

INDEPENDENT AUDITOR'S REPORT

**To the Members of Abans Finance Private Limited
Report on the Financial Statements**

Opinion

We have audited the accompanying financial statements of Abans Finance Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at , 31st March 2022 , its Profit including Other Comprehensive Income and its Cash flows, and the Statement of Changes in Equity 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone 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 standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements :

Sr	Key Audit Matters	How our audit addressed the Key Audit Matter
1	<p>Impairment of financial assets (i.e. expected credit losses) (as described in Note No. 4 of the standalone financial statements)</p>	
	<p>Ind AS 109 requires the Company to recognise impairment loss allowance towards its financial assets (designated at amortised cost) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including:</p> <ul style="list-style-type: none"> • unbiased, probability weighted outcome under various scenarios; • time value of money; • impact arising from forward looking macro-economic factors and; • availability of reasonable and supportable information without undue costs. • Calculation of probability of default / Loss given default. • Determination of exposure at default • Complexity of disclosures <p>Applying these principles involves significant estimation in various aspects, such as:</p> <ul style="list-style-type: none"> • grouping of borrowers based on homogeneity, security by using appropriate statistical techniques; • staging of loans and estimation of behavioural life; • determining macro-economic factors impacting credit quality of receivables; • Estimation of losses for loan products / minimal historical defaults. Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter. • There are many data inputs required by the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. In some cases, data is unavailable and reasonable alternatives have been applied to allow calculations to be performed. 	<p>We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109.</p> <ul style="list-style-type: none"> • We tested the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. • We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation. • Testing the controls over 'Governance Framework' in line with the RBI guidance. • Testing of review controls over measurement of impairment allowances and disclosures in financial statements • Tested the ECL model, including assumptions and underlying computation.



2	Valuation of Market Linked Debentures (as described in Note No.12 & 13 of the standalone financial statements)
<p>The Company has issued Market Linked Debentures (MLD) during current year linked to the levels of Nifty / Equity share. The outstanding balance of MLD as on March 31, 2022 is INR 5390.81 lakhs The Company on the basis of Valuation Report obtained from the Registered Valuer has done valuation of the outstanding MLD. Considering that internal valuation along with the valuation report obtained of MLD is significant to overall financial statements and the degree of management's judgement involved in the estimate, any error in the estimate could lead to material misstatement in the financial statements. Therefore, it is considered as a key audit matter.</p>	<ul style="list-style-type: none"> • Audit procedures included an assessment of internal controls over fair valuation of MLD outstanding on reporting date. • Assessed and reviewed the fair valuation of MLD by the Company on the basis of Valuation Report obtained from the Registered Valuer for compliance with Ind AS.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears, to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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, Cash Flows and the Statement Of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that we are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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 Companies Act, 2013, we give in the Annexure 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 appears from our examination of those books.

c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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".

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

i. The Company does not have any pending litigations which would impact on its financial position.

ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards 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. Management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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. Management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.
- v. The Company has not declared/paid any dividend during the year

For Paresh Rakesh & Associates LLP
Chartered Accountants
FRN: 119728W/W100743

N.K. Sheth
Nimit Sheth
Partner
M. no: 142645
UDIN: 22142645AJDDAG4933



Date: May 17, 2022
Place: Mumbai

Abans Finance Private Limited

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF ABANS ENTERPRISES LIMITED

(Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date)

- 1) a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
(B) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.
 - b) As explained to us, Property, Plant & Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
 - d) According to information and explanations given to us and books of accounts and records examined by us, Company has not revalued its Property, Plant and Equipment during the year.
 - e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- 2) a) The Company not deal in any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it
 - b) As per the information and explanation given to us and examination of books of accounts and other records produced before us, in our opinion the Company was not sanctioned working capital limits in excess of five crore rupees in aggregate, from banks or financial institutions during the year, hence clause (ii)(b) of the Paragraph 3 is not applicable to the Company.
- 3) a) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(a) of the Order are not applicable to it.
 - b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, Investments made, security given and guarantees provided are not prejudicial to the Company's interest.
 - c) In our opinion and according to information and explanations given us and on the basis of our audit procedures, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
 - d) According to the books of accounts and records examined by us in respect of the loans, there is no amount overdue for more than ninety days
 - e) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(e) of the Order are not applicable to it.



- f) Based on our audit procedures and the information and explanation made available to us, 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.
- 4) In respect of Investment made, Loan given, Security Given and Guarantee provided by the Company:
a) The Company has complied with the provisions of section 185.
b) The Company being an NBFC has complied with the provisions of section 186 to the extent applicable to the Company.
- 5) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- 6) The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company
- 7) In respect of Statutory dues :
- a) According to the records of the Company examined by us, undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income tax, duty of customs, cess and any other material statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the aforesaid dues, which were outstanding as March 31, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority on account of any dispute.
- 8) According to the information and explanations given to us and representation given to us by the management, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- 9) a) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
b) In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
c) In our opinion, and according to the information and explanations given and records examined by us, the company has not raised money way of term loans from the Banks or financial institutions .Accordingly, the provisions of the clauses (ix)(c) of the Order are not applicable.
d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report



that, *prima facie*, no funds raised on short-term basis have been used during the year for long-term purposes by the Company.

- e) The company does not have any subsidiaries, associates, or joint ventures. Accordingly, the provisions of the clauses (ix)(e) & (ix)(f) of the Order are not applicable.
- 10) a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and hence clause (x)(a) of paragraph 3 of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- 11) a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- b) According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act has been filed by auditors 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) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- 12) In our opinion, Company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- 13) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- 14) a) In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- 15) According to the information and explanations provided by the management, the Company has not entered into any non-cash transaction with directors or persons connected with him as referred to in Section 192 of the Act.
- 16) a) The Company is obtained the required registration under Section 45-IA of the Reserve Bank of India Act, 1934 as it conducts Non Banking Financial activities.
- b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the Company has conducted Non Banking Financial activities after obtaining required CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) In our opinion, and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) According to the information and explanations provided to us, the Group has only 1 (one) Core Investment Company (CIC).



- 17) In our opinion, and according to the information and explanations provided to us, Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause (xviii) of Paragraph 3 of the Order are not applicable to the Company.
- 19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is 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.
- 20) According to the information and explanations given to us provisions of section 135 related to Corporate Social Responsibility are not applicable to the Company. Hence, Clause (xx) of the Paragraph 3 is not applicable to the Company.
- 21) Reporting under clause xxi of the Order is not applicable at the standalone level of reporting.

For Paresh Rakesh & Associates LLP

Chartered Accountants

FRN: 119728W/W100743

N. K. Sheth
Nimit Sheth

Partner

M. no: 142645

UDIN: 22142645AJDDAG4933



Date: May 17, 2022

Place: Mumbai

Abans Finance Private Limited

“Annexure B” to Independent Auditors’ Report referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.

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

We have audited the Internal Financial Control over financial reporting of Abans Finance Private Limited (“the company”) as of 31st March 2022, in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

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

Auditor’s Responsibility

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, considering nature of business, size of operations and organizational structure of the entity, 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 31st 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 Controls over Financial reporting issued by the ICAI.

For Paresh Rakesh & Associates LLP

Chartered Accountants

FRN: 119728W/W100743

N.K. Sheth

Nimit Sheth

Partner

M. no: 142645

UDIN: 22142645AJDDAG4933



Date: May 17, 2022

Place: Mumbai

Abans Finance Private Limited
CIN:U51219MH1995PTC231627
Balance Sheet as at 31st March, 2022

Particulars	Note No.	(₹ in Lacs)	
		March 31, 2022	March 31, 2021
ASSETS			
Financial Assets			
Cash and cash equivalents	1	2,858.71	5,355.24
Derivative financial instruments	2	0.67	25.47
Receivables	3		
(a) Trade Receivable		231.76	159.76
(b) Other Receivables		0.08	-
Loans	4	18,473.57	35,263.04
Investments	5	3,923.92	141.62
Other Financial assets	6	124.66	53.23
		25,613.37	40,998.36
Non-Financial Assets			
Current tax assets (Net)	7	-	34.65
Deferred tax Assets (Net)	8	36.24	41.02
Property, Plant and Equipment	9	1,286.93	1,321.96
Other non-financial assets	10	18.90	24.16
		1,342.07	1,421.79
Total Assets		26,955.44	42,420.15
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables	11		
(a) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues other than micro enterprises & small enterprises		-	-
(b) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues other than micro enterprises & small enterprises		11.68	157.88
Debt Securities	12	5,390.81	15,650.96
Subordinated Liabilities	13	-	5,549.10
		5,402.49	21,357.94
Non-Financial Liabilities			
Current tax liabilities (Net)	14	32.47	-
Provisions	15	63.24	101.09
Other non-financial liabilities	16	7.68	2.62
		103.39	103.71
EQUITY			
Equity Share capital	17	2,527.73	2,527.73
Other Equity	18	18,921.83	18,430.77
		21,449.56	20,958.50
Total Liabilities and Equity		26,955.44	42,420.15

Notes to Financial Statements

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Significant Accounting Policies and Notes attached thereto form an integral part of Financial Statements

As per our attached report of even date
For Paresh Rakesh & Associates LLP
Chartered Accountants
Firm Registration No.: 119728W/W100743

For and Behalf of the Board

(Signature)
Mahesh Kumar Cheruveedu
Director & CEO
DIN : 09499122

(Signature)
Abhishek Bansal
Director
DIN : 01445730

(Signature)
Nirbhay Vassa
Chief Financial Officer

(Signature)
Harsh Shah
Company Secretary

(Signature)
Nimit Sheth
Partner
Membership No. 142645
Mumbai
Date: 17th May, 2022
UDIN: 22142645AJDCAL3380



Abans Finance Private Limited
Statement of Profit & Loss for the period ended 31st March, 2022

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
(₹ in Lacs)			
Revenue from Operations			
Interest Income	19	3,295.01	4,816.87
Rental Income		53.70	38.70
Reversal of Impairment Allowance on Loan		56.94	18.89
Dividend Income		0.48	-
Total Revenue from operations (I)		3,406.13	4,874.46
Expenses			
Finance Costs	20	239.60	372.69
Employee Benefits Expenses	21	364.74	183.35
Depreciation, amortization and impairment	9	35.03	35.86
Others expenses	22	2,072.85	3,998.02
Total Expenses (II)		2,712.22	4,589.92
Profit/(loss) before tax (III=I-II)		693.91	284.54
Less: Tax Expense (IV):			
Current Tax		187.45	47.50
Earlier Year		11.54	13.69
Deferred Tax		4.52	38.74
		203.51	99.93
Profit/(loss) after tax (V=III-IV)		490.40	184.61
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement gain/(loss) on defined benefit plan		0.91	3.11
Income tax relating to items that will not be reclassified to profit or loss			
- Deferred Tax on OCI		(0.25)	(1.97)
Other Comprehensive Income		0.66	1.14
Total Comprehensive Income		491.06	185.75
Earnings per equity share (for continuing operations)			
Basic (Rs.)		1.94	0.73
Diluted (Rs.)		1.94	0.73

Notes to Accounts

1 - 48

Significant Accounting Policies and Notes attached thereto form an integral part of Financial Statements.

As per our attached report of even date
For Paresh Rakesh & Associates LLP
Chartered Accountants
Firm Registration No.: 119728W/W100743

For and Behalf of the Board

(Signature)
Mahesh Kumar Cheruveedu
Director & CEO
DIN : 09499122

(Signature)
Abhishek Bansal
Director
DIN : 01445730

(Signature)
Nirbhay Vassa
Chief Financial Officer

(Signature)
Harsh Shah
Company Secretary



(Signature)
Nimit Sheth

Nimit Sheth
Partner
Membership No. 142645
Mumbai
Date: 17th May, 2022
UDIN: 22142645AJDCAL3380



Abans Finance Private Limited
Statement of Changes in Equity as at 31st March 2022

Equity Share Capital:

1. Current Reporting Period

(₹ in Lacs)

Particulars	Opening Balance	Changes in Equity Share Capital due to prior period errors	Restated Opening balance	Changes in equity share capital	Closing Balance
Equity Share Capital	2,527.73	-	-	-	2,527.73

2. Previous Reporting Period

Particulars	Opening Balance	Changes in Equity Share Capital due to prior period errors	Restated Opening balance	Changes in equity share capital	Closing Balance
Equity Share Capital	2,527.73	-	-	-	2,527.73

Other Equity:

1. Current Reporting Period

(₹ in Lacs)

Particulars	Reserves and Surplus				Other items of Other Comprehensive Income	Total
	Securities Premium	Impairment Reserve	Reserve Fund U/S 45-IC (1) of RBI Act, 1934	Retained Earnings		
Opening Balance	17,624.21	53.93	149.74	598.17	4.72	18,430.77
Transfer to Reserve Fund U/S 45-IC (1) Of RBI Act, 1934	-	-	98.08	(98.08)	-	-
Other Comprehensive Income	-	-	-	-	0.66	0.66
Transfer to/from Impairment Reserve	-	(10.22)	-	10.22	-	-
Transfer to retained earnings	-	-	-	490.40	-	490.40
Closing Balance	17,624.21	43.71	247.82	1,000.71	5.38	18,921.83

2. Previous Reporting Period

Particulars	Reserves and Surplus				Other items of Other Comprehensive Income	Total
	Securities Premium	Impairment Reserve	Reserve Fund U/S 45-IC (1) of RBI Act, 1934	Retained Earnings		
Opening Balance	17,624.21	65.63	112.82	428.70	3.59	18,234.95
Transfer to Reserve Fund U/S 45-IC (1) Of RBI Act, 1934	-	-	36.92	(36.92)	-	-
MAT Credit Entitlement	-	-	-	10.08	-	10.08
Other Comprehensive Income	-	-	-	-	1.13	1.13
Transfer to/from Impairment Reserve	-	(11.70)	-	11.70	-	-
Transfer to retained earnings	-	-	-	184.61	-	184.61
Closing Balance	17,624.21	53.93	149.74	598.17	4.72	18,430.77



Abans Finance Private Limited
Statement of Changes in Equity as at 31st March 2022

Note:

* Impairment Reserve is the difference of allowance under Ind AS 109 and provisions required as per IRAC Norms. If impairment allowance under Ind AS 109 is lower than the provisions required as per IRAC Norms, the difference is appropriated from retained earnings to Impairment Reserve. The impairment reserve is not reckoned for regulatory capital. Withdrawal can be made only after prior permission from the Department of Supervision, RBI.

** As required by section 45-IC of the RBI Act 1934, the company maintains a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. The company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time.

As per our attached report of even date
For Paresh Rakesh &
Associates LLP
Chartered Accountants
Firm Registration No.: 119728W/W100743

N.K. Sheth



Nimit Sheth
Partner
Membership No. 142645
Mumbai
Date: 17th May, 2022
UDIN: 22142645AJDCAL3380

For and Behalf of the Board

Mahesh Kumar Cheruveedu
Mahesh Kumar Cheruveedu
Director & CEO
DIN : 09499122

Nirbhay Vassa
Nirbhay Vassa
Chief Financial Officer

Abhishek Bansal
Abhishek Bansal
Director
DIN : 01445730

Harsh Shah
Harsh Shah
Company Secretary



Abans Finance Private Limited
Cash Flow Statement for the period from 1st April 2021 to 31st March 2022

	(₹ in Lacs)	
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before tax as per Statement of Profit and Loss	693.91	284.54
Adjusted for :		
Depreciation	35.04	35.86
Provision against Loan	(56.94)	(18.89)
Remeasurement gain/(loss) on defined benefit plan	0.91	3.11
Increase / (Decrease) in Payables	(146.19)	1.47
Increase / (Decrease) in Debt Securities	(10,260.16)	4,660.23
Increase / (Decrease) in Other Borrowings	(5,549.09)	(7,288.54)
Increase / (Decrease) in Provision	19.09	2.49
Increase / (Decrease) in Other Liabilities	5.06	0.19
Decrease / (Increase) in Derivatives financial instruments	24.80	(155.36)
Decrease / (Increase) in Receivables	(72.09)	227.46
Decrease / (Increase) in Loans & Advances	16,789.48	7,647.96
Decrease / (Increase) in Other Current Assets	(66.17)	(38.84)
	723.74	5,077.14
Cash Generated from Operations	1,417.65	5,361.68
Taxes Paid	131.88	28.08
Net Cash from Operating Activities (A)	1,285.77	5,333.60
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Asset	-	(0.12)
Sale / (Purchase) of Investments	(3,782.30)	(141.62)
Net Cash from Investing Activities (B)	(3,782.30)	(141.74)
CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash from Financing Activities (C)	-	-
Net cash and cash equivalents (A + B + C)	(2,496.53)	5,191.86
Cash and cash equivalents at beginning of the period	5,355.24	163.38
Cash and cash equivalents at end of the period	2,858.71	5,355.24

Notes:-

- Cash flow statement has been prepared under Indirect method as set out in Ind AS 7 as per the Companies (Indian Accounting Standards) Rule 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rule, 2016.
- Components of cash and cash equivalents at the year end comprise of;

	March 31, 2022	March 31, 2021
Cash Balance	1.63	1.63
Cheque in hand	13.13	-
Balance with Bank	2,843.95	5,353.61
	2,858.71	5,355.24

As per our attached report of even date
For Paresh Rakesh & Associates LLP
Chartered Accountants
Firm Registration No.: 119728W/W100743

For and Behalf of the Board

(Signature)
Mahesh Kumar Cheruveedu
Director & CEO
DIN : 09499122

(Signature)
Abhishek Bansal
Director
DIN : 01445730

(Signature)
Nirbhay Vassa
Chief Financial Officer

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Harsh Shah
Company Secretary

N.K. Sheth
Nimit Sheth
Partner
Membership No. 142645
Mumbai
Date: 17th May, 2022
UDIN: 22142645AJDCAL3380



Abans Finance Private Limited

Significant Accounting Policies and Notes to Accounts forming part of Financial Statements for the year ended March 31, 2022

1) Nature of Operations

Abans Finance Private Limited, 'the company', incorporated in Maharashtra, India is a Systematically Important Non-Deposit taking Non banking Financial Company ('NBFC'), as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934.

Application for change in category from Non-Deposit taking Systematically Important NBFC to Non-Deposit taking Non-Systematically Important NBFC was made to RBI on 3rd Dec, 2021 however the status is not changed as on 31st March, 2022.

The company is engaged in advisory services like Investment Banking, Corporate Finance, Project Finance, Trade Finance and providing Business & Retail Loans, unsecured as well as secured against collateral security of immovable property, agri stocks, liquid assets like shares, other financial assets, gold jewellery, etc.

The Companies registered office is situated at Mumbai, India

2) Summary of the significant accounting policies

(a) Basis of Preparation

The Financial Statement is prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended.

The Balance Sheet, Statement of Change in Equity and Statement of Profit & Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The Financial Statement have been prepared under historical cost convention basis except the following assets and liabilities which have been measured at fair value or revalued amounts. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs in compliance with Schedule III of the Act, unless otherwise stated.

1. Certain Financial instruments measured at fair value through other comprehensive income (FVTOCI);
2. Certain Financial instruments measured at fair value through Profit and Loss (FVTPL);
3. Defined Benefit Plan asset measured at fair value;

(b) Use of estimates

The preparation of this financial Statement in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates, judgments and assumptions. This estimates, judgments and assumptions affect application of accounting policies and the reported amount of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial Statement and the reported amount of income and expenses for the periods presented. Although this estimates are based on the management's best knowledge of current events and actions, uncertainty about this assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Accounting estimates could change from period to period. Any revision to accounting estimates is recognised prospectively. Actual results could differ from the estimates. Any difference between the actual results and estimates are recognised in the period in which the results are known/materialize. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial Statement are as below:

1. Valuation of Financial Instruments;
2. Evaluation of recoverability of deferred tax assets;
3. Useful lives of property, plant and equipment and intangible assets;
4. Obligations relating to employee benefits;
5. Provisions and Contingencies;
6. Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions;
7. Recognition of Deferred Tax Assets.



Abans Finance Private Limited

Significant Accounting Policies and Notes to Accounts forming part of Financial Statements for the year ended March 31, 2022

(c) Property, plant and equipment (PP&E)

An item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost. Cost comprises of the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. Cost also includes direct cost and other related incidental expenses.

When significant components of property, plant and equipment are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation if this components are initially recognised as separate asset. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Depreciation is provided from the date the assets are ready to be put to use, as per straight line method (SLM) method over the useful life of the assets, as prescribed under Part C of Schedule II of the Companies Act, 2013 mentioned below.

Type of Asset	Estimated useful life
Buildings	60 years
Air Conditioner	5 years
Furniture and fittings	10 years
Office Equipments	5 years

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss within 'other income' or 'other expenses' respectively.

(d) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal /external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. 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 and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 3 months from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.



Abans Finance Private Limited

Significant Accounting Policies and Notes to Accounts forming part of Financial Statements for the year ended March 31, 2022

(g) 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.

Recognition, initial measurement and derecognition :-

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

1. The rights to receive cash flows from the asset have expired, or
2. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

1. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at fair value through profit or loss : FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2. Debt instruments at Amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. 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.

3. Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

Impairment of financial assets

The Company is required to recognise expected credit losses (ECLs) based on forward-looking information for all financial assets at amortised cost, lease receivables, debt financial assets, loan commitments and financial guarantee contracts. No impairment loss is applicable on equity investments.

At the reporting date, an allowance (or provision for loan commitments and financial guarantees) is required for the 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 1), an allowance (or provision) should be recognised for the lifetime ECLs for financial instruments for which the credit risk has increased significantly since initial recognition (Stage 2) or which are credit impaired (Stage 3).



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 and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

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

1. 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 Company has identified zero bucket and bucket with DPD less than or equal to 29 days as two separate buckets.

2. 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 Company assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Company 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.

3. 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.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. ECL is recognised on EAD as at period end.

If the terms of a financial asset are renegotiated or modified due to financial difficulties of the borrower, then such asset is moved to stage 3, lifetime ECL under stage 3 on the outstanding amount is applied.

The Company assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

1. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.
2. Qualitative test: Accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress.
3. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met.

The definition of default for the purpose of determining ECLs has been aligned to the Reserve Bank of India definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due.

The Company continues to incrementally provide for the asset post initial recognition in Stage 3, based on its estimate of the recovery.



Abans Finance Private Limited

Significant Accounting Policies and Notes to Accounts forming part of Financial Statements for the year ended March 31, 2022

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- 1) the rights to receive cash flows from the asset have expired, or
- 2) the Company has transferred its rights to receive cash flows from the asset and 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

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Classification and subsequent measurement of financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, other payables, loans and borrowings

The Company classifies all financial liabilities as subsequently measured at amortised cost.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derivative financial instruments

The Company trades in to derivative financial instruments. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(h) Fair value measurement

The Company measures financial instruments such as, investment in equity shares, at fair value on initial recognition

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:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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



Abans Finance Private Limited

Significant Accounting Policies and Notes to Accounts forming part of Financial Statements for the year ended March 31, 2022

All assets and liabilities for which fair value is measured or disclosed in the financial Statement 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:

1. Level 1 – Inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
2. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
3. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government

1. Interest income: Interest income from a financial asset is recognised using effective interest rate method.
2. Other income: Other income is recognized only when it is reasonably certain that the ultimate collection will be made.

(j) Foreign currencies Transaction and translation

a) Monetary items: Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

b) Non – Monetary items: Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

(k) Leases

Ind AS 116 sets out the principles for the recognition, measurement and disclosure of leases for both lessees and lessors. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

For short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the lease term.

(l) Income taxes

Tax expense recognised in the statement of profit and loss comprises the sum of deferred tax and current tax not recognised in OCI or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant nontaxable income and expenses and specific limits on the use of any unused tax loss or credit. 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.



Abans Finance Private Limited

Significant Accounting Policies and Notes to Accounts forming part of Financial Statements for the year ended March 31, 2022

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. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

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

(m) Borrowing costs

Borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

(n) Employee benefits

1. Provident Fund

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

2. Gratuity

Gratuity is in the nature of a defined benefit plan. Provision for gratuity is calculated on the basis of actuarial valuations carried out at balance sheet date and is charged to the statement of profit and loss. The actuarial valuation is performed using the projected unit credit method. Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

3. Compensates Absences

The company provides Privilege Leave to it's employees in India. Provision for leave encashment is calculated on the basis of actuarial valuations carried out at balance sheet date and is charged to the statement of profit and loss. Privilege leave is computed on calendar year basis, however, any unavailed privilege leaves upto 45 days will be carried forward to the next calendar year. Privilege leave can only be encashed at the time of retirement / termination / resignation / withdrawal and is computed as no. of privilege leaves multiplied with applicable salary for leave encashment. The company's liability towards privilege leaves is determined on the basis of year end actuarial valuations applying the Projected Unit Credit Method (as per Ind AS 19) done by an independent actuary.

(o) Earnings per share

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted at the beginning of the year and not issued at a later date.

In computing the diluted EPS, potential equity shares that either increase earnings per share or decrease loss per equity share, being anti-dilutive are ignored.

(p) Segment Reporting Policies:

The main business of the Company consists of financial activities including providing loans and advances to it's customers in India, investments in financial instruments and dealing in financial instruments including for hedging. Other segment reported is rental income in the company. Segments have been identified and reported taking into account nature of products and services, the different risk and returns and internal business reporting system. The accounting Policy adopted for Segment Reporting are in line with Company's Accounting Policy.



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Note 1: Cash and Cash Equivalent		
Cash on Hand	1.63	1.63
Balance with Bank	2,843.95	5,353.61
Cheque in hand	13.13	-
TOTAL	2,858.71	5,355.24
Note 2: Derivatives Financial Instruments		
Equity Derivatives		
Fair Value - Assets	-	1.82
Fair Value - Liabilities	-	-
Total (A)	-	1.82
Index Derivatives		
Fair Value - Assets	0.13	23.65
Fair Value - Liabilities	-	-
Total (B)	0.13	23.65
MCX Derivatives		
Fair Value - Assets	0.45	-
Fair Value - Liabilities	-	-
Total (C)	0.45	-
Currency Derivatives		
Fair Value - Assets	0.09	-
Fair Value - Liabilities	-	-
Total (D)	0.09	-
TOTAL Fair Value - Asset / (Liability) (A+B+C+D)	0.67	25.47
Notional Amount		
Equity Derivatives	-	142.14
Index Derivatives	1,070.06	904.72
MCX Derivatives	7.32	-
Currency Derivatives	7.68	-
Note 3: Receivables		
Trade Receivables		
Trade Receivables considered good – Unsecured	232.43	185.23
Less: Unrealized (Gain) / Loss (Refer note 2)	(0.67)	(25.47)
Total	231.76	159.76
(Refer note 25 on related party)		
Other Receivables		
Receivables considered good - Unsecured	0.08	-
	0.08	-
TOTAL	231.84	159.76



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021

Note 3.1: Trade Receivables ageing schedule

Outstanding for following periods from due date of payment

(i) Undisputed Trade receivables – considered good		
Less than 6m	232.43	185.23
6m -1 yr	-	-
1 yr - 2 yrs	-	-
2 yrs - 3 yrs	-	-
More than 3 yrs	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-
(iv) Disputed Trade Receivables – considered good	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-
Total	232.43	185.23

Note 4: Loans

Working Capital Loans / Inter-Corporate Deposit in India - at amortised cost

- Public Sector	-	-
- Others		
Secured	-	-
Unsecured	16,161.50	33,396.65
	16,161.50	33,396.65

Term Loans in India - at amortised cost

- Others		
Secured	-	-
Unsecured	2,312.07	1,866.39
	2,312.07	1,866.39

TOTAL

18,473.57	35,263.04
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Note 4.1: Credit Quality of Assets

Low credit risk	18,473.57	35,263.05
Significant increase in credit risk	-	-
Credit-impaired	-	-

TOTAL

18,473.57	35,263.05
------------------	------------------



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Note 5: Investments		
INVESTMENTS:		
At Fair Value through Profit & Loss		
Investment in Shares	803.71	-
Investment in Mutual Funds	86.79	-
At Amortised Cost		
Investment in Compulsory Convertible Debentures		
Pearl Stock Broking Pvt Ltd (Refer note 5.1)	2,850.00	-
Investment in Bonds		
Hinduja Leyland Finance Ltd (Refer note 5.2)	183.42	-
PNB Housing Finance Limited 2021 (Refer note 5.3)	-	141.62
TOTAL	3,923.92	141.62
5.1 Terms of CCD		
- Each Unsecured, Zero Coupon CCD having Face Value of Rs. 10 lacs each shall be converted into such number of Equity Shares of Face Value 10/- each at any time before the expiry of 10 (Ten) years at option of debenture holder at a conversion price determined in accordance with valuation report arrived at acceptable valuation method at the time of conversion in accordance with the applicable provisions of law		
- Transfer of CCD's are restricted without the written consent of Company		
- CCDs shall not carry any voting rights		
5.2 Hinduja Leyland Finance Ltd		
- 18 Bonds of Face Value Rs. 10 lacs each with coupon rate of 9.20% per annum and maturity date 13-09-2024		
5.3 PNB Housing Bonds as on March 31, 2021:		
- Units - 1,40,000		
- Face Value - 1,40,00,000/-		
- Market Value - 1,40,37,844/-		
Note 6: Other Financial Asset		
Interest receivable on loan	6.74	4.34
Income Tax Refund Receivable	75.94	48.89
Fixed Deposit /Margin Money with maturity more than 3 months	41.98	-
TOTAL	124.66	53.23
Note 7: Current tax assets (Net)		
Advance Tax & TDS (Net of provision for tax)	-	34.65
TOTAL	-	34.65
Note 8: Deferred Tax Assets (Net)		
On Difference of Depreciation on Fixed Assets	6.67	4.98
On Unrealized Loss on Fair Value	(0.19)	(7.08)
On Provision for Employee Benefit	9.20	3.88
On Provision for Impairment - Loans	20.56	39.24
Closing Deferred Tax Asset	36.24	41.02
Movement in Net deferred tax Asset during the year	(4.78)	



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Note: 9-Property, Plant & Equipment

	(₹ in Lacs)				
	Buildings	Air Conditioner	Furniture and fittings	Office Equipments	TOTAL
Gross Block:					
As at March 31, 2021	1,405.91	11.12	72.78	35.30	1,525.11
Additions	-	-	-	-	-
Disposal / Adjustments	-	-	-	-	-
As at March 31, 2022	1,405.91	11.12	72.78	35.30	1,525.11
Depreciation and Impairment:					
As at March 31, 2021	133.28	10.94	41.12	17.81	203.15
Additions	22.21	0.05	6.91	5.86	35.03
Disposal / Adjustments	-	-	-	-	-
As at March 31, 2022	155.49	10.99	48.03	23.67	238.18
Net Block:					
As at March 31, 2021	1,272.63	0.18	31.66	17.49	1,321.96
As at March 31, 2022	1,250.42	0.13	24.75	11.63	1,286.93



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Note 10: Other Non Financial Asset		
Prepaid Expenses	16.26	0.52
Balance with Government Authorities	0.09	11.57
Advance to vendors for expenses	0.26	0.75
Advance to staff	0.81	-
MAT Credit Entitlement	-	10.08
Security Deposit (Security Deposit is given against Electricity Deposit for registered office)	1.48	1.24
TOTAL	18.90	24.16

Note 11: Payables

Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Other Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	11.68	157.88
TOTAL	11.68	157.88

The Company has not received any intimation from "Creditors" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures if any, relating to amounts unpaid as at the year end together with Interest paid/payable as required under the said Act have not been made.



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021

Note 12: Debt Securities in India

At Fair Value through Profit & Loss

Secured

Privately Placed Market Linked Non-Convertible Debentures (Refer Note 12.1) 5,239.81 4,144.96

Unsecured

Privately Placed Market Linked Non-Convertible Debentures (Refer Note 12.2) - 11,263.00

At Amortised Cost

Secured

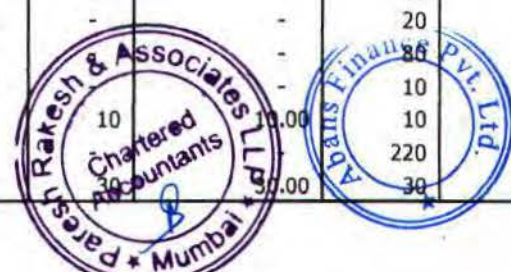
Privately Placed Non-Convertible Debentures (Refer Note 12.3) 151.00 243.00

TOTAL **5,390.81** **15,650.96**

12.1 Privately Placed Market Linked Non Convertible Debentures - Secured

(₹ in Lacs)

Sr. No	Series	Issue Date	Redemption Date	Listed / Unlisted	As at March 31, 2022		As at March 31, 2021	
					Units	Face Value	Units	Face Value
1	Series A	31-Jul-19	30-Sep-22	Unlisted	15	15.00	15	15.00
2	Series B	27-Aug-19	09-Dec-22	Unlisted	13	13.00	13	13.00
3	Series C	28-Aug-19	31-Oct-22	Unlisted	12	12.00	12	12.00
4	Series D	11-Sep-19	24-Dec-22	Unlisted	300	300.00	300	300.00
5	Series G	20-Dec-19	22-Feb-23	Unlisted	8	8.00	8	8.00
6	Series G	20-Dec-19	23-Apr-23	Unlisted	8	8.00	8	8.00
7	Series H	30-Dec-19	04-Mar-23	Unlisted	10	10.00	35	35.00
8	Series J	07-Jan-20	12-Mar-23	Unlisted	5	5.00	5	5.00
9	Series M	14-Feb-20	19-Apr-23	Unlisted	3	3.00	9	9.00
10	Series N Type I	27-Feb-20	02-May-23	Unlisted	10	10.00	10	10.00
11	Series N Type II	27-Feb-20	11-Jun-23	Unlisted	5	5.00	5	5.00
12	Series O	27-Feb-20	13-May-23	Listed	400	400.00	400	400.00
13	Series P Type I	02-Mar-20	12-Jun-23	Unlisted	5	5.00	5	5.00
14	Series P Type II	02-Mar-20	06-May-23	Unlisted	5	5.00	5	5.00
15	Series Q	03-Mar-20	07-May-23	Unlisted	5	5.00	5	5.00
16	Series R	05-Mar-20	09-May-23	Unlisted	-	-	10	10.00
17	Series S	09-Mar-20	13-May-23	Unlisted	5	5.00	5	5.00
18	Series U	13-Mar-20	17-May-23	Unlisted	15	15.00	15	15.00
19	Series V	31-Mar-20	14-Jul-23	Unlisted	15	15.00	15	15.00
20	Series 1 Type I	17-Apr-20	22-Apr-21	Unlisted	-	-	20	20.00
21	Series 1 Type II	17-Apr-20	31-Jul-23	Unlisted	-	-	100	100.00
22	Series 2	14-May-20	27-Aug-23	Unlisted	14	14.00	14	14.00
23	Series 3 Type I	26-May-20	31-May-21	Unlisted	-	-	10	10.00
24	Series 3 Type II	26-May-20	08-Sep-23	Unlisted	-	-	5	5.00
25	Series 4	07-Jul-20	27-Jul-21	Listed	-	-	200	200.00
26	Series 5	07-Aug-20	12-Aug-21	Unlisted	-	-	10	10.00
27	Series 7 (Tranche 1)	24-Aug-20	15-Feb-22	Listed	-	-	20	20.00
28	Series 8 (Tranche 1)	31-Aug-20	19-Dec-21	Listed	-	-	47	47.00
29	Series 7 (Tranche 2)	10-Sep-20	15-Feb-22	Listed	-	-	135	135.00
30	Series 9 (Tranche 1)	11-Sep-20	26-Oct-23	Listed	140	140.00	140	140.00
31	Series 8 (Tranche 2)	15-Sep-20	19-Dec-21	Listed	-	-	123	123.00
32	Series 7 (Tranche 3)	21-Sep-20	15-Feb-22	Listed	-	-	30	30.00
33	Series 7 (Tranche 4)	30-Sep-20	15-Feb-22	Listed	-	-	20	20.00
34	Series 7 (Tranche 5)	21-Oct-20	15-Feb-22	Listed	-	-	86	86.00
35	Series 8 (Tranche 3)	22-Oct-20	19-Dec-21	Listed	-	-	10	10.00
36	Series 9 (Tranche 2)	29-Oct-20	26-Oct-23	Listed	10	10.00	10	10.00
37	Series 7 (Tranche 6)	04-Nov-20	15-Feb-22	Listed	-	-	220	220.00
38	Series 10 (Tranche 1)	10-Dec-20	31-Dec-22	Listed	-	-	30	30.00



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

(₹ in Lacs)

Particulars					March 31, 2022		March 31, 2021	
39	Series 11 (Tranche 1)	11-Dec-20	03-Jan-24	Listed	60	60.00	60	60.00
40	Series 10 (Tranche 2)	16-Dec-20	31-Dec-22	Listed	30	30.00	30	30.00
41	Series 11 (Tranche 2)	17-Dec-20	03-Jan-24	Listed	10	10.00	10	10.00
42	Series 7 (Tranche 7)	18-Dec-20	15-Feb-22	Listed	-	-	130	130.00
43	Series 11 (Tranche 3)	30-Dec-20	03-Jan-24	Listed	32	32.00	32	32.00
44	Series 7 (Tranche 8)	31-Dec-20	15-Feb-22	Listed	-	-	30	30.00
45	Series 7 (Tranche 9)	15-Jan-21	15-Feb-22	Listed	-	-	61	61.00
46	Series 11 (Tranche 4)	27-Jan-21	03-Jan-24	Listed	10	10.00	10	10.00
47	Series 12 (Tranche 1)	04-Feb-21	27-Feb-24	Listed	30	30.00	30	30.00
48	Series 13 (Tranche 1)	05-Feb-21	22-Jul-22	Listed	58	58.00	58	58.00
49	Series 13 (Tranche 2)	05-Feb-21	22-Jul-22	Listed	50	50.00	50	50.00
50	Series 14 (Tranche 1)	12-Mar-21	22-May-24	Listed	305	305.00	305	305.00
51	Series 14 (Tranche 2)	15-Mar-21	22-May-24	Listed	30	30.00	30	30.00
52	Series 12 (Tranche 2)	16-Mar-21	27-Feb-24	Listed	20	20.00	20	20.00
53	Series 13 (Tranche 3)	17-Mar-21	22-Jul-22	Listed	160	160.00	160	160.00
54	Series 14 (Tranche 3)	30-Mar-21	22-May-24	Listed	120	120.00	120	120.00
55	Series 14(Tranche 4)	29-Apr-21	22-May-24	Listed	60	60.00	-	-
56	Series 13(Tranche 4)	30-Apr-21	22-Jul-22	Listed	30	30.00	-	-
57	Series 16	05-May-21	09-Nov-22	Listed	7	70.00	-	-
58	Series 13(Tranche 5)	17-May-21	22-Jul-22	Listed	10	10.00	-	-
59	Series 17	19-May-21	11-Aug-22	Listed	30	300.00	-	-
60	Series 14(Tranche 5)	28-May-21	22-May-24	Listed	10	10.00	-	-
61	Series 13(Tranche 6)	01-Jun-21	22-Jul-22	Listed	10	10.00	-	-
62	Series 18(Tranche 1)	17-Jun-21	11-Mar-23	Listed	1	10.00	-	-
63	Series 13(Tranche 7)	18-Jun-21	22-Jul-22	Listed	10	10.00	-	-
64	Series 18(Tranche 2)	23-Jun-21	11-Mar-23	Listed	3	30.00	-	-
65	Series 18(Tranche 3)	29-Jun-21	11-Mar-23	Listed	2	20.00	-	-
66	Series 13(Tranche 8)	30-Jun-21	22-Jul-22	Listed	90	90.00	-	-
67	Series 13(Tranche 9)	08-Jul-21	22-Jul-22	Listed	20	20.00	-	-
68	Series 18(Tranche 4)	15-Jul-21	11-Mar-23	Listed	5	50.00	-	-
69	Series 19(Tranche 1)	23-Jul-21	07-Jan-23	Listed	1	10.00	-	-
70	Series 18(Tranche 7)	29-Jul-21	11-Mar-23	Listed	3	30.00	-	-
71	Series 19(Tranche 2)	30-Jul-21	07-Jan-23	Listed	2	20.00	-	-
72	Series 20(Tranche 1)	25-Aug-21	13-May-23	Listed	1	10.00	-	-
73	Series 20(Tranche 2)	06-Sep-21	13-May-23	Listed	3	30.00	-	-
74	Series 19(Tranche 3)	17-Sep-21	07-Jan-23	Listed	1	10.00	-	-
75	Series 21(Tranche 1)	24-Sep-21	17-Jun-23	Listed	2	20.00	-	-
76	Series 19(Tranche 4)	16-Nov-22	07-Jan-23	Listed	8	80.00	-	-
77	Series 21(Tranche 2)	23-Nov-22	17-Jun-23	Listed	7	70.00	-	-
78	Series 22(Tranche 1)	06-Dec-22	16-Jan-25	Listed	10	100.00	-	-
79	Series 19(Tranche 5)	16-Dec-22	07-Jan-23	Listed	5	50.00	-	-
80	Series 23(Tranche 1)	03-Jan-22	08-Jul-23	Listed	9	90.00	-	-
81	Series 24(Tranche 1)	17-Jan-22	31-Oct-24	Listed	20	200.00	-	-
82	Series 21(Tranche 3)	01-Feb-22	17-Jun-23	Listed	3	30.00	-	-
83	Series 22(Tranche 2)	01-Feb-22	16-Jan-25	Listed	3	30.00	-	-
84	Series 23(Tranche 2)	15-Feb-22	08-Jul-23	Listed	31	310.00	-	-
85	Series 25(Tranche 1)	16-Feb-22	14-Apr-24	Listed	15	150.00	-	-
86	Series 22(Tranche 3)	28-Feb-22	16-Jan-25	Listed	4	40.00	-	-
87	Series 23(Tranche 3)	02-Mar-22	08-Jul-23	Listed	6	60.00	-	-
88	Series 25(Tranche 2)	15-Mar-22	14-Apr-24	Listed	1	10.00	-	-
89	Series 22(Tranche 4)	24-Mar-22	16-Jan-25	Listed	1	10.00	-	-
90	Series 23(Tranche 4)	24-Mar-22	08-Jul-23	Listed	4	40.00	-	-
91	Series 22(Tranche 5)	24-Mar-22	16-Jan-25	Listed	2	20.00	-	-
92	Series 23(Tranche 5)	30-Mar-22	08-Jul-23	Listed	1	10.00	-	-
TOTAL					2,379	4,098.00	3,240	3,240.00



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Particulars (₹ in Lacs)
March 31, 2022 March 31, 2021

- Secured against Loans and Advances
- Coupon rate of "NCDs" varies with Market Movement in Index and underlying equity/commodity wherever applicable, with maximum cap on coupon as detailed below:

Series at Sr. No.	Max Cap on Coupon	Approx Annualised Rate	Principle Protection
72,73,75,77,82	10.50%	10.50%	Yes
62,64,65,68,70	10.98%	10.98%	Yes
59	11.25%	11.25%	Yes
85,88	12.00%	12.00%	Yes
48,49,53,56,58,61,63,66,67,69,71,74,76,79,80,84,87,90,92	13.68%	13.68%	Yes
50,51,54,55,60	21.00%	21.00%	-
57	23.93%	12.30%	Yes
81	25.20%	12.70%	Yes
38,40	34.75%	34.75%	Yes
30,36	42.75%	15.36%	Yes
39,41,43,46	48.25%	15.70%	Yes
1,3,5,7,8,9,10,14,15,17,18,47,52	50.00%	15.80%	-
12	56.00%	17.50%	-
78,83,86,89,91	70.00%	20.50%	Yes
4,6,11,13,19	75.00%	22.80%	Yes
22	168.75%	20.50%	-
2	240.00%	70.00%	-

12.2 Privately Placed Market Linked Non Convertible Debentures - Unsecured (₹ in Lacs)

Sr. No	Series	Issue Date	Redemption Date	Listed / Unlisted	As at March 31, 2022		As at March 31, 2021	
					Units	Face Value	Units	Face Value
1	Series 1	06-Feb-20	04-Mar-29	Unlisted	-	-	400	4,000.00
2	Series 2	07-Feb-20	05-Mar-29	Unlisted	-	-	200	2,000.00
3	Series 3	11-Feb-20	09-Mar-29	Unlisted	-	-	400	4,000.00
	TOTAL				-	-	1,000	10,000.00

- Coupon rate of "NCDs" varies from 146% to 156% for entire tenure

12.3 Privately Placed Non-Convertible Debentures - Secured (₹ in Lacs)

Sr. No	Series	Issue Date	Redemption Date	Listed / Unlisted	As at March 31, 2022		As at March 31, 2021	
					Units	Face Value	Units	Face Value
1	Series 6	20-Aug-20	25-Aug-21	Unlisted	-	-	243	243.00
2	Series 15	20-Apr-21	19-Apr-22	Unlisted	151	151.00	-	-
	TOTAL				151	151.00	243	243.00

- Coupon rate of "NCDs" is fixed at 12% for entire tenure



Abans Finance Private Limited**Notes to the Financial Statements as at 31st March, 2022**

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021

Note 13: Subordinated Liabilities

At Fair Value through Profit & Loss

Unsecured

Privately placed subordinated (Tier II) redeemable market linked debentures - 5,549.10
(Refer Note 13.1)

TOTAL - **5,549.10**

13.1 Privately placed subordinated (Tier II) redeemable market linked debentures - Unsecured (₹ in Lacs)

Sr. No	Series	Issue Date	Redemption Date	Listed / Unlisted	As at March 31, 2022		As at March 31, 2021	
					Units	Face Value	Units	Face Value
1	Series 1	03-Mar-20	03-Dec-29	Unlisted	-	-	500	5,000.00
	TOTAL				-	-	500	5,000.00

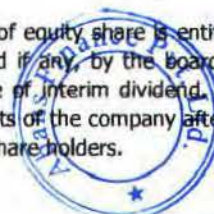
- Coupon rate of "NCDs" varies from 146% to 156% for entire tenure

- Subordinated to the claims of other creditors and shall rank after all other debts and liabilities of the Company and will be paid only on maturity or shall be paid after discharging all other outstanding debts and liabilities of the Company in the event of winding up or liquidation. Subordinated Debt has been discharged during the year after approval from RBI



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Note 14: Current tax liabilities (Net)		
Provision for Income Tax	32.47	-
TOTAL	32.47	-
Note 15: Provisions		
Provision for Leave Encashment	24.54	5.73
Provision for Gratuity	8.52	8.24
Provision for Impairment loss allowance (Loans)	30.18	87.12
TOTAL	63.24	101.09
Note 16: Other Non Financial Liabilities		
Duties & Taxes	7.68	2.62
TOTAL	7.68	2.62
Note 17: Equity Share Capital		
Authorised		
Equity Share		
March 31st, 2022- 16,35,00,000 Nos- face value of 10/- each	16,350.00	-
March 31st, 2021- 16,35,00,000 Nos- face value of 10/- each	-	16,350.00
TOTAL	16,350.00	16,350.00
Issued, Subscribed and Paid up:		
Equity shares		
March 31st, 2022- 2,52,77,326 Nos- face value of 10/- each	2,527.73	-
March 31st, 2021- 2,52,77,326 Nos- face value of 10/- each	-	2,527.73
TOTAL	2,527.73	2,527.73
Note 17.1: Reconciliation of number of shares outstanding is set out below:		
Equity Shares :		
At the beginning of the period	2,52,77,326	2,52,77,326
Addition during the period	-	-
Outstanding at the end of the period	2,52,77,326	2,52,77,326
Note 17.2: The details of shareholders holding more than 5% shares :		
Equity Shares:		
Name of the Shareholder		
Abans Holdings Ltd (No. of Shares)	2,31,96,992	2,31,96,992
Abans Holdings Ltd (% held)	91.77%	91.77%
Teesta Retail Pvt Ltd (No. of Shares)	20,70,926	20,70,926
Teesta Retail Pvt Ltd (% held)	8.19%	8.19%
Terms / Rights attached to Equity Shares		
<p>The company has only one class of equity share have been having a par value of Rs.10 each holder of equity share is entitled to one vote per share. The company declares and pays dividend if any, in Indian Rupee. The dividend proposed if any, by the board of Directors is subject to the approval of the share holders at the ensuing Annual General meeting accept in case of interim dividend. In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of remaining assets of the company after distribution of preferential amount. The distribution will be in proportion to the number of equity shares held by the share holders.</p>		



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Note 17.3: Shares held by Promoters		
Equity Shares:		
Name of the Promoter		
Abans Holdings Ltd		
No. of Shares	2,31,96,992	2,31,96,992
% of total shares	91.77%	91.77%
% change during the year	0.00%	0.00%
Abhishek Bansal		
No. of Shares	1,568	1,568
% of total shares	0.01%	0.01%
% change during the year	0.00%	0.00%
Shriyam Bansal		
No. of Shares	7,840	7,840
% of total shares	0.03%	0.03%
% change during the year	0.00%	0.00%
Note 18: Other Equity		
Securities Premium		
Opening Balance	17,624.21	17,624.21
Add: for the year	-	-
Closing Balance	17,624.21	17,624.21
Impairment Reserve		
Opening Balance	53.93	65.63
Add: Transferred from retained earnings (Refer note 18.2)	(10.22)	(11.70)
Closing Balance	43.71	53.93
Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934		
Opening Balance	149.75	112.82
Add: Transferred from retained earnings	98.08	36.92
Closing Balance	247.83	149.74
Retained Earnings		
Opening Balance	598.16	428.70
Add : Profit for the year	490.40	184.61
Add: MAT Credit Entitlement FY 2020-21	-	10.08
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	(98.08)	(36.92)
Transfer from Impairment Reserve	10.22	11.70
Closing Balance	1,000.70	598.17
Other Comprehensive Income		
Opening Balance	4.73	3.59
Add : Other comprehensive income for the year	0.66	1.13
Closing Balance	5.39	4.72
TOTAL	18,921.84	18,430.77



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Particulars

(₹ in Lacs)

March 31, 2022

March 31, 2021

Note 18.1: Security Premium

Premium received upon issuance of Equity shares and conversion of Preference shares.

Securities Premium can be used for writing off any preliminary expenses of the company, to provide for the premium that is payable on the redemption of debentures or of preference shares of the company and to buy back its own shares.

Note 18.2: Impairment Reserve

Impairment Reserve is the difference of allowance under Ind AS 109 is and provisions required as per IRACP. If impairment allowance under Ind AS 109 is lower than the provisions requires as per IRACP, the difference is appropriated from retained earnings to Impairment Reserve.

The impairment reserve is not reckoned for regulatory capital. Withdrawal can be made only after prior permission from the Department of Supervision, RBI.



Abans Finance Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Note 19: Interest Income		
At amortised cost		
Interest on Loans	3,281.35	4,803.47
Interest on Investment	4.54	11.77
Interest on Bank Deposit	9.12	-
Interest on IT Refund	-	1.63
TOTAL	3,295.01	4,816.87
Note 20: Finance Costs		
Interest expenses on financial liabilities measured at amortised cost		
Interest on borrowings	239.57	372.38
Other borrowing costs	0.03	0.31
TOTAL	239.60	372.69
Note 21: Employee Benefits and Expenses		
Salaries and Wages	321.15	171.17
Contribution to Gratuity Fund	3.86	3.36
Provision for Leave salary	22.76	2.23
Contribution to provident and other funds	12.68	6.04
Staff Welfare	4.29	0.55
TOTAL	364.74	183.35
Note 22: Establishment and Other Expenses		
Net (Gain) / Loss on financial instruments measured at fair value through profit or loss	1,870.87	2,192.65
Political Donation	-	1,200.00
Electricity Expenses	11.21	10.38
Society Maintenance charges	1.29	1.30
Telecommunication Expenses	0.13	1.32
Travelling & Conveyance	1.17	1.12
Legal & Professional Fees	30.97	96.13
Property Tax	2.72	2.72
Sundry Expenses	22.14	15.23
Business Development Expenses	118.40	468.10
Repairs & Maintenance	0.64	0.69
Franking, Stamping & Registration Charges	4.15	2.02
License Fee and ROC Expenses	5.45	3.86
Payment to Auditors		
- Statutory Audit Fees	2.00	2.00
- Tax Audit Fees	0.50	0.50
- Certification Fees	1.21	-
TOTAL	2,072.85	3,998.02



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Note 23: Contingent Liabilities

- a) Corporate Guarantee given to bank & NBFC for Fund based and Non-Fund based credit facilities extended to related party

March 31, 2022
11,887.00

(₹ in Lacs)
March 31, 2021
28,287.00

Note 24: Earning Per Share

Particulars

- a) Face Value of the shares (Rs.)
b) Outstanding No. of Equity Shares
c) Weighted Average no. of shares
d) Net Profit after tax as per statement of profit and loss
e) Basic Earnings Per Share (Rs.) (E = D / C)
f) Weighted Average no. of shares (Diluted)
g) Diluted Earnings Per Share

March 31, 2022
10.00
2,52,77,326
2,52,77,326
491.06
1.94
2,52,77,326
1.94

March 31, 2021
10.00
2,52,77,326
2,52,77,326
185.75
0.73
2,52,77,326
0.73

Note 25: Related Party Disclosure :

A. Related parties with whom transaction have been entered during the year.

Relationship Category

Particulars

Name of the Party

1	Holding Company	Abans Holdings Ltd
2	Key Management Personnel	Abhishek Bansal Shivshankar Singh Pooja Joshi Kalpesh Darji Nirbhay Vassa (from 20.07.2021) Harsh Shah (from 20.07.2021) Rajendra Sawant (till 07.07.2021)
3	Relatives of key management personnel	None
4	Enterprises owned or significantly influenced by key management personnel or their relatives	Abans Agriwarehousing & Logistics Pvt Ltd Abans Broking Services Pvt Ltd Abans Commodities (I) Pvt Ltd Abans Enterprises Pvt Ltd Abans Jewels Limited Abans Metals Pvt Ltd Abans Realty & Infrastructure Pvt Ltd Abans Securities Pvt Ltd Agrometal Vendibles Pvt Ltd Abans Capital Pvt Ltd Cultured Curio Jewels Pvt Ltd Lifesurge Biosciences Pvt Ltd Zicuro Technologies Pvt Ltd Pantone Enterprises Pvt Ltd Hydux Enterprises Pvt Ltd Shello Tradecom Pvt Ltd Zale Trading Pvt Ltd Clamant Broking Services Pvt Ltd
5	Enterprises owned or significantly influenced by a group of individuals or their relatives who have a control or significant influence over the company	None
6	Individuals owning, directly or indirectly, an interest in the voting power of reporting enterprise that gives them control of significant influence over enterprise and relatives of any such individual	Abhishek Bansal



Abans Finance Private Limited

Notes to the Financial Statements as at 31st March, 2022

B. The Following transactions were carried out with the related parties in the ordinary course of business and at arm's length (₹ in Lacs)

<u>Nature of transactions</u>	<u>Relationship Category</u>	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Loans receivable			
Cultured Curio Jewels Pvt Ltd	4	6,139.48	4,061.04
Abans Broking Services Pvt Ltd	4	3,622.90	-
Abans Creations Pvt Ltd	4	1,148.10	-
Zicuro Technologies Pvt Ltd	4	920.86	199.42
Zale Trading Pvt Ltd	4	645.21	-
Abans Enterprises Ltd	4	352.41	-
Abans Metals Pvt Ltd	4	322.36	-
Pantone Enterprises Pvt Ltd	4	312.92	-
Abans Commodities Private Limited	4	-	1,891.82
Abans Securities Private Limited	4	-	106.47
Lifesurge Biosciences Pvt Ltd	4	-	67.67
Abans Jewels Limited	4	-	17.95
Total		13,464.24	6,344.37
Debt Securities issued during year			
<u>Marked linked debentures - Secured</u>			
Abans Broking Services Pvt Ltd (Discount on issue C.Y. Rs. 72.85 lacs, P.Y. Rs. 97.59 lacs)	4	2,150.00	2,360.00
Total		2,150.00	2,360.00
Debt Securities outstanding (as per Benpos)			
<u>Marked linked debentures - Secured</u>			
Abans Jewels Limited	4	400.00	-
Abans Broking Services Pvt Ltd	4	5.00	5.00
<u>Marked linked debentures - Unsecured</u>			
Abans Commodities (I) Pvt Ltd	4	-	4,000.00
Abans Securities Pvt Ltd	4	-	3,700.00
Agrometal Vendibles Pvt Ltd	4	-	2,000.00
Total		405.00	9,705.00
Corporate guarantee given by reporting enterprise			
Abans Securities Pvt Ltd	4	6,900.00	9,000.00
Abans Broking Services Pvt Ltd	4	4,987.00	6,137.00
Abans Commodities (I) Pvt Ltd	4	-	4,150.00
Cultured Curio Jewels Private Limited	4	-	9,000.00
Total		11,887.00	28,287.00
Trade Receivables			
Abans Securities Pvt Ltd	4	228.97	178.97
Abans Broking Services Pvt Ltd	4	3.46	-
Total		232.43	178.97
Brokerage Charges Paid			
Abans Broking Services Pvt Ltd	4	0.01	-
Abans Securities Pvt Ltd	4	0.33	0.42
Total		0.34	0.42
Purchase for Business Development Expense			
Abans Jewels Limited	4	98.55	402.14
Total		98.55	402.14
Consultancy Charges			
Abans Commodities Private Limited	4	-	55.00
Total		-	55.00



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

(₹ in Lacs)

<u>Nature of transactions</u>	<u>Relationship Category</u>	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Interest Income			
Cultured Curio Jewels Private Limited	4	242.05	856.33
Abans Jewels Limited	4	162.85	124.98
Zicuro Technologies Private Limited	4	61.31	104.13
Lifesurge Biosciences Private Limited	4	18.42	91.56
Abans Commodities Private Limited	4	45.97	6.38
Abans Securities Private Limited	4	109.62	5.55
Abans Broking Services Private Limited	4	158.60	2.47
Abans Creations Pvt Ltd	4	72.09	-
Abans Metals Pvt Ltd	4	562.80	-
Abans Enterprises Ltd	4	45.31	-
Hydux Enterprises Pvt Ltd	4	36.39	-
Pantone Enterprises Pvt Ltd	4	31.00	-
Shello Tradecom Pvt Ltd	4	1.61	-
Zale Trading Pvt Ltd	4	20.19	-
Total		1,568.21	1,191.40
Rent Income			
Abans Broking Services Pvt Ltd	4	9.24	9.90
Abans Commodities (I) Pvt Ltd	4	9.24	9.90
Abans Realty & Infrastructure Pvt Ltd	4	7.56	3.78
Abans Securities Pvt Ltd	4	7.56	8.10
Abans Jewels Limited	4	5.04	2.52
Abans Holdings Ltd	1	1.68	0.84
Abans Agri Warehousing & Logistics Pvt Ltd	4	1.68	0.84
Abans Metals Pvt Ltd	4	1.26	0.63
Abans Enterprise Ltd	4	1.68	0.84
Cultured Curio Jewels Pvt Ltd	4	1.68	0.84
Zicuro Technologies Pvt Ltd	4	1.02	0.51
Lifesurge Biosciences Pvt Ltd	4	1.02	-
Hydux Enterprises Private Limited	4	1.02	-
Shello Tradecom Pvt Ltd	4	1.02	-
Pantone Enterprises Pvt Ltd	4	1.02	-
Zale Trading Pvt Ltd	4	1.02	-
Agrometal Vendibles Pvt Ltd	4	0.24	-
Clamant Broking Services Pvt Ltd	4	0.24	-
Abans Commodities Proprietor	2	0.24	-
Abans Capital Pvt Ltd	4	0.24	-
Total		53.70	38.70
Salary of KMP			
Nirbhay Vassa	2	38.26	-
Mahesh Kumar Cheruveedu	2	20.82	-
Harsh Shah	2	6.41	-
Rajendra Sawant	2	-	26.83
Total		65.49	26.83
Director Sitting Fees / Remuneration			
Ashima Chhatwal	2	0.85	-
Kalpesh Darji	2	1.30	-
Pooja Joshi	2	1.30	-
Total		3.45	-



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Note 26: Segment Information

The main business of the Company consists of financial activities including providing loans and advances to its customers in India, investments in financial instruments and dealing in financial instruments including for hedging. Other segment reported is rental income in the company. Segments have been identified and reported taking into account nature of products and services, the different risk and returns and internal business reporting system. The accounting Policy adopted for Segment Reporting are in line with Company's Accounting Policy.

Particulars

	(₹ in Lacs)	
	<u>March 31, 2022</u>	<u>March 31, 2021</u>
1. Segment Revenue		
a) Segment - Financial	3,343.31	4,834.13
b) Segment - Rent	53.70	38.70
c) Segment - Others / un allocable	9.12	1.63
Total	<u>3,406.13</u>	<u>4,874.46</u>
Less: Inter Segment Revenue	-	-
Net Sales / Income from Operations	<u>3,406.13</u>	<u>4,874.46</u>

2. Segment Results

Profit / (Loss) before tax and interest from each segment		
a) Segment - Financial	1,302.05	860.44
b) Segment - Rent	49.78	35.20
c) Segment - Others / un allocable	(418.32)	(238.41)
Total	<u>933.51</u>	<u>657.23</u>
Less		
Finance cost	(239.60)	(372.69)
Total profit before exceptional item & tax	<u>693.91</u>	<u>284.54</u>

3. Capital Employed

Segment Assets		
a) Segment - Financial	22,835.08	35,882.05
b) Segment - Rent	1,225.41	1,107.19
c) Segment - Others / un allocable	2,894.95	5,430.91
Total	<u>26,955.44</u>	<u>42,420.15</u>
Segment Liabilities		
a) Segment - Financial	5,432.67	21,441.29
b) Segment - Rent	-	-
c) Segment - Others / un allocable	73.21	20.36
Total	<u>5,505.88</u>	<u>21,461.65</u>



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Note 27: Employee Benefits

A. Gratuity (Defined Benefit Plan)

i) General Description:

The Company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The company's liability towards gratuity is determined on the basis of year end actuarial valuations applying the Projected Unit Credit Method (as per Ind AS 19) done by an independent actuary.

Particulars

(₹ in Lacs)

March 31, 2022 **March 31, 2021**

ii) Change in the present value of the defined benefit obligation

Opening defined benefit obligation	8.24	7.99
Current service cost	3.34	2.83
Interest cost	0.53	0.53
Actuarial (gain) / loss due to remeasurement on change in assumptions	(0.91)	(3.11)
Past service cost	-	-
Benefits paid	(2.68)	-
Contributions by employee	-	-
Transfer in / (out)	-	-
Present Value of Obligation as at the end	8.52	8.24

iii) Breakup of Actuarial gain/loss

Actuarial [gain]/ loss arising from change in demographic assumption	-	-
Actuarial [gain]/ loss arising from change in financial assumption	(0.39)	0.16
Actuarial [gain]/ loss arising from experience adjustment	(0.52)	(3.27)

iv) Expenses / [Incomes] recognised in the Statement of Profit and Loss:

Current service cost	3.34	2.83
Past service cost	-	-
(Gains) / losses - on settlement	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	0.53	0.53
Expenses Recognised in the Income Statement	3.87	3.36

v) Other Comprehensive Income

Actuarial (Gain)/Loss recognized for the period due to change in assumptions	(0.91)	(3.11)
Return on plan assets, excluding amount recognised in net interest expense	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in other comprehensive income	(0.91)	(3.11)

vi) Movement in net liabilities recognised in Balance Sheet:

Opening net liabilities	8.24	7.99
Expenses as above [P & L Charge]	3.87	3.36
Benefits Paid	(2.68)	-
Other Comprehensive Income (OCI)	(0.91)	(3.11)
Liabilities / [Assets] recognised in the Balance Sheet	8.52	8.24

vii) Amount recognized in the balance sheet:

PVO at the end of the year	8.52	8.24
Fair value of plan assets at the end of the year	-	-
Deficit	(8.52)	(8.24)
Unrecognised past service cost	-	-
(Liabilities)/Assets recognized in the Balance Sheet	(8.52)	(8.24)

viii) Principal actuarial assumptions as at Balance sheet date:

Discount rate

[The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the currency and terms of the post-employment benefit obligations].

6.85% 6.40%

Annual increase in salary cost

[The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market].

9.00% 9.00%

Employee Attrition Rate (Past Services (PS))

Decrement adjusted remaining working life (years)

10.00% 10.00%
8.78 8.31

Sensitivity analysis:

March 31, 2022

Impact on statement of Profit & Loss increase in rate
 Impact on statement of Profit & Loss of decrease in rate

Discount rate of	Salary Escalation	Attrition rate of	Mortality rate of
1%	rate of 1%	50%	10%
7.73	9.40	7.61	8.51
9.43	7.74	9.91	8.52



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

B. Compensated absence (long term employee benefits)

i) General description:-

The company provides Privilege Leave to its employees in India. Privilege leave is computed on calendar year basis, however, any unavailed privilege leaves upto 45 days will be carried forward to the next calendar year. Privilege leave can only be encashed at the time of retirement / termination / resignation / withdrawal and is computed as no. of privilege leaves multiplied with applicable salary for leave encashment. The company's liability towards privilege leaves is determined on the basis of year end actuarial valuations applying the Projected Unit Credit Method (as per Ind AS 19) done by an independent actuary.

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
ii) Asset and Liability (Balance Sheet position)		
Present value of obligation	24.55	5.73
Fair value of plan assets	-	-
Surplus/(Deficit)	(24.55)	(5.73)
Effects of asset ceiling	-	-
Net Asset/ (Liability)	(24.55)	(5.73)
iii) Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule		
Current Liability (Short Term)	2.26	0.51
Non-current Liability (Long term)	22.29	5.21
Present value of the obligation at the end	24.55	5.72
iv) Expenses Recognized in the Statement of Profit and Loss		
Present value of obligation as at the beginning	5.73	4.07
Present value of obligation as at the end	24.55	5.73
Benefit Payment	3.94	0.16
Actual return on plan asset	-	-
Acquisition adjustment	-	-
Expense recognized	22.76	1.82
v) Principal actuarial assumptions as at Balance sheet date:		
<u>Discount rate</u>	6.85%	6.40%
[The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the currency and terms of the post-employment benefit obligations].		
<u>Annual increase in salary cost</u>	9.00%	9.00%
[The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market].		

Sensitivity analysis:	Discount rate of	Salary Escalation	Attrition rate of	Mortality rate of
March 31, 2022	1%	rate of 1%	50%	10%
Impact on statement of Profit & Loss increase in rate	22.44	26.94	23.26	24.54
Impact on statement of Profit & Loss of decrease in rate	27.02	22.46	27.13	24.55

C. Defined Contribution Plans

The Company also has certain defined contribution plans. Contributions payable by the Company to the concerned Government authorities in respect of Provident Fund are charged to Statement of Profit and Loss. The obligation of the Company is limited to the amount contributed and it has no contractual or any constructive obligation. Amount recognized during the year as contribution in statement of Profit & Loss is Rs. 10.61 lacs and Rs 4.53 lacs for the year ended March 31, 2022 and March 31, 2021.

Note 28: Financial Instruments – Fair Values and Risk Management

A. Accounting classification

March 31, 2022	(₹ in Lacs)			
	<u>Fair Value</u> <u>through Profit /</u> <u>(Loss)</u>	<u>Fair Value</u> <u>through OCI</u>	<u>Amortised Cost</u>	<u>Total</u>
Financial assets				
Cash and cash equivalents	-	-	2,858.71	2,858.71
Derivative financial instruments	0.67	-	-	0.67
Receivables	-	-	231.84	231.84
Loans	-	-	18,473.57	18,473.57
Investments	890.50	-	3,033.42	3,923.92
Other Financial assets	-	-	124.66	124.66
Total Financial Assets	891.17	-	24,722.20	25,613.37
Financial liabilities				
Payables	-	-	11.68	11.68
Debt Securities	5,239.81	-	-	5,390.81
Subordinated Liabilities	-	-	-	-
Total Financial Liabilities	5,239.81	-	162.68	5,402.49



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

(₹ in Lacs)

March 31, 2021	Fair Value through Profit / (Loss)	Fair Value through OCI	Amortised Cost	Total
Financial assets				
Cash and cash equivalents	-	-	5,355.24	5,355.24
Derivative Financial Instruments	25.47	-	-	25.47
Receivables	-	-	159.76	159.76
Loans	-	-	35,263.04	35,263.04
Investments	-	-	141.62	141.62
Other Financial assets	-	-	53.23	53.23
Total Financial Assets	25.47	-	40,972.89	40,998.36
Financial liabilities				
Payables	-	-	157.88	157.88
Debt Securities	15,407.96	-	243.00	15,650.96
Subordinated Liabilities	5,549.10	-	-	5,549.10
Total Financial Liabilities	20,957.06	-	400.88	21,357.94

B. Fair value Measurement

Financial instruments measured at FVTPL / FVOCI :

All assets and liabilities for which the 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 – Inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement are (other than quoted prices)

included within Level 1 that are observable for the asset or liability, either directly or indirectly.

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

Financial instruments measured at FVTPL

March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative financial Instruments	0.67	-	-	0.67
Investments	890.50	-	-	890.50
Total	891.17	-	-	891.17
Financial Liabilities				
Debt Securities	-	5,239.81	-	5,239.81
Total	-	5,239.81	-	5,239.81
March 31, 2021				
Financial assets				
Derivative financial Instruments	25.47	-	-	25.47
Total	25.47	-	-	25.47
Financial Liabilities				
Debt Securities	-	15,407.96	-	15,407.96
Subordinated Liabilities	-	5,549.10	-	5,549.10
Total	-	20,957.06	-	20,957.06

Financial instruments measured at amortised cost:

The carrying value approximates fair value for long term financial assets and liabilities measured at amortised cost. There are no transfers during the year in level 1, 2 and 3. The Company policy is to recognize transfers into and transfers out of fair value hierarchy level as at the end of reporting period.

C. Financial risk management

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has exposure to the following risks arising from financial instruments:

1. Credit risk
2. Liquidity risk and
3. Market risk



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1. Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date. The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. The Company has no history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good. The credit risk for cash and cash equivalents, mutual funds, bank deposits, loans and derivative financial instruments is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings. Company provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses. Since the assets have very low credit risk, and are for varied natures and purpose, there is no trend that the company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

2. Liquidity risk

Liquidity Risk is defined as the risk that the Company will not be able to settle or meet its obligations on time at a reasonable price. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity through rolling forecasts of expected cash flows.

Exposure to liquidity risk

The table below is an analysis of Company's financial liabilities based on their remaining contractual maturities of financial liabilities at the reporting date.

	Contractual cash flows			
	Less than 1 year	1 year to 3 year	3 year to 5 year	5 year and above
March 31, 2022				
Non-derivative financial liabilities :				
Payables	11.68	-	-	-
Debt Securities	1,400.42	2,895.55	-	1,094.85
March 31, 2021				
Non-derivative financial liabilities :				
Payables	4.44	151.96	-	-
Debt Securities	62.90	300.48	476.64	10,150.72
Borrowings (Other than Debt Securities)	7,799.26	-	-	-
Subordinated Liabilities	-	-	-	5,038.38

3. Market risk

Changes in market prices which will affect the Company's income or the value of its holdings of financial instruments is considered as market risk. It is attributable to all market risk sensitive financial instruments.

a. Currency risk

The Company is not exposed to foreign exchange risk arising from foreign currency transactions

b. 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. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

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

Particulars	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	% Increase in rate		Increase/(decrease) in profit	
Borrowings that are repriced	100 bps	100 bps	(95,966.43)	(1,62,507.59)
Loans that are repriced	100 bps	100 bps	1,95,348.77	2,84,104.23
% Decrease in rate				
Borrowings that are repriced	100 bps	100 bps	95,966.43	1,62,507.59
Loans that are repriced	100 bps	100 bps	(1,95,348.77)	(2,84,104.23)



Abans Finance Private Limited
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29 The Company is not registered under any other regulator other than Reserve Bank of India

30 Ratings assigned by credit rating agencies and migration of ratings during the year

(a) (i) Rating Assigned to	Abans Finance Pvt. Ltd.
(ii) Date of Rating	29th November, 2021
(iii) Rating Valid up to	3rd November, 2022
(iv) Name of the Rating Agency	Acute Ratings & Research Limited
(v) Rating of products	
a) Market Linked Debentures	BBB+
(b) (i) Rating Assigned to	Abans Finance Pvt. Ltd.
(ii) Date of Rating	25th February, 2022
(iii) Rating Valid up to	24th February, 2023
(iv) Name of the Rating Agency	Care Ratings Limited
(v) Rating of products	
a) Market Linked Debentures	BBB-

31 RBI has not levied any penalties on the Company during the year

32 Off Balance Sheet Exposure

Refer Note 30 of financial statements

<u>Particulars</u>	<u>March 31, 2022</u>	<u>March 31, 2021</u>
		(₹ in Lacs)
33 Details of Assignment transactions undertaken by NBFCs:		
1 No. of accounts*	-	-
2 Aggregate value (net of provisions) of accounts sold	-	-
3 Aggregate consideration	-	-
4 Additional consideration realized in respect of accounts transferred in earlier years	-	-
5 Aggregate gain / loss over net book value	-	-
34 (a) Non Performing Assets purchased during the year - Nil (Previous Year : Nil)	-	-
(b) Non Performing Assets sold during the year - Nil (Previous Year : Nil)	-	-
35 Derivative Instruments Exposures		
i) Forward Rate Agreement / Interest Rate Swap	-	-
ii) Exchange Traded Interest Rate (IR) Derivatives	-	-
iii) Disclosures on Risk Exposure in Derivatives		
a) Qualitative Disclosure	-	-
b) Quantitative Disclosures		
Equity Derivatives (Lots)	-	2,750.00
Index Futures (Lots)	6,100.00	6,225.00
Commodity Futures (Lots)	1.00	-
Currency Derivative (Lots)	10.00	-
36 Exposure to Capital Market		
Direct investment in equity shares, convertible bonds, convertible debentures and unites of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	3,923.92	-
Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible funds, convertible debentures, and units of equity oriented mutual funds;	-	-
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/ convertible debentures/ units of equity oriented mutual funds' does not fully cover the advances;	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	11,887.00	28,287.00
Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
Bridge loans to companies against expected equity flows / issues;	-	-
All exposures to Venture Capital Funds (both registered and unregistered)	-	-



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Particulars	March 31, 2022	March 31, 2021
(₹ in Lacs)		
37 Additional disclosure - Number of SPVs sponsored by the NBFC for securitisation transactions		
1 Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	-	-
2 Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	-	-
a) Off-balance sheet exposures		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
First loss	-	-
Others	-	-
3 Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	-
loss	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-
38 Provisions and Contingencies		
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account		
1 Provisions for depreciation on Investment	-	-
2 Provision towards NPA	-	-
3 Provision made towards Income tax	187.45	47.50
4 Other Provision and Contingencies - on employee benefits	26.62	5.59
5 Provision / (Reversal) for Standard Assets	(56.94)	(18.89)
39 Concentration of Deposits, Advances, Exposures and NPAs		
39.1 Concentration of Deposits (for deposit taking NBFCs)		
1 Total Deposits of twenty largest depositors		
2 Percentage of Deposits of twenty largest depositors to total deposits of the deposit taking NBFC.	-	-
39.2 Concentration of Advances		
1 Total Advances to twenty largest borrowers	18,413.57	35,263.04
2 Percentage of Advances to twenty largest borrowers to total advances of the applicable NBFC	99.68%	100%
39.3 Concentration of Exposures		
1 Total Exposure to twenty largest borrowers / customers	18,413.57	35,263.04
2 Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	99.68%	100%
39.4 Concentration of NPAs		
1 Total Exposure to top four NPA accounts	-	-
40 Sector-wise NPAs		
1 Percentage of NPAs to Total Advances in that sector	0.00%	0.00%
2 Agriculture & allied activities	-	-
3 MSME	-	-
4 Corporate borrowers	-	-
5 Services	-	-
6 Unsecured personal loans	-	-
7 Auto loans	-	-
8 Other personal loans	-	-



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
41 Movement of NPAs		
1 Net NPAs to Net Advances (%)	-	-
2 Movement of NPAs (Gross)		
(a) Opening balance	-	-
(b) Additions during the year	-	-
(c) Reductions during the year	-	-
(d) Closing balance	-	-
3 Movement of Net NPAs		
(a) Opening balance	-	-
(b) Additions during the year	-	-
(c) Reductions during the year	-	-
(d) Closing balance	-	-
4 Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	-	-
(b) Additions during the year	-	-
(c) Reductions during the year	-	-
(d) Closing balance	-	-
42 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)		
Name of the Joint Venture/Subsidiary	-	-
43 Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)		
Name of the SPV sponsored		
(a) Domestic	-	-
(b) Overseas	-	-
44 Customer Complaints		
(a) No. of complaints pending at the beginning of the year	-	-
(b) No. of complaints received during the year	-	-
(c) No. of complaints redressed during the year	-	-
(d) No. of complaints pending at the end of the year	-	-
45 Maturity pattern of assets and liabilities:		
Liabilities		
Debt Securities		
Market Linked Debentures		
1 day to 31 days	-	-
Over 1 month upto 1 year	1,400.42	1,470.42
Over 1 year	3,990.39	14,180.55
Assets		
Advances		
1 day to 31 days	-	-
Over 1 month upto 1 year	18,473.57	35,263.05
Over 1 year	-	-
Investments		
1 day to 31 days	-	-
Over 1 month upto 1 year	890.50	141.62
Over 1 year	3,033.42	-
46 Key Financial Ratios		
i) CRAR (%)	21.11%	36.88%
ii) CRAR - Tier I Capital (%)	21.04%	27.54%
iii) CRAR - Tier II Capital (%)	0.07%	9.34%
iv) Liquid Coverage Ratio	1.16	1.70
v) Amount of subordinated debt raised as Tier - II capital	-	5,549.10
vi) Amount raised by issue of Perpetual Debt Instrument	-	-
47 The Company does not have any material transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2022 and 31 March 2021.		



Abans Finance Private Limited
Notes to the Financial Statements as at 31st March, 2022

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
48 Tax Expense: Reconciliation of tax expense		
Current tax	187.45	47.50
Earlier year tax	11.54	13.69
Deferred tax	4.52	38.74
	<u>203.51</u>	<u>99.93</u>
Profit before tax	693.91	284.54
Company's domestic tax rate (27.82%)	27.82%	27.82%
Computed tax expenses	193.05	79.17
Tax effect of		
Expenditure in the nature of permanent disallowances/(allowances) [Net]	2.43	(41.74)
Interest expenses	-	-
Round off	-	-
Current tax provision (A)	<u>195.48</u>	<u>37.43</u>
Tax expenses of earlier year (B)	11.54	13.69
Incremental deferred tax liability on account of Property, Plant and Equipment	34.35	76.75
Incremental deferred tax liability on account of financial asset and other items	(29.82)	(38.01)
Deferred tax provision (C)	4.52	38.74
MAT Adjustment (D)	(8.03)	10.08
Total tax expense (A+B+C+D)	<u><u>203.51</u></u>	<u><u>99.93</u></u>
Effective Tax Rate	<u><u>29.33%</u></u>	<u><u>35.12%</u></u>

