferred Tax assets	469.94	357.40
Deferred Tax liabilities		
Fair value gain / (loss) on investments	(714.45)	(1,760.38)
Modification (restructuring) gain on financial assets	(4.64)	(4.64)
Amortisation of borrowing costs	(89.63)	(83.14)
Total deferred Tax liabilities	(808.72)	(1,848.16)
Net deferred Tax assets/(liabilities)	(338.78)	(1,490.76)



10 Investment property

(Rs. in lakhs)

Particulars	Freehold land	Total
Gross block		
As at 1 April 2020	1.49	1.49
Additions	-	-
Deletions	-	-
As at 31 March 2021	1.49	1.49
Additions	-	-
Deletions	-	-
As at 31 March 2022	1.49	1.49
Accumulated depreciation		
As at 1 April 2020	-	-
Additions	-	-
Deletions	-	-
As at 31 March 2021	-	-
Additions	-	-
Deletions	-	-
As at 31 March 2022	-	-
Net block		
As at 31 March 2021	1.49	1.49
As at 31 March 2022	1.49	1.49

Notes:

The Group's investment property is a piece of land in India, currently held for undetermined use. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

There are no amounts recognised in the Statement of Profit and Loss account in relation to the above investment property.

(a) Fair value of investment property

(Rs. in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Freehold land	1.49	1.49

The fair value of investment property has been determined by an independent valuer, who has adequate professional experience as well as adequate expertise in the location and category of the investment property. The value is determined based on the rate prescribed by government authorities for the property. Management believes that the net recoverable value of the property would be higher than carrying amount and therefore, no impairment has been made. The resultant fair value estimates for investment property is included in level 2.

There are no amounts recognised in the Statement of Profit and Loss account in relation to the above investment property.



11 Property, plant and equipment

(Rs. in lakhs)

Particulars	Office equipment	Furniture and fixtures	Computer and data processing equipment	Leasehold improvements	Total
Gross block					
As at 1 April 2020	22.50	8.49	18.67	33.94	83.60
Additions	4.24	0.95	16.24	1.48	22.91
Deletion	(0.07)	-	-	-	(0.07)
As at 31 March 2021	26.67	9.44	34.91	35.42	106.44
Additions	31.01	13.00	43.36	12.54	99.91
Deletion	(12.24)	-	(0.31)	-	(12.55)
As at 31 March 2022	45.44	22.44	77.96	47.96	193.80
Accumulated depreciation / amortisation					
As at 1 April 2020	13.78	3.86	11.00	23.30	51.94
Additions	5.28	1.26	5.20	10.69	22.43
Deletion	(0.05)	-	-	-	(0.05)
As at 31 March 2021	19.01	5.12	16.20	33.99	74.32
Additions	10.60	5.79	24.42	4.06	44.87
Deletion	(11.45)	-	(0.27)	-	(11.72)
As at 31 March 2022	18.16	10.91	40.35	38.05	107.47
Net block					
As at 31 March 2021	7.66	4.32	18.71	1.43	32.12
As at 31 March 2022	27.28	11.53	37.61	9.91	86.33

12 Other Intangible assets

(Rs. in lakhs)

Particulars	Computer software
Gross block	
As at 1 April 2020	3.75
Additions	-
Deletions	-
As at 31 March 2021	3.75
Additions	-
Deletions	-
As at 31 March 2022	3.75
Accumulated depreciation / amortisation	
As at 1 April 2020	2.58
Charge for the year	0.74
Deletions	-
As at 31 March 2021	3.32
Charge for the year	0.43
Deletions	-
As at 31 March 2022	3.75
Net block	
As at 31 March 2021	0.43
As at 31 March 2022	-

13 Intangible assets under development

(Rs. in lakhs)

Particulars	Software
Cost at 1 April 2020	-
Additions	-
Deletions	-
As at 31 March 2021	-
Additions	2.83
Deletions	-
As at 31 March 2022	2.83
Net block	
As at 31 March 2021	-
As at 31 March 2022	2.83



i Intangible assets under development ageing schedule for the year ended 31 March 2022 is as follows:

(Rs. in lakhs)

Particulars	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2.83	-	-	-	2.83
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development ageing schedule for the year ended 31 March 2021 is as follows:

(Rs. in lakhs)

Particulars	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

14 Right of use Asset

(Rs. in lakhs)

Particulars	Office building
Gross block	
As at 1 April 2020	162.77
Additions	101.71
Deletions	(4.27)
As at 31 March 2021	260.21
Additions	98.14
Deletions	(33.66)
As at 31 March 2022	324.69
Accumulated depreciation / amortisation	
As at 1 April 2020	107.72
Additions	55.24
Deletions	(0.45)
As at 31 March 2021	162.51
Additions	59.39
Deletions	(14.72)
As at 31 March 2022	207.18
Net block	
As at 31 March 2021	97.70
As at 31 March 2022	117.51



15 Other non-financial assets

(Rs. in lakhs)

Particulars	As at	As at
	31 March 2022	31 March 2021
Prepaid expenses	118.58	58.19
Balance with government authorities	-	5.72
Other assets	6.67	1.10
Total	125.25	65.01

16 Trade payables

(Rs. in lakhs)

Particulars	As at	As at
	31 March 2022	31 March 2021
Total outstanding dues of micro enterprises and small enterprises (Refer note 46)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	32.12	47.80
Total	32.12	47.80

Ageing of Trade Payables as per below schedule for balances outstanding as at 31 March 2022

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	29.93	-	-	-	29.93
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled	-	-	-	-	2.19
Total	29.93	-	-	-	32.12

Ageing of Trade Payables as per below schedule for balances outstanding as at 31 March 2021

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	42.27	-	-	-	42.27
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled	-	-	-	-	5.53
Total	42.27	-	-	-	47.80

17 Other payables

(Rs. in lakhs)

Particulars	As at	As at
	31 March 2022	31 March 2021
Total outstanding dues of micro enterprises and small enterprises (Refer note 46)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	92.74	56.70
Total	92.74	56.70



18 Debt securities

(Rs. in lakhs)

Particulars	As at	As at
	31 March 2022	31 March 2021
Secured		
At amortised cost		
Redeemable non-convertible debentures	9,266.43	9,237.98
Unsecured		
At amortised cost		
Redeemable non-convertible debentures	2,500.00	-
Total	11,766.43	9,237.98
Debt securities in India	11,766.43	9,237.98
Debt securities outside India	-	-
Total	11,766.43	9,237.98

(Rs. in lakhs)

Terms of debentures	As at	As at
	31 March 2022	31 March 2021
9.45% secured ,rated, unlisted, 265,000 redeemable non convertible debentures of Rs. 1,000 at par on 18 November 2024	2,650.00	2,650.00
10.60% secured ,rated, unlisted, 266,000 redeemable non convertible debentures of Rs. 1,000 at par on 18 November 2024	2,660.00	2,660.00
9.65%, secured, rated, unlisted, senior, fully paid up, taxable, 400 redeemable non-convertible debentures of Rs.1,000,000 at par on 21 April 2023	4,000.00	4,000.00
8.51%, unsecured, rated, unlisted, fully paid up, taxable, 300 redeemable non-convertible debentures of Rs.1,000,000 at par on 22 September 2024	2,500.00	-
Total Debt securities	11,810.00	9,310.00
Adjustments of unamortised processing fee based on EIR	(43.58)	(72.02)
Total adjusted Debt securities	11,766.43	9,237.98

*The above non-convertible debentures ("NCD") were issued on private placement basis and secured by way of a first ranking exclusive and continuing charge over the standard book debts / loan receivables of the Group. The payment of interest half yearly and Principal payable at maturity.

The payment of interest half yearly and Principle payable at maturity

(Rs. in lakhs)

Rate of interest	Maturity	As at	As at
		31 March 2022 Secured	31 March 2021 Secured
8.51% - 10.60%	Within 1-5 years	1,000.00	
8.51% - 10.60%	More than 5 years	10,810.00	9,310.00
Total Debt securities		11,810.00	9,310.00
Adjustments of unamortised processing fee based on EIR		(43.58)	(72.02)
Total adjusted Debt securities		11,766.43	9,237.98



19 Borrowings (other than debt securities)

(Rs. in lakhs)

Particulars	As at	As at
	31 March 2022	31 March 2021
At amortised cost		
Secured		
Term loans		
- from banks	74,842.80	47,283.79
- from National Housing Bank (NHB)	14,394.66	15,412.80
- from Financial Institution (FI)	3,720.04	3,938.77
Total	92,957.50	66,635.36
Borrowings in India	92,957.50	66,635.36
Borrowings outside India	-	-
Total	92,957.50	66,635.36

Notes:

(i) Term loans are secured by first exclusive charge through hypothecation of book debts/ receivables (housing loans) of the Company both present and future and assignment of mortgage on the dwelling units financed from such term loans.

(ii) The Company has not defaulted in the repayment of debt securities and borrowings (other than debt securities) and interest thereon for the year ended 31 March 2022 and 31 March 2021.

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

(Rs. in lakhs)

Rate of interest	Category	Maturity	As at	As at
			31 March 2022	31 March 2021
			Secured/ unsecured	Secured/ unsecured
7%-9%	Banks	Within 1 year	10,065.58	4,916.63
9%-10%	Banks		4,934.64	3,643.28
10%-11%	Banks		1,800.00	3,204.00
7%-9%	FI		672.27	-
9%-10%	FI		1,111.11	-
10%-11%	FI		-	1,428.05
3%-10%	NHB		2,990.55	4,023.40
7%-9%	Banks	Within 1-5 years	38,805.37	9,435.30
9%-10%	Banks		13,907.15	13,520.40
10%-11%	Banks		2,677.96	8,543.15
7%-11%	FI		1,939.75	2,518.79
2%-10%	NHB		9,470.95	9,005.81
8%-9%	Banks	More than 5 years	1,349.77	200.29
9%-10%	Banks		1,589.27	3,041.98
10%-11%	Banks		-	1,029.00
2%-10%	NHB		1,933.16	2,383.59
Total borrowings (excluding loans repayable on demand)			93,247.53	66,893.67
Adjustments of unamortised processing fee based on EIR			(290.03)	(258.31)
Total adjusted borrowings (excluding loans repayable on demand)			92,957.50	66,635.36



20 Subordinated Liabilities

Particulars	(Rs. in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Unsecured		
At Amortised Cost		
Redeemable non-convertible debentures	2,000.00	-
Total	2,000.00	-

Particulars	(Rs. in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Debt securities in India	2,000.00	-
Debt securities outside India	-	-
	2,000.00	-

Rate of interest	Maturity	(Rs. in lakhs)	
		As at 31 March 2022	As at 31 March 2021
9.50% subordinated, unsecured, rated, unlisted, fully paid up, taxable, 200 redeemable non-convertible debentures of Rs.1,000,000 at par on 05 January 2028	More than 5 years	2,000.00	-

21 Other financial liabilities

Particulars	(Rs. in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings	382.11	337.19
Subsidy received from NHB pending transfer to customer *	0.94	0.94
Lease liabilities	118.10	99.99
Payable to erstwhile promoters of subsidiary company	-	0.03
Employee benefits payable	0.21	-
Creditors for property, plant and equipment.	2.20	-
Total	503.56	438.15

* Pertain to credit linked subsidy and interest subvention scheme subsidy received from NHB, pending credit in respective applicant account.

22 Provisions

Particulars	(Rs. in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Unfunded		
Provision for employee benefits - Gratuity (also refer note 42)	147.28	128.89
Provision for employee benefits - Leave encashment.	30.79	16.36
Total	178.07	145.25

23 Other non-financial liabilities

Particulars	(Rs. in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Statutory dues	91.07	28.92
Advances from customers	10.62	44.90
Unspent CSR (also refer note 47)	12.21	9.21
Total	113.90	83.03



24 Share capital

(a) Equity share capital

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

(Rs. in lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital				
Equity shares of Rs 10 each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
Preference share capital of Rs. 100 each	13,00,00,000	1,30,000.00	8,00,00,000	80,000.00
		1,50,000.00		1,00,000.00
Issued, subscribed and paid up				
Equity shares of Rs 10 each, fully paid up	1,00,000	10.00	1,00,000	10.00
Total		10.00		10.00

(ii) Rights preferences and restrictions attached to equity shares

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

(iii) Shares in the Company held by each shareholders holding more than 5 percent shares:

(Rs. in lakhs)

Name of shareholder	As at 31 March, 2022		As at 31 March, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ananyashree Birla	90,000	90.00%	90,000	90.00%

(iv) Reconciliation of number and amount of shares outstanding:

(Rs. in lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Shares outstanding at the beginning of the year	1,00,000	10.00	1,00,000	10.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year/ period	1,00,000	10.00	1,00,000	10.00

v) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2022 is as follows

Name of the Promoters	As at 31 March 2022		As at 31 March 2021		% change
	Nos.	% Holding	Nos.	% Holding	
Ananyashree Birla	90,000	90.00%	90,000	90.00%	-
Anil Chirania	5,000	5.00%	5,000	5.00%	-
Shriram Jagetiya	5,000	5.00%	5,000	5.00%	-

Disclosure of shareholding of promoters as at 31 March 2021 is as follows

Name of the Promoters	As at 31 March 2021		As at 31 March 2020		% change
	Nos.	% Holding	Nos.	% Holding	
Ananyashree Birla	90,000	90.00%	90,000	90.00%	-
Anil Chirania	5,000	5.00%	5,000	5.00%	-
Shriram Jagetiya	5,000	5.00%	5,000	5.00%	-

(vi) Shares issued for consideration other than cash

The Company has not issued/ allotted any shares pursuant to contracts without payment being received in cash, nor issued any bonus shares nor there has been buy back of shares since incorporation i.e. 11 May 2018.

(b) Instruments entirely equity in nature

(Rs. in lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
6 % Compulsory convertible non cumulative preference shares	9,39,00,000	93,900.00	6,69,00,000	66,900.00



(ii) Rights preferences and restrictions attached to preference shares

The CCPS shall carry a fixed rate of dividend of 6% on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The payment of dividend on CCPS will be on non-cumulative basis. The CCPS shall be compulsorily convertible into equity shares of the Company after the expiry of 10 years from the date of allotment of CCPS in the ratio of 10:1 i.e. 1 CCPS of Rs. 100 each fully paid up shall be convertible into 10 Equity shares of Rs. 10 each fully paid up. The CCPS will carry preferential rights vis-a-vis Equity Shares of the Company with respect to payment of dividend or repayment of capital during winding up. The CCPS holders shall not be entitled to participate in the surplus funds of the Company. The CCPS holders shall be non-participating in the surplus assets and profits on winding up which may remain after the entire capital has been repaid. The CCPS holders shall carry voting rights as per the provisions of Memorandum and Articles of the Company. All other terms, conditions and rights of the preference shareholders shall be subject to the provisions of the Memorandum and Article of Association of the Company and the Companies Act, 2013.

(iii) Reconciliation of number and amount of shares outstanding:

(Rs. in lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	6,69,00,000	66,900.00	-	-
Shares issued during the year	2,70,00,000	27,000.00	1,90,00,000	19,000.00
Conversion of terms of 8% non cumulative redeemable preference shares to 6% compulsorily convertible non cumulative preference shares	-	-	4,79,00,000	47,900.00
Shares outstanding at the end of the year	9,39,00,000	93,900.00	6,69,00,000	66,900.00

Allotment details	Allotment date	Amount
10,00,000 CCPS of Rs. 100 each	28-Sep-18	10,000.00
22,50,000 CCPS of Rs. 100 each	28-Sep-18	22,500.00
4,00,000 CCPS of Rs. 100 each	12-Dec-18	400.00
5,00,000 CCPS of Rs. 100 each	03-Sep-19	5,000.00
2,50,000 CCPS of Rs. 100 each	31-Dec-19	2,500.00
3,50,000 CCPS of Rs. 100 each	06-Feb-20	3,500.00
4,00,000 CCPS of Rs. 100 each	30-Mar-20	4,000.00
6,50,000 CCPS of Rs.100 each	30-Sep-20	6,500.00
12,50,000 CCPS of Rs. 100 each	30-Mar-21	12,500.00
7,50,000 CCPS of Rs.100 each	30-Sep-21	7,500.00
10,00,000 CCPS of ₹ 100 each	31-Dec-21	10,000.00
9,50,000 CCPS of ₹ 100 each	29-Mar-22	9,500.00
		93,900.00

(iv) Shares in the Company held by each shareholders holding more than 5 percent shares:

Name of shareholder	As at 31 March, 2022		As at 31 March, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Birla Group Holdings Private Limited*	-	-	1,00,00,000	14.95%
IGH Holdings Private Limited	9,39,00,000	100.00%	5,69,00,000	85.05%
Total	9,39,00,000	100.00%	6,69,00,000	100.00%

*During Financial year 2021-22 Birla Group Holdings Private Limited has sold the 6% compulsorily convertible non cumulative preference shares to IGH Holdings Private Limited.

v) Disclosure of Shareholding of Promoters

There is no promoters shareholding in preference share capital as at 31 March 2022 and as at 31 March 2021.



		(Rs. in lakhs)	
25 Other equity		As at 31 March 2022	As at 31 March 2021
Particulars	Notes		
Statutory reserve under Section 29C of the NHB Act, 1987	25.2	521.94	262.76
Impairment reserves	25.3	597.55	448.29
Equity component of financial instrument	25.4	-	-
Retained earnings	25.5	1,651.85	4,299.61
		2,771.34	5,010.66

		(Rs. in lakhs)	
25.1		As at 31 March 2022	As at 31 March 2021
Particulars			
Statutory reserves under Section 29C of the NHB Act, 1987			
Opening balance		262.76	147.24
Add: Current year transfer		259.18	115.52
Closing balance		521.94	262.76
Impairment reserves			
Opening balance		448.29	88.51
Add: Current year transfer		149.26	359.78
Closing balance		597.55	448.29
Equity component of financial instrument			
At the beginning of the year		-	29,952.36
Derecognition of 8% Non convertible non cumulative redeemable preference shares		-	(29,952.36)
Issue of non-cumulative, non convertible, redeemable preference shares for current year		-	-
Closing balance		-	-
Retained earnings			
Opening balance		4,299.61	(4,856.07)
Add: Transferred from Statement of profit and loss		867.34	5,525.02
Less: Transfer to statutory reserves		(259.18)	(115.52)
Less: Transfer to Impairment reserves		(149.26)	(359.78)
Less: Share issue expenses (net of tax)		-	-
Less: Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares		(1.35)	(0.95)
Add :Derecognition of 8% Non convertible non cumulative redeemable preference shares		-	4,134.05
Items of other comprehensive income recognised directly in retained earnings			
Add: Other comprehensive (loss)/income for the year		(3,105.31)	(27.14)
Closing balance		1,651.85	4,299.61

25.2 Statutory reserves under Section 29C of the NHB Act, 1987

As per Section 29C of National Housing Bank Act (NHB), 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserves created by the Subsidiary Company under Section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. Thus, during the year ended 31 March 2021 and year ended 31 March 2022, the Subsidiary Company has transferred to Statutory Reserves, an amount arrived in accordance with Section 29C of the NHB Act, 1987.

25.3 Impairment Reserves as per RBI notification

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

25.4 Equity component of financial instrument

Equity component of financial instruments represents the deemed contributions from the shareholders of the Holding Company.

25.5 Retained earnings

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



26 Interest income

(Rs. in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
On financial assets measured at amortised cost		
Interest on loans	10,655.96	8,134.66
Interest on deposits with banks	204.41	249.98
Interest of corporate deposit	67.73	32.27
Other interest income	107.22	29.18
Total	11,035.32	8,446.09

27 Fees and commission income

Particulars	Year ended 31 March 2021	Year ended 31 March 2021
Service fees and facilitation charges	56.03	-
Total	56.03	-

28 Net gain on fair value changes

(Rs. in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net gain on financial instruments at fair value through profit or loss		
- Investments in mutual funds	88.21	27.92
- Investments in preference shares	-	9,881.46
	88.21	9,909.38
Total net gain on fair value changes		
Fair Value changes:		
-Realised	84.95	24.03
-Unrealised *	3.26	9,885.35
Total net gain on fair value changes	88.21	9,909.38

* Also refer note 6

29 Other income

(Rs. in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Income from advertisement	162.75	93.54
Unwinding interest income	2.56	1.99
Modification (restructuring) gain on financial assets	-	18.43
Gain on termination of lease	2.47	0.65
Miscellaneous income	9.35	1.09
Total	177.13	115.70

30 Finance costs

(Rs. in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
On financial liabilities measured at amortised costs		
Interest on borrowings (other than debt securities)	6,272.22	5,197.23
Finance cost on preference shares measured at amortised cost	-	2,065.83
Interest on debt securities	1,074.01	764.26
Interest on subordinate liabilities	44.77	0.00
Interest on lease liabilities	10.68	7.13
Bank charges and others	35.49	77.04
Total	7,437.17	8,111.49



Svatantra Holdings Private Limited

CIN:U67200MH2018PTC309327

Notes to the consolidated financial statements for the year ended 31 March 2022

31 Impairment on financial instruments

(Rs. in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
On financial instrument measured at amortised cost		
Loans		
Impairment loss allowance	40.66	319.55
Write offs	34.17	37.63
Total	74.83	357.18

32 Employee benefits expense

(Rs. in lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2021
Salaries and wages	1,752.10	1,232.61
Gratuity and leave expenses (refer note 42)	64.30	52.71
Contribution to provident and other funds	97.51	79.35
Staff welfare expenses	40.97	19.04
Total	1,954.88	1,383.71

33 Depreciation and amortisation

(Rs. in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of plant, property and equipment	44.87	22.43
Depreciation of Right of use assets	59.39	55.24
Amortisation of Intangible asset	0.43	0.74
Total	104.69	78.41

34 Other expenses

(Rs. in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Electricity expenses	6.39	3.70
Rent	11.89	4.54
Repairs and maintenance		
- Others	4.56	2.09
Insurance	26.72	27.52
Rates and taxes	2.65	31.92
Payments to auditors (Refer Note below)	24.47	28.14
Computer and software expenses	51.38	23.94
Communication expenses	31.22	24.93
Professional, legal and consultancy fees	130.45	105.99
Printing and stationery	39.17	22.39
Travelling, conveyance and boarding expenses	225.57	113.38
Advertising and marketing expenses	14.44	10.51
Corporate social responsibility (Refer Note 47)	16.13	18.50
Brokerage and commission	16.19	0.35
Miscellaneous expenses	105.08	71.32
Total	706.31	489.22
Note: Payments to auditors		
Audit fees	16.49	15.20
Tax Audit fees	2.00	1.61
Certification work	3.88	7.90
Taxation matter	1.42	2.50
Reimbursement of expenses	0.68	0.93
	24.47	28.14



35 Tax expense

(Rs. in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax expense		
Current tax for the year	319.04	181.40
Total	319.04	181.40
Deferred taxes		
Relating to origination and reversal of temporary differences	(107.57)	2,341.01
Net deferred tax expense	(107.57)	2,341.01
Earlier year tax adjustment		
Earlier year tax adjustments	-	3.73
Total income tax expense	211.47	2,526.14

35.1 Tax reconciliation

(Rs. in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before income tax expense	1,078.81	8,051.16
Statutory income tax rate	25.17%	25.17%
Tax at statutory income tax rate	271.51	2,026.32
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax impact on expenses which is non deductible	2.74	527.14
Tax impact on deduction under Section 36(1)(viii) of the Income Tax Act, 1961	(65.26)	(20.49)
Earlier year tax adjustments	-	3.73
Business loss on which deferred tax was not created	2.48	2.72
Impact of difference in tax rate on certain items	-	(13.28)
Income tax expense	211.47	2,526.14

35.2 Deferred tax movement related to the following:

1 April 2021 to 30 March 2022

(Rs. in lakhs)

Deferred tax assets (net)	As at 31 March 2021	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognized in equity	As at 31-03-2022
Deferred tax asset on account of:					
Provision for impairment of assets	155.46	2.53	-	-	157.99
Fair value gain / (loss) on investments	-	-	-	-	-
Provision for employee benefits	36.56	10.14	(1.88)	-	44.82
Share issue expenses	6.47	(1.97)	-	-	4.50
Timing difference on depreciation on property plant and equipment	13.11	3.16	-	-	16.27
Transaction costs on Loans	138.65	106.62	-	-	245.27
Unearned processing fee	6.58	(5.64)	-	-	0.94
Lease liabilities	0.57	(0.42)	-	-	0.15
	357.40	114.42	(1.88)	-	469.94
Deferred tax liability on account of:					
Fair value gain / (loss) on investments	(1,760.38)	(0.35)	(1,046.28)	-	(714.45)
Transaction costs on borrowings	(83.14)	(6.50)	-	-	(89.63)
Modification (restructuring) gain on financial assets	(4.64)	-	-	-	(4.64)
	(1,848.16)	(6.85)	(1,046.28)	-	(808.72)
	(1,490.76)	107.57	1,044.40	-	(338.78)

1 April 2020 to 30 March 2021

(Rs. in lakhs)

Deferred tax assets (net)	As at 31 March 2020	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognized in equity	As at 31 March 2021
Deferred tax asset on account of:					
Provision for impairment of assets	84.85	70.61	-	-	155.46
Fair value gain / (loss) on investments	1,298.91	(1,298.91)	-	-	-
Provision for employee benefits	27.62	12.90	(3.96)	-	36.56
Share issue expenses	4.61	1.86	-	-	6.47
Timing difference on depreciation on property plant and equipment	11.47	1.64	-	-	13.11
Transaction costs on Loans	(8.38)	147.03	-	-	138.65
Unearned processing fee	-	6.58	-	-	6.58
Lease liabilities	1.62	(1.05)	-	-	0.57
	1,420.70	(1,059.34)	(3.96)	-	357.40
Deferred tax liability on account of:					
Fair value gain / (loss) on investments	(584.65)	(1,188.82)	(13.09)	-	(1,760.38)
Transaction costs on borrowings	5.07	(88.21)	-	-	(83.14)
Modification (restructuring) gain on financial assets	-	(4.64)	-	-	(4.64)
	(579.58)	(1,281.67)	(13.09)	-	(1,848.16)
	841.12	(2,341.01)	9.13	-	(1,490.76)



36 Earnings per share

Particulars	(Rs. in lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Net profit/ (loss) attributable to equity holders	867.34	5,525.02
Weighted average number of equity shares outstanding (numbers) - Basic and diluted*	73,24,15,068	3,59,98,630
Earnings per share		
Basic earning per share (Rs.)	0.12	15.35
Diluted earning per share (Rs.)	0.12	15.35
Nominal value per share (Rs.)	10	10

* Weighted average number of equity shares outstanding as at 31 March 2022 includes compulsorily convertible non cumulative preference shares

37 Related party disclosures

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

37.1 List of related parties

Nature of relationship	Name of related party
Entity having significant influence	Azure Jouel Private Limited
Key Managerial Personnel (KMP)	Mr. Anil Chirania, Director Mr. Shriram Jagetiya, Director Ms. Ananyashree Birla, Chairperson Mr. Vineet Chatterjee, Managing Director Mr. Sahil Mehta, Chief Financial Officer Ms. Tasneem Mandsorwala, Company Secretary

37.2 Transactions during the period with related parties :

Transactions with	Nature of transactions	(Rs. in lakhs)	
		Year ended 31 March 2022	Year ended 31 March 2021
Azure Jouel Private Limited	Loan given	2,000.00	-
Azure Jouel Private Limited	Loan repaid	2,000.00	-
Azure Jouel Private Limited	Interest income	13.11	-
Mr. Sahil Mehta	Remuneration	37.95	33.50
Ms. Tasneem Mandsorwala	Remuneration	9.83	9.00

Note:

- There is no outstanding balance with related parties
- Employee benefits in relation to gratuity are calculated at the Company level and hence not considered in above disclosure.

38 Capital management

For the purpose of the Group's capital management, capital includes issued equity and preference capital and all other equity reserves attributable to the equity holders of the Holding Company. The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The Group manages its capital structure and makes adjustment in light of changes in business condition. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep optimum gearing ratio. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

The Group's policies in respect of capital management is regularly reviewed by Board of Directors.

Particulars	(Rs. in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Debt securities	11,766.43	9,237.98
Borrowings	92,957.50	66,635.36
Subordinated liabilities	2,000.00	-
Trade and other payables	124.86	104.50
Other financial liabilities	503.56	438.15
Less: cash and cash equivalents	-7,852.14	-8,741.80
Net debt (A)	99,500.21	67,674.19
Equity share capital	10.00	10.00
Instruments entirely equity in nature	93,900.00	66,900.00
Other equity	2,771.34	5,010.66
Total member's capital (B)	96,681.34	71,920.66
Capital and net debt (C=A+B)	1,96,181.55	1,39,594.85
Gearing ratio (%) (A/C)	50.72	48.48

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

Loan covenants

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breach in meeting these financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any borrowing in the current period. Loan covenants mainly include minimum CRAR of 14% (Previous year 13%), ratio of total outstanding liability to total net worth to be less than or equal to 13 times (Previous year 14 times) etc. in case of the Subsidiary company.



39 Fair value measurement

		(Rs. in lakhs)	
39.1 Financial instruments by category			
Particulars	Category	As at 31 March 2022	As at 31 March 2021
Financial assets:			
Cash and cash equivalents	Amortised Cost	7,852.14	8,741.80
Bank balance other than cash and cash equivalents	Amortised Cost	6,045.33	3,018.48
Loans	Amortised Cost	1,12,482.91	80,934.65
Investments	FVTPL	96.57	107.51
Investments	FVOCI	57,323.31	36,480.50
Other financial assets	Amortised Cost	166.58	192.12
Total financial assets		1,83,966.84	1,29,475.06
Financial liabilities:			
Trade payables	Amortised Cost	32.12	47.80
Other payables	Amortised Cost	92.74	56.70
Debt securities	Amortised Cost	11,766.43	9,237.98
Borrowings (other than debt securities)	Amortised Cost	92,957.50	66,635.36
Subordinated liabilities	Amortised Cost	2,000.00	-
Other financial liabilities	Amortised Cost	385.46	338.16
Lease liabilities	Amortised Cost	118.10	99.99
Total financial liabilities		1,07,352.35	76,415.99

39.2 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities. The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted preference shares and unquoted equity shares (rights) carried at FVTPL and unquoted equity securities carried at FVTOCI included in level 3.

		(Rs. in lakhs)			
Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022:					
Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Instruments measured at fair value:					
Investments at fair value through profit and loss (Note 6)					
Investments in mutual fund	31 March 2022	96.57	96.57	-	-
Investments at fair value through OCI (Note 6)					
Investments in unquoted equity shares	31 March 2022	5,576.00	-	-	5,576.00
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares*	31 March 2022	64,023.63	-	-	64,023.63

There have been no transfers between Level 1 and Level 3 during the period.

		(Rs. in lakhs)	
Reconciliation of deferred Day 1 gain/(loss)			
Particulars	31-Mar-22	31-Mar-21	
Opening balance	4,538.94	-	
Add: Deferred during the year	7,737.38	4,538.94	
Less: recognised during the year	-	-	
Closing balance	12,276.32	4,538.94	

As at 31 March 2022, the Company has deferred gain of Rs. 12,276.32 Lakhs (previous year Rs. 4,538.94 Lakhs) arises on initial measurement of financial assets for which the Level 3 fair value inputs have been used. The Company will recognise aforesaid deferred gain only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

		(Rs. in lakhs)			
Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021:					
Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Instruments measured at fair value:					
Investments at fair value through profit and loss (Note 6)					
Investments in mutual fund	31 March 2021	107.51	107.51	-	-
Investments at fair value through OCI (Note 6)					
Investments in unquoted equity shares	31 March 2021	6,260.00	-	-	6,260.00
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares*	31 March 2021	34,759.44	-	-	34,759.44

There have been no transfers between Level 1 and Level 3 during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Unquoted equity shares fair values have been arrived as per methods prescribed under Ind AS 113 Fair Value Measurement.

The valuation of unquoted preference shares requires management to make certain assumptions about the model inputs, including forecast of cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted preference shares and bonds. In case of instruments having option to convert with the Group, the management has assigned probable likelihood of conversion depending on equity stake in the target entity, domain of operation and liquidity. Wherever, the probability is low, valuation has been done based on redemption assumptions.



39.3 Sensitivity of fair value measurements to changes in unobservable market data

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2021 and March 31, 2020 are as shown below:

(Rs. in lakhs)				
Description of significant unobservable inputs to valuation:				
Particulars	Valuation Technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
Investments in Unquoted Equity Instruments	DCF method (income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2022 CAPM Rate 22.30% 31 March 2021: CAPM Rate 23.50%	Fair Value when Interest Rate increases by 1% as on 31 March 2022 - Rs. 5,164.00 Lakhs (31 March 2021 - Rs. 5,852.00 Lakhs) Fair Value when Interest Rate decrease by 1% as on 31 March 2021 - Rs. 5,936.00 Lakhs (31 March 2021 - Rs. 6,656.00 Lakhs)
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares	DCF method (income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2022 CAPM Rate-22.30% 31 March 2021 CAPM Rate-23.50%	Fair Value when Interest Rate increases by 1% as on 31 March 2022 - Rs. 59,293.05 Lakhs (31st March 2021-Rs. 32,493.96 Lakhs) Fair Value when Interest Rate decrease by 1% as on 31 March 2022 - Rs. 68,157.15 Lakhs (31st March 2021-Rs. 36,958.27 Lakhs)

39.4 Financial assets and liabilities measured at amortised cost at each reporting date

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

Particulars	As at 31 March 2022		As at 31 March 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	Financial assets measured at amortised cost			
Cash and cash equivalent	7,852.14	7,852.14	8,741.80	8,741.80
Bank balance other than cash and cash equivalents	6,045.33	6,045.33	3,018.48	3,018.48
Investments	57,419.88	69,696.20	36,588.01	41,126.94
Loans	1,12,482.91	1,13,457.44	80,934.65	81,485.56
Other financial assets	166.58	166.58	192.12	192.12
Total financial assets	1,83,966.84	1,97,217.69	1,29,475.06	1,34,564.90
Financial liabilities:				
Trade payables	32.12	32.12	47.80	47.80
Other payables	92.74	92.74	56.70	56.70
Debt securities	11,766.43	12,266.10	9,237.98	9,312.05
Borrowings (other than debt securities)	92,957.50	93,247.53	66,635.36	66,893.67
Subordinated liabilities	2,000.00	2,128.96	-	-
Other financial liabilities	438.15	438.15	438.15	438.15
Total financial liabilities	1,07,286.94	1,08,205.60	76,415.99	76,748.37

- i) Loans - All the loans given are at variable rate of interest and hence, the fair value of floating rate loans are deemed to be equivalent to the carrying value.
ii) Borrowings - All the borrowing taken are at floating rate of interest and hence, its fair value are deemed to be equivalent to the carrying value adjusted with un-amortize transaction cost.
iii) Debt securities are lease liabilities - The fair value of debt securities are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans.

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

40 Financial risk management

Risk Management

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

The Principal objective in Group's risk management processes is to measure and monitor the various risks associated with the Group's and to follow policies and procedures to address such risks. The group's risk management framework is driven by its Board and its sub-committees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. The Group gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, valuation of collateral, technical and legal verifications, conservative loan to value, and required term cover for insurance.

A Liquidity risk

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

The tables below summarises the maturity profile of the undiscounted cash flows of the Group's financial liabilities:

(Rs. in lakhs)					
As at 31 March 2022					
Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade payables	32.12	-	-	-	32.12
Other payables	92.74	-	-	-	92.74
Debt securities	2,099.43	11,897.51	-	-	13,996.94
Borrowings (other than debt securities)	28,972.62	76,784.52	4,993.45	22.55	1,10,773.14
Subordinated liabilities	190.00	760.00	2,159.29	-	3,109.29
Lease liabilities	57.77	82.59	-	-	140.36
Other financial liabilities	385.46	-	-	-	385.46
Total	31,830.14	89,524.62	7,152.74	22.55	1,28,530.05

(Rs. in lakhs)					
As at 31 March 2021					
Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade payables	47.80	-	-	-	47.80
Other payables	56.70	-	-	-	56.70
Debt securities	918.39	11,378.82	-	-	12,297.21
Borrowings (other than debt securities)	22,393.82	51,569.56	7,274.11	22.55	81,260.04
Lease liabilities	61.57	47.42	-	-	108.99
Other financial liabilities	338.16	-	-	-	338.16
Total	23,816.44	62,995.80	7,274.11	22.55	94,108.90



B Market risk

(i) Foreign currency risk

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

(ii) Interest rate risk

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

Details of loans and borrowings

Particulars	(Rs. in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Loans (variable)	1,12,482.91	80,934.65
Total loans (variable)	1,12,482.91	80,934.65
Borrowings and debt securities		
Borrowings (variable)	92,957.50	66,635.36
Borrowings (fixed rate)	13,766.43	9,237.98
Total borrowings	1,06,723.93	75,873.34

Sensitivity analysis

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

Interest rate sensitivity*	(Rs. in lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Loans		
Increase by 50 basis points	562.41	404.67
Decrease by 50 basis points	(562.41)	(404.67)
Borrowings		
Increase by 50 basis points	(464.79)	(333.18)
Decrease by 50 basis points	464.79	333.18

* Holding all other variables as constant

Price risk

Exposure

The Group's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets. Refer note 36.2 for investments measured at fair value.

C Credit risk

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

Credit risk management

Credit quality of assets

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

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

Expected Credit loss (ECL):

Credit Quality of Loans assets:

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

Particulars	(Rs. in lakhs)	
	31-Mar-22	31-Mar-21
Gross carrying value		
Stage 1	1,07,864.77	77,964.99
Stage 2	3,373.03	2,133.78
Stage 3	1,872.85	1,442.70
Total Gross carrying value as at reporting date	1,13,110.65	81,541.47



Management of credit risk for financial assets

Cash and cash equivalents and bank deposits

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

Other financial assets measured at amortized cost

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

Loans

The Group closely monitors the credit-worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower thereby limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology identification of risks and suitable structuring and credit risk mitigation measures. The Group assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due. The Group has restructured or rescheduled in the terms of the certain loan accounts in the current year on account of COVID-19 related restructuring measures prescribed by the Reserve Bank of India. This has resulted in increased management estimation over determination of losses for such restructured loans.

Collective assessment of ECL

Since the Group is into retail lending business to rural and semi-urban areas which are greater in number but lesser in value, there is no significant credit risk of any individual customer that may impact Group adversely, and hence the Group has calculated its ECL allowances on a collective basis. ECL assessment has been done on an individual basis on the Group's insignificant exposure on corporate and builder loans.

Inputs considered in the ECL model

Definition of default

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

Exposure at default (EAD)

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

Loss given default (LGD)

It is defined as the percentage risk of exposure that is not expected to be recovered in the event of default.

Based on an analysis of historical data, the Group has estimated the loss given default, using historical recovery experience and recovery cost. This is referred to as the workout method. Such recoveries are discounted using interest rate of the loans. While calculating LGD percentage, 100% recoveries are estimated for the cases where the recoveries are absolutely certain to happen within a short period of time.

Probability of Default (PD)

"Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 asset's a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. Historical DPD data is utilized to calculate through the cycle PD. PD analysis tracks the migration behaviour of a static pool of loans active at the end of each year across different buckets- Current, 1-29 DPD, 30-59 DPD, 60-89 DPD, 90+ DPD for the 12 month and lifetime period.

Forward looking information

Forward looking information is incorporated in the measurement of probability of default and consequently in measurement of ECL. The Vasicek model is used for converting the TTC (Through-the-Cycle) PD into FC (Forecast) PD. The model calculates an AC (Asset Correlation) factor and converts the probability using the macro-economic variable selected which is GDP growth rate. Based on the consideration of a variety of external actual and forecast information, the Group forms a 'base case' view of the future direction of GDP growth rate as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

Further, in the global pandemic Covid 19, management overlays are applied in determining forward looking scenarios. It is considered by evaluating all relevant internal and reasonably available external data namely Industrial research by various credit rating agencies.

Significant increase in credit risk

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

The Group have also conducted a quantitative assessment of significant increase in credit risk (SICR) of the loan portfolio with respect to the covid 19 pandemic scenario, based on analysis of percentage increase in probability of default.

Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in Statement of Profit or Loss.

Collateral

The Group holds collateral to mitigate credit risk associated with financial assets. The main types of collateral include residential properties. The collateral presented relates to instruments (individual loans) that are measured at amortised cost.

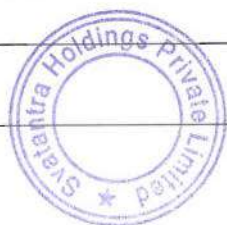
Particulars	(Rs. in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Properties (amount of collateral)	1,86,634.55	1,49,515.77

Credit Risk exposure

i) Expected credit losses for financial assets other than loans and investments measured at Fair value

As at 31 March 2022	(Rs. in lakhs)		
	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	7,852.14	-	7,852.14
Bank balances other than cash and cash equivalents	6,045.33	-	6,045.33
Security deposits	56.25	-	56.25
Other financial assets	67.31	-	67.31

As at 31 March 2021	(Rs. in lakhs)		
	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	8,741.80	-	8,741.80
Bank balances other than cash and cash equivalents	3,018.48	-	3,018.48
Security deposits	39.29	-	39.29
Other financial assets	152.83	-	152.83



ii) Expected credit loss for loans

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

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 1 2020	67,623.52	1,140.76	1,104.50
Assets originated	22,338.52	269.60	25.43
Net transfer between stages			
Transfer to stage 1	214.78	(175.15)	(39.63)
Transfer to stage 2	(1,371.04)	1,423.27	(52.24)
Transfer to stage 3	(238.47)	(363.66)	602.14
Assets derecognised or collected (excluding write offs)	(10,602.32)	(161.04)	(197.50)
Gross carrying amount as at March 31 2021	77,964.99	2,133.78	1,442.70
Assets originated	46,746.58	186.69	38.42
Net transfer between stages			
Transfer to stage 1	909.12	(819.55)	(89.57)
Transfer to stage 2	(2,504.22)	2,552.97	(48.75)
Transfer to stage 3	(666.61)	(309.62)	976.23
Reclassified to other financial assets (also refer note 7)	-	-	(43.02)
Assets derecognised or collected (excluding write offs)	(14,585.09)	(371.24)	(403.16)
Gross carrying amount as at March 31 2022	1,07,864.77	3,373.03	1,872.85

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

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Loss allowance as on April 1 2020	72.93	69.80	194.39
Assets originated	226.16	110.08	68.01
Net transfer between stages	-	-	-
Transfer to stage 1	16.38	(9.41)	(6.97)
Transfer to stage 2	(2.97)	12.16	(9.19)
Transfer to stage 3	(0.87)	(26.15)	27.02
Assets derecognised or collected (excluding write offs)	(47.79)	(21.73)	(54.17)
Loss allowance as on March 31 2021	263.84	134.75	219.09
Assets originated	47.41	150.39	152.37
Net transfer between stages	-	-	-
Transfer to stage 1	60.72	(47.12)	(13.60)
Transfer to stage 2	(10.07)	17.47	(7.40)
Transfer to stage 3	(2.63)	(20.75)	23.38
Assets derecognised or collected (excluding write offs)	(252.92)	(31.65)	(55.54)
Loss allowance as on March 31 2022	106.35	203.09	318.30

Concentration of loans

The Group monitors concentration of credit risk on the basis of housing/Non housing in which the borrower operates;

(Rs. in lakhs)

Concentration by type of loan	As at 31 March 2022	As at 31 March 2021
Housing	1,04,622.56	78,341.48
Non housing	8,488.09	3,210.85
Gross carrying Amount	1,13,110.65	81,552.33

41 Retirement benefit plans

(A) Defined benefit obligation

The Group has the following defined benefits plans:

Particulars

Gratuity (non - funded)

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

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



Particulars	As at	As at
	31 March 2022	31 March 2021
41.1 Actuarial assumptions		
Mortality rate	Indian Assured Lives(2012-14) Ultimate Mortality Rates	Indian Assured Lives(2012-14) Ultimate Mortality Rates
Discount rate (per annum)	7.25%	6.75%
Rate of salary increase	7.50%	7.50%
Withdrawal (Rate of employee turnover)	1% at all ages	1% at all ages

(Rs. in lakhs)

Particulars	For the year ended	For the year ended
	31 March 2022	31 March 2021
41.2 Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	128.89	109.73
Interest expense	8.70	7.13
Current service cost	35.13	29.21
(Benefit Paid From the Fund)	(17.96)	(1.46)
(Benefit paid directly by the employer)	-	-
Actuarial (gains) / losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains) / losses on obligations - due to change in financial assumptions	(14.48)	(4.48)
Actuarial (gains) / losses on obligations - due to experience	7.00	(11.25)
Present value of obligation at the end of the year	147.28	128.89

(Rs. in lakhs)

Particulars	As at	As at
	31 March 2022	31 March 2021
41.3 Assets and liabilities recognised in the balance sheet		
Present value of the defined benefit obligation at the end of the year	147.28	128.89
Funded status - deficit	-	-
Net (liability) / asset recognised in the balance sheet	147.28	128.89

41.4 Expenses recognised in the Statement of Profit and Loss

(Rs. in lakhs)

Particulars	For the year ended	For the year ended
	31 March 2022	31 March 2021
Current service cost	35.13	29.22
Past service cost	-	-
Net interest (income)/ expense	8.70	7.13
Net gratuity cost recognised in the current year	43.83	36.35

41.5 Expenses recognised in the statement of Other comprehensive income (OCI)

(Rs. in lakhs)

Particulars	For the year ended	For the year ended
	31 March 2022	31 March 2021
Actuarial loss on post employment benefit obligation	7.48	15.73
Total remeasurement cost for the year recognised in OCI	7.48	15.73

41.6 Reconciliation of net asset / (liability) recognised:

(Rs. in lakhs)

Particulars	For the year ended	For the year ended
	31 March 2022	31 March 2021
Opening Net Liability	128.89	109.73
Expenses recognised at the end of period	43.83	36.35
Amount recognised in other comprehensive income	(7.48)	(15.73)
Net Liability / (Asset) Transfer In	-	-
Net (Liability) / Asset Transfer Out	-	-
Benefit paid	(17.96)	(1.46)
Employer's Contribution	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	147.28	128.89

41.7 Sensitivity Analysis:

(Rs. in lakhs)

Particulars	As at	As at
	31 March 2022	31 March 2021
Delta effect of +1% change in rate of discounting	(122.95)	(20.76)
Delta effect of -1% change in rate of discounting	178.07	26.43
Delta effect of +1% change in rate of salary increase	177.62	25.95
Delta effect of -1% change in rate of salary increase	(122.85)	(20.80)

41.8 Maturity analysis of projected benefit obligation

(Rs. in lakhs)

Year	As at	As at
	31 March 2022	31 March 2021
1 year	12.28	8.31
Sum of years 2 to 5	6.57	11.20
Sum of years 6 to 10	16.86	7.73
Sum of years 11 and above	687.97	6,375.35



(B) Defined contribution plan

The Company contributes towards provident fund for employees which is the defined contribution plan for qualifying employees. Under this Scheme, the Company is required to contribute specified percentage of the payroll cost to fund the benefits. The Company has recognised Rs. 91.54 Lacs and Rs.73.87 Lacs towards provident fund contributions in the Statement of Profit and Loss for the year ended 31 March 2022 and 31 March 2021, respectively.

42 Leases

Group as lessee

The Group's leased assets primarily consist of leases for office premises & guest houses. Leases of office premises and guest houses generally have lease term between 1 to 5 years. The Group has applied short term exemption for leases for premises accordingly are excluded from Ind AS 116.

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

(Rs. in lakhs)

Particulars	Total
As at 1 April 2020	55.05
Additions	101.71
Deletion during the year	(3.82)
Depreciation expenses for the year	(55.24)
As at March 31, 2021	97.70
Additions	98.14
Deletion during the year	(33.66)
Depreciation expenses for the year	(44.67)
As at March 31, 2022	117.51

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

(Rs. in lakhs)

Particulars	Total
As at 1 April 2020	56.40
Additions	101.71
Accretion of interest	7.13
Deduction	(4.46)
Payment	(60.79)
As at March 31, 2021	99.99
Additions	95.38
Accretion of interest	10.68
Deduction	(21.41)
Payment	(66.53)
As at March 31, 2022	118.10

The Liquidity analysis of lease liabilities are disclosed in Note 37A.

The effective interest rate for lease liabilities is 11%, with maturity between 2021-2026

(iii) The following are the amounts recognised in profit or loss:

(Rs. in lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation expense of right-of-use assets	59.39	55.24
Interest expense on lease liabilities	10.68	7.13
Expense relating to short-term leases (included in other expenses)	11.89	4.54
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (if any, included in other expenses)	-	-

The Group had total cash outflows for leases of Rs. 78.42 lakhs in FY 2021-22 (Rs 65.33 lakhs in FY 2020-21).

43 Segment information

43.1 Business segment

Operating segments are defined as components of an enterprise for which discrete financial information so available that is evaluated regularly by Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance.

The Group has considered business segment as reportable segment for disclosure. The products and services included in each of the reported business segments are as follows:

Segment	Activities
Housing Finance	Housing Finance
Investment Company	Investment Company

Information about Business Segments

(Rs. in lakhs)

Segment Revenue	For the year ended 31 March 2022			For the year ended 31 March 2021		
	External	Inter-segment	Total	External	Inter-segment	Total
Housing Finance	11,175.97	-	11,175.97	10,830.59	-	10,830.59
Investment Company	3.59	-	3.59	7,524.88	-	7,524.88
Segment revenue	11,179.56	-	11,179.56	18,355.47	-	18,355.47
Less: Inter-Segment Revenue	-	-	-	-	-	-
Total Segment Revenue from Operations	11,179.56	-	11,179.56	18,355.47	-	18,355.47
Total Revenue from Operation	11,179.56	-	11,179.56	18,355.47	-	18,355.47

(Rs. in lakhs)

Segment Result (PBT)	For the year ended 31 March 2022	For the year ended 31 March 2021
Housing Finance	1,028.97	212.26
Investment Company	49.84	7,838.90
Total Segmental Results	1,078.81	8,051.16
Profit Before Tax	1,078.81	8,051.16



(Rs. in lakhs)

Segments Assets / Liabilities	Carrying Amount of Segment Assets (including Goodwill)		Carrying Amount of Segment Liabilities	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Segments				
Housing Finance	1,47,977.51	1,15,233.29	1,06,451.45	77,845.90
Investment Company	56,686.93	34,822.40	1,531.65	289.13
Total Segment	2,04,664.44	1,50,055.69	1,07,983.10	78,135.03
Inter-Segment Elimination	-	-	-	-
Add/Less: Unallocated Corporate Assets / Liabilities	-	-	-	-
Total Segment Assets/Liabilities	2,04,664.44	1,50,055.69	1,07,983.10	78,135.03
Total Assets/Liabilities	2,04,664.44	1,50,055.69	1,07,983.10	78,135.03

(Rs. in lakhs)

Depreciation and Amortisation	For the year ended 31 March 2022	For the year ended 31 March 2021
Segments		
Housing Finance	104.69	78.41
Investment Company	-	-
Total Segment	104.69	78.41
Total Depreciation and Amortisation	104.69	78.41

(Rs. in lakhs)

Interest Income/Expenses	Interest Income for the		Interest expenses for the	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Segments				
Housing Finance	11,035.29	8,446.09	7,437.17	6,045.66
Investment Company	0.03	-	-	2,065.83
Total Segment	11,035.32	8,446.09	7,437.17	8,111.49
Inter-Segment Elimination	-	-	-	-
Total Interest Income/Expenses	11,035.32	8,446.09	7,437.17	8,111.49

(Rs. in lakhs)

Impairment on financial instruments including loss on derecognition of financial assets at amortised cost (Expected Credit Loss)	For the year ended 31 March 2022	For the year ended 31 March 2021
Housing Finance	74.83	357.18
Investment Company	-	-
Total	74.83	357.18
Total Tax expense as per statement of profit and loss	74.83	357.18

(Rs. in lakhs)

Income tax expense or income	For the year ended 31 March 2022	For the year ended 31 March 2021
Housing Finance	196.99	30.85
Investment Company	14.48	2,495.29
Total	211.47	2,526.14
Total tax expense as per statement of profit and loss	211.47	2,526.14

(Rs. in lakhs)

Material non-cash items other than depreciation and amortisation	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Housing Finance	Investment Company	Housing Finance	Investment Company
Impairment of financial assets	74.83	-	357.18	-
Unwinding interest expenses	-	-	-	2,065.83
Unrealised net loss /(gain) on fair valuation of financial instruments	-	(3.26)	-	(9,885.34)
Total	74.83	(3.26)	357.18	(7,819.51)

43.2 Entity wide disclosures

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in year ended 31 March 2022 and 31 March 2021. The Group operates in single geography i.e. India and therefore, geographical information is not required to be disclosed separately.

44 Contingent liabilities and commitments

- I. Contingent Liabilities: Rs.113.80 lakhs* (as at 31 March 2021 Rs. 113.80 lakhs)
 - II. Capital Commitments : Rs. 7.56 lakhs (as at 31 March 2021 Rs. Nil)
 - III. Undrawn Commitment given to Borrowers: Rs. 14,132.88 lakhs (as at 31 March 2021 Rs.11,574.46 lakhs)
 - IV. Bank guarantee issued by Banks favouring the NHB for refinance facilities: Rs. 2,972.61 lakhs (as at 31 March 2021 Rs. 2,275.00 lakhs)
- * Disputed income tax demand against which the Company has preferred an appeal before Commissioner of Income Tax (Appeals)



Notes to the consolidated financial statements for the year ended 31 March 2022

45. Maturity analysis of assets and liabilities

Assets	As at 31 March 2022			As at 31 March 2021		
	Within 1 year	After 1 year	Total	Within 1 year	After 1 year	Total
Financial assets						
Cash and cash equivalents	7,852.14	-	7,852.14	8,741.80	-	8,741.80
Bank balances other than cash and cash equivalents	1,465.09	4,580.24	6,045.33	154.49	2,863.99	3,018.48
Loans	10,699.80	1,01,783.11	1,12,482.91	7,961.74	72,972.91	80,934.65
Investments	96.57	57,323.31	57,419.88	107.51	36,480.50	36,588.01
Other financial assets	141.56	25.02	166.58	171.72	20.40	192.12
Non financial assets						
Current tax assets (net)	-	-	-	-	-	-
Investment property	-	11.26	11.26	-	30.95	30.95
Property, plant and equipment	-	1.49	1.49	-	1.49	1.49
Goodwill	20,352.93	86.33	20,352.93	-	32.12	32.12
Other intangible assets	-	-	-	-	0.43	0.43
Intangible assets under development	-	2.83	2.83	-	-	-
Right of use asset	-	117.50	117.50	-	97.70	97.70
Other non financial assets	125.25	-	125.25	64.35	0.67	65.01
Total assets	40733.35	163931.09	204664.44	37554.54	112501.16	150055.70
Liabilities						
Financial liabilities						
Trade payables	-	-	-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	32.12	-	32.12	47.82	-	47.82
Other payables	92.74	-	92.74	56.70	-	56.70
Debt securities	995.29	10,771.14	11,766.43	-	9,237.98	9,237.98
Borrowings	22,252.22	70,705.28	92,957.50	17,154.15	49,481.21	66,635.36
Subordinated Liabilities	-	2,000.00	2,000.00	-	-	-
Other financial liabilities	434.05	69.51	503.56	399.74	38.41	438.15
Non financial liabilities						
Deferred tax liabilities (net)	-	338.78	338.78	-	1,490.76	1,490.76
Provisions	13.63	164.44	178.07	10.10	135.15	145.25
Other non financial liabilities	113.90	-	113.90	83.03	-	83.03
Total liabilities	23,933.95	84,049.15	1,07,983.10	17,751.53	60,383.51	78,135.04
Net Equity	16,799.40	79,881.93	96,681.34	19,803.01	52,117.65	71,920.66



46 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

46.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Expected credit loss ('ECL')

The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
 - Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
 - Establishing groups of similar financial assets for the purposes of measuring ECL.
- Development of ECL model, including the various formulae and the choice of inputs
It has been the Group's policy to regularly review its model in the context of actual loss experience and adjust when necessary

Provisions

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

46.2 Significant estimates

Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

46.3 Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses. The assumptions used are disclosed in Note 39.

46.4 Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. For further details about determination of fair value please see Note 36.



Svatantra Holdings Private Limited

CIN:U67200MH2018PTC309327

Notes to the consolidated financial statements for the year ended 31 March 2022

46.5 Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

When it is reasonably certain to exercise extension option and not to exercise termination option, the Group includes such extended term and ignore termination option in determination of lease term.

46.6 Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Group has taken indicative rates from its bankers and used them for Ind AS 116 calculation purposes.

47 a) Additional information as required under Schedule III to the Companies act 2013, of enterprises consolidated as Subsidiary Company:

Name of the parent : Svatantra Holdings Private Limited

Name of the Indian subsidiary : Svatantra Micro Housing Finance Corporation Limited

(Formerly known as Micro Housing Finance Corporation Limited)

Particulars	(Rs. in lakhs)				
	Parent	Subsidiary	Non Controlling Interest	Adjustment due to Consolidation	Total
Net assets	95,271.00	19,625.25	-	(18,214.91)	96,681.34
As a percentage of consolidated net assets (%)	99.00 %	20.00 %	0.00 %	(19.00)%	100.00 %
Share in profit or loss	35.36	869.77	-	(37.79)	867.34
As a percentage of consolidated profit or loss (%)	4.00 %	100.00 %	0.00 %	(4.00)%	100.00 %
Share in other comprehensive income	(3,110.91)	5.60	-	-	(3,105.31)
As a percentage of consolidated other comprehensive income (%)	100.00 %	0.00 %	0.00 %	0.00 %	100.00 %
Share in total comprehensive income	(3,075.55)	875.37	-	(37.79)	(2,237.97)
As a percentage of consolidated total comprehensive income (%)	137.00 %	(39.00)%	0.00 %	2.00 %	100.00 %

b) Salient Features of Financial Statements of Subsidiary Companies as per Companies Act, 2013 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 :

Part "A" : Subsidiaries

Name of the Indian subsidiary : Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited)



Particulars	(Rs. in lakhs)
	Amount
Reporting Currency	Indian Rupees
Share Capital	4,639.16
Reserves & Surplus	14,986.10
Total Assets	1,27,211.27
Total Liabilities	1,07,586.01
Investments	-
Turnover/Total Income	11,363.26
Profit before taxation	1,079.48
Provision for taxation	209.70
Profit after taxation	869.78
Proposed dividend	-
% of Shareholding	100.00

1. Name of subsidiaries which are yet to commence operations : **None**
2. Names of subsidiaries which have been liquidated or sold during the year : **None**

Part "B": Associates and Joint Ventures

The Group doesn't have any Associates and Joint ventures

- 48 The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, announced a scheme for COVID-19 Relief for grant of exgratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium as per RBI regulatory package was availed or not. During the previous year ended 31 March 2021, the Company had implemented the Scheme and credited the accounts of or remitted amounts to the eligible borrowers as per the Scheme amounting to Rs. 88.77 Lakhs. The Company had filed its claim for the ex-gratia with State Bank of India as per the Scheme, and received the claimed amount during the year ended 31 March 2022.

49 Additional Regulatory Information under MCA Notification dated March 24, 2021

- a) Details of Benami Property held: There are no proceedings which have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- b) Relationship with Struck off Companies : During the year, the Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- c) Compliance with number of layers of companies: The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- d) Compliance with approved Scheme(s) of Arrangements: NA
- e) Utilisation of Borrowed funds and share premium:
During the financial year ended March 31, 2022, other than the transactions undertaken in the normal course of business.
 - (i). No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii). No funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- f) Undisclosed Income: The Group does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.
- g) Details of Crypto Currency or Virtual Currency: The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- h) Capital work in progress (CWIP), Property plant and equipment and Intangible asset: The Group does not have any CWIP, Property plant and equipment and Intangible asset under development.



Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327

Notes to the consolidated financial statements for the year ended 31 March 2022

i) Wilful defaulter

The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2022 and March 31, 2021.

j) Additional information where borrowings are from banks or financial institutions:

- (i) The quarterly returns filed by the Group with banks or financial institutions are in agreement with the books of accounts.
(ii) The Group has used the borrowings from the banks or financial institutions for the purpose for which it was raised as at balance sheet date.

50 The comparative financial information of the Company for the year ended 31 March 2021 are based on the previously issued statutory financial statements prepared in accordance with the Accounting Standards Specified under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India audited by Suresh Surana & Associates & LLP, predecessor auditor whose report for the year ended 31 March 2021 dated 29 October 2021 expressed an unmodified opinion on those financial statements.

51 Events after reporting date:

There have been no events after the reporting date that require adjustment/disclosure in these consolidated financial statements.

Signature to note 1 to 51

As per our report of even date attached

For PYS & CO. LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048



G.D. Joglekar
Partner
Membership No: 39407
Place: Mumbai
Date: 20 SEP 2022



On behalf of the Board of Directors of
Svatantra Holdings Private Limited



Anil Chirania
Director
DIN: 01082719



Shriram Jagetiya
Director
DIN: 01638250



Rohit Sahu
Company Secretary
Membership No: A53565
Place: Mumbai
Date: 20 SEP 2022

