

DIGVIJAY FINLEASE

LIMITED

30TH ANNUAL REPORT

FINANCIAL YEAR : 2021 - 22

BOARD OF DIRECTORS:

ASHOK BHANDARI

RAVI GOENKA - INDEPENDENT DIRECTOR

SUDIP KUMAR MUKHERJEE - INDEPENDENT DIRECTOR

GOURAV PERIWAL

MANAGER & CFO

K. K. THAKUR

COMPANY SECRETARY:

SUMIT JAIN

BANKERS:

STATE BANK OF INDIA

HDFC BANK LTD

AUDITORS:

S. JAYKISHAN

CHARTERED ACCOUNTANTS

KOLKATA

REGISTERED OFFICE:

21, STRAND ROAD,

KOLKATA – 700 001

PHONE – 033-22309601-03

E- MAIL : digvijayfinleaselimited@gmail.com

REGISTRAR & SHARE TRANSFER AGENT:

MAHESHWARI DATAMATICS PVT. LTD.

23, R.N. MUKHERJEE ROAD, 5TH FLOOR,

KOLKATA – 700 001

TEL. : 033- 2243 5029, 2248 2248

E-mail: mdpldc@yahoo.com

DIGVIJAY FINLEASE LIMITED

CIN:U67120WB2001PLC093899

DIRECTORS' REPORT

Dear Shareholders,

Your Board of Directors have pleasure in presenting the 30th Annual Report of your Company along with the Audited Financial Statements of the Company for the year ended 31st March, 2022. The Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS).

FINANCIAL RESULTS:

	(Rs in Lac)
Profit Before Taxation (excluding Other Comprehensive Income)	5,559.76
Less: Provision for Current Tax	1,378.12
Less: Deferred Tax	275.82
Less: Income Tax relating to previous year	0
Profit After Taxation (excluding Other Comprehensive Income)	3,905.82
Add: Other Comprehensive Income (net of tax)	0.09
Add : Transfer from Equity Instrument through OCI on realization	14,359.89
Add : Balance of Profit from Previous year (excluding Other Comprehensive Income)	23,505.28
Total	41,771.08
APPROPRIATIONS :	
Transfer to Reserve Fund (as per RBI Guidelines)	781.16
Balance Carried to Balance Sheet (excluding Other Comprehensive Income)	40,989.92
Total	41,771.08

WORKING RESULTS AND STATE OF COMPANY'S AFFAIRS

Total income during the year under review amounted to ₹5,875.58Lac as against ₹647.39 Lac in the preceding year. Profit before and after tax amounted to ₹5559.76 Lac and ₹3905.82 Lac respectively as against ₹339.55 Lac and ₹154.48 Lac respectively in the previous year excluding Other Comprehensive Income.

The Company continues to remain registered as a Non-Banking Financial Company with the Reserve Bank of India.

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of the Company.

COVID-19

The COVID-19 pandemic, continued to be a global challenge, creating disruption across the world. In the first three months of FY 2022, the second wave of the pandemic overwhelmed India's medical infrastructure.

DIVIDEND

In view of the current uncertainty and threat of pandemic looming large, the Board has decided to retain the earnings and does not propose any dividend.

SHARE CAPITAL

The Company has only one class of shares – equity shares of par value ₹10/- each. The Authorised Share Capital of the Company stands at ₹ 20 Crore divided into 2 Crore equity shares of ₹10/- each. The paid-up equity share capital of the Company stood at ₹1325.94 Lac as at 31st March, 2022. During the year, the Company has not issued any shares.

TRANSFER TO RESERVE FUND

Pursuant to section 45-IC of Reserve Bank of India Act, 1934, non-banking financial companies (NBFCs) are required to transfer a sum not less than 20% of their net profit every year to reserve fund before declaration of any dividend. Accordingly, the Board proposes to transfer ₹781.16 Lac to Reserve Fund and the balance profit is retained in the Profit and Loss Account.

PUBLIC DEPOSITS

The Company has not accepted any deposit from the public during the year nor does it hold any public deposit as at the end of the financial year.

PARTICULARS OF LOANS AND GUARANTEES

The Company, being a Non-Banking Financial Company (NBFC) registered under Chapter IIIB of the Reserve Bank of India Act, 1934 (2 of 1934), is exempt from complying with the provisions of Section 186 of the Companies Act, 2013 with respect to loans.

ASSOCIATE COMPANIES

The Company does not have any associate.

DEMATERIALISATION OF COMPANY'S SHARES AND REGISTRAR AND SHARE TRANSFER AGENT (RTA)

The Company has made arrangements with NSDL to offer facility of dematerialisation of securities to its shareholders. The ISIN allotted by the said depository to the Company is – **INE01US01017**. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate risks associated with physical shares and for ease of portfolio management and transaction of transfer. Members may contact their Depository Participant for assistance in this regard.

Maheshwari Datamatics Pvt. Ltd. is acting as Registrar and Transfer Agent (RTA) of the Company for both electronic and physical form of shareholdings including transmission and transposition. All communications relating to shares should be addressed to the RTA at 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001. Email ID of the RTA is mdpldc@yahoo.com

RELATED PARTY TRANSACTIONS

During the year, the Company had not entered into any significantly material contract / arrangement / transactions with related parties, attracting the requirement of disclosure in this report as per provisions of Section 188 of the Act except for remuneration to the key managerial personnel, sitting fees paid to directors and rent paid to the enterprise having significant influence over this Company which are in the ordinary course of business pursuant to Ind AS 24 which is suitably disclosed in Note No.29 of the Financial Statements forming part of this Annual Report. The required disclosure of such transactions under section 134(3)(h) of the Act is enclosed in form AOC-2 forming part of this Report.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate financial controls commensurate with its size, scale, nature of business and operations with reference to its financial statements. The Company has appointed internal auditors who review the internal financial control system. These have been designed to provide reasonable assurance about recording and providing reliable financial information, ensuring integrity in conducting business, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors.

RISK MANAGEMENT

The main identified risks at the Company are Commercial Risks, Financial Risks, Operational Risks and Legal & Regulatory Risks. The Company is required to constitute Risk Management Committee as required by the Reserve Bank of India. The Committee was formed comprising of three members, namely Shri Ashok Bhandari (Chairman), Shri Ravi Goenka (Director) and Shri Gourav Periwal (Director).

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Shri Ashok Bhandari (DIN: 00012210) Director of the Company retires by rotation and being eligible offers himself for re-appointment.

The Board recommends the re-appointment and accordingly resolution seeking approval of the members for the re-appointment has been included in the Notice of forthcoming Annual General Meeting of the Company.

Shri Ravi Goenka and Shri S. K. Mukherjee continue to be the Independent Directors of the Company appointed for a period of five years from their respective dates of appointment, not liable to retire by rotation. The Independent Directors have appropriate skill, knowledge and experience in the business carried on by the Company.

The Company has received declarations from both the Independent Directors confirming that they meet the criteria of Independence as prescribed under the Companies Act, 2013 and the Board hereby confirms that it is satisfied with such declarations.

Shri K.K. Thakur is the Manager and Chief Financial Officer of the Company.

Shri Rakesh Rosan Dalmia the Company Secretary resigned from the services of the Company from 21st February, 2022. The Board has appointed Mr. Sumit Jain, a fellow member of the Institute of Company Secretaries of India, having membership number 9010, as the Company Secretary of your Company. Mr. Jain is also the Compliance Officer of the Company.

AUDITORS:

Statutory Auditors

M/s S Jaykishan, Chartered Accountants having Firm Registration No. 309005E, who are Statutory Auditors of the Company, were appointed by the Company at the Extraordinary General Meeting ("EGM") held on 27th January, 2022, as per direction of the Reserve Bank of India, to hold office from the date of passing of resolution until the conclusion of the 32nd Annual General Meeting to be held in the year 2024 subject to review of their performance by the Board every year. In accordance with the RBI directives, the Board and the Audit Committee have reviewed the performance of the statutory auditors and the Board has decided their continuation as statutory auditors as per recommendation of the Audit Committee for the year 2022-23. The Members are required to fix remuneration of the Statutory Auditors for the financial year ending 31st March, 2023 and authorise the Board suitably in the matter through resolution.

The Statutory Auditors have confirmed that they satisfy the eligibility / independence criteria required under the Companies Act, 2013 and The Code of Ethics issued by the Institute of Chartered Accountants of India.

The audit report by M/s S Jaykishan, for the FY2022 is unmodified, i.e., it does not contain any qualification, reservation or adverse remark or disclaimer.

Cost Audit

Pursuant to provisions of section 148 of the Companies Act, 2013 cost audit as specified by the Central Government is not applicable to the Company.

Tax Auditor

The Board of Directors has appointed M/s S Jaykishan, Chartered Accountants, to carry out the Tax Audit for the Assessment Year 2022-23.

Internal Auditor

The Board of Directors on the recommendation of the Audit Committee had appointed M/s D. K. Parmanandka & Co., Chartered Accountants, having Firm Registration Number: 322388E to carry out the Internal Audit of the Company for the Financial Year 2021-22.

REPORTING OF FRAUDS BY AUDITORS

During the reporting period, the statutory auditors had not reported to the audit committee/Board, under section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, and hence the requirement to mention the same in this report is not applicable.

NUMBER OF MEETINGS:

Meetings of Board and its Committees are held as per statutory requirements and as per business needs. Due to business exigencies, the Board and Committees have also been approving several proposals by circulation from time to time.

Board Meeting

During the year, four Board Meetings and one meeting of the Independent Directors were convened and held. The intervening gap between the meetings of the Board was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE

The Audit Committee comprises of two Independent Directors namely, Shri Sudip Kumar Mukherjee (Chairman), Shri Ravi Goenka and a Non Independent non-executive Director Shri Ashok Bhandari. Shri Sumit Jain acts as Secretary to the Committee. The Committee met three times during the year.

NOMINATION & REMUNERATION COMMITTEE

The Company has a Nomination & Remuneration Committee comprising of two independent directors and one non-independent director namely, Shri Sudip Kumar Mukherjee (Chairman), Shri Ravi Goenka and one Non-independent non-executive Director namely Shri Ashok Bhandari. The Committee met twice during the year.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders' Relationship Committee of Directors comprises of three members, namely Shri Ashok Bhandari, Shri Sudip Kumar Mukherjee and Shri Gaurav Periwal and Shri Krishna Kumar Thakur, Manager and Chief Financial Officer of the Company for the purpose of attending to investors' grievances including transfer / transmission of shares of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee comprises of three members, of which two are independent directors and one non-executive director namely Shri Sudip Kumar Mukherjee (Chairman), Shri Ravi Goenka and Shri Gaurav Periwal respectively. The Committee met once during the reporting period.

This year the Company has contributed for promotion and development of sports activities to a Section 8 Company co-promoted by this Company.

The Annual Report on CSR activities of FY 2021-22 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed hereto and forms part of this report.

The CSR Policy of the Company is also annexed hereto and forms part of this Report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy, inter alia, for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of directors which is annexed hereto and forms part of this Report. Further, Policy relating to remuneration for the directors, key managerial personnel and other employees is also annexed hereto and forms part of this Report.

The Board of Directors of the Company follows the criteria for determining qualification, positive attributes, independence of Directors as per applicable policies of the Company.

Directors are appointed /re-appointed with the approval of the Members for a term in accordance with the provisions of the law and the Articles of Association of the Company. All Directors, other than Independent Directors, are liable to retire by rotation, unless otherwise specifically provided under the Articles of Association or under any statute or terms of appointment.

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

The Company has always provided a congenial atmosphere for work that is free from discrimination and harassment, including sexual harassment. Keeping in view the problem of sexual harassment the company has framed a policy to prevent incidents of sexual harassment as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed there under. However, constitution of Internal Committee as required under the Act is not applicable to the Company since the company has less than 10 employees. All employees are covered under this Policy. During the year under review, the Company has not received any complaints of sexual harassment, hence no disclosures are applicable.

EXTRACT OF ANNUAL RETURN

Company does not have any website therefore disclosure under section 134 (3) (a) of the Companies Act, 2013 is not required.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant & material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values pursuant to the provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy. These form part of the Notes to the financial statements.

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby states and confirms that:

- i) in the preparation of the Annual Accounts for the financial year 2021-22, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for FY 21-22;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and are operating effectively.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

None of the employees is drawing remuneration in excess of the limits set out in Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 appended to the Companies Act, 2013.

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

Since the Company has no manufacturing activity, disclosures relating to Conservation of Energy and Technology Absorption stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, are not applicable.

There were no foreign exchange earnings and outgo during the year.

For and on behalf of the Board

Place : Kolkata
Dated: 20th August, 2022

(GOURAV PERIWAL) (S.K. MUKHERJEE)
DIN: 08643886 DIN: 00029362
Directors

FORM NO. AOC-2

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

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

SI No.	Particulars	Amount (Rs.)
1	Details of contracts or arrangements or transactions not at arm's length basis	NIL
(a)	Name(s) of the related party and nature of relationship	-
(b)	Nature of contracts/arrangements/transactions	-
(c)	Duration of the contracts/arrangements/transactions	-
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	-
(e)	Justification for entering into such contracts or arrangements or transactions	-
(f)	date(s) of approval by the Board	-
(g)	Amount paid as advances, if any:	-
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-
2	Details of material contracts or arrangement or transactions at arm's length basis	
(a)	Name(s) of the related party and nature of relationship	Shree Capital Services Ltd. - having significant influence over the Company
(b)	Nature of contracts/arrangements/transactions	Office Rent Agreement
(c)	Duration of the contracts/arrangements/transactions	3 years from F.Y. 2020-21
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rent Rs. 24,000/- per annum plus GST
(e)	Date(s) of approval by the Board, if any:	6th July, 2020
(f)	Amount paid as advances, if any:	NIL

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company

The Company aims to focus on environment preservation, spreading education, promoting sports and supporting needy people of the society for their overall upliftment. Though its social activities are to focus primarily on areas surrounding its operations, which may include people/programs which may not be so related strictly considering overall upliftment objectives.

2. Composition of CSR Committee:

The CSR Committee comprises 3 members, of which 2 are Independent Directors. The Committee met once during the reporting period on 02nd February, 2022. The details of members and the meeting are as under:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sri S.K. Mukherjee	Chairman (Independent Director)	1	1
2	Sri Ravi Goenka	Member (Independent Director)	1	1
3	Sri Gourav Periwal	Member (Non-executive Non-Independent Director)	1	1

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

NIL

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

Not Applicable

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

(Rs Lacs)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
NIL			

6. Average net profit of the company as per section 135(5) : Rs. 2728.30 Lacs

7. (a) Two percent of average net profit of the company as per section 135(5) : Rs.54.57 Lacs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:
NIL

(c) Amount required to be set off for the financial year, if any: NIL

(d) Total CSR obligation for the financial year (7a+7b- 7c): Rs.54.57 Lacs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs. Lacs)	Amount Unspent (in Rs. Lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 54.60	NIL	-	-	NIL	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				State. District.						Name CSR Registration number.
NIL										

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.
				State. District.			Name. CSR registration number.
NIL							

- (d) Amount spent in Administrative Overheads – NIL
(e) Amount spent on Impact Assessment, if applicable – NIL
(f) Total amount spent for the Financial Year(8b+8c+8d+8e)- Not Applicable
(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (Rs. Lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	54.57
(ii)	Total amount spent for the Financial Year	54.60
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.03
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.03

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs. Lacs)	Amount spent in the reporting Financial Year (in Rs. Lacs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in Rs. Lacs)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2018-19	NIL	55.75	NIL	NIL	Not Applicable	NIL
2.	2019-20	NIL	79.00	NIL	NIL	Not Applicable	NIL
3.	2020-21	NIL	30.65	NIL	NIL	Not Applicable	NIL
	TOTAL		165.40				

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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Not Applicable

Place: Kolkata
Date: 30th July, 2022

For Digvijay Finlease Limited

S.K. Mukherjee
Chairman of
CSR Committee
DIN: 00029362

Gourav Periwal
Director
DIN: 08643886

Corporate Social Responsibility Policy (CSR Policy)

Digvijay Finlease Limited (DFL) believes that for its operation and growth to be sustainable, it has to be responsive to social needs. Its progress is thus underlined by strict adherence to environment preservation, social upliftment, spread of education, promotion of sports etc. DFL believes in making social development as an integral part of its business activities so as to bring about a meaningful change in the lives of people. DFL considers social responsibility as a voluntary act rather than an additional activity mandated by statute.

DFL has in line with / in conformity with the statutory requirement, prepared its CSR Policy. DFL will maintain that all the activities that will be undertaken by it will be in accordance with the policy and that the projects and activities that will be undertaken are in full compliance with Schedule VII of the Companies Act, 2013.

The contents of DFL's CSR Policy are given below:-

1. Vision, Objective and Scope of the Policy

DFL Programmes will include activities prescribed in the Act. Though its social activities will be focusing primarily on areas surrounding its operations, it may include people / programs which may not be so related strictly considering overall objectives.

2. Mandate of Corporate Social Responsibility

DFL is committed to spend 2% of its Average Net Profits of last three financial years as defined in the Rules towards its social initiatives.

3. Board Committee

The CSR Committee of the Board will oversee the social activities to be undertaken by the Company.

4. Identification of Projects and Modalities of Project Execution

The projects to be undertaken by the Company shall conform to the guidelines formulated or laid down by the Government from time to time under Schedule VII to the Companies Act, 2013.

5. Organisational Mechanism

DFL will seek collaborative partnerships with like-minded stakeholders in order to widen the Company's reach in implementing its CSR Policy.

6. Implementation

CSR Committee of the Board is entrusted with implementing the social activities / initiatives and establishing a monitoring mechanism in line with the policy of the company.

7. Budget – CSR Corpus

DFL will allocate necessary budget after the beginning of relevant accounting year for social initiatives. Fund allocation for various activities will be made on suitable and/or progressive basis.

8. Performance Management

DFL will adopt suitable approach for measuring the actual performance of the projects undertaken whenever applicable and Audit Committee of the Board of the Company shall review the performance.

9. Information Dissemination and Policy Communication

The Company's engagement in this domain shall be disseminated through its Annual Reports.

10. Management Commitment

Our Board of Directors, Management and all of employees subscribe to the philosophy of compassionate care. We believe and act on ethos of generosity and compassion, characterised by a willingness to build a society that works for everyone. This is the cornerstone of our CSR Policy.

11. Review of Policy

CSR Committee of the Board of **Digvijay Finlease Limited** will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

Place: Kolkata

For Digvijay Finlease Limited

Date: 20th August, 2022

S.K. Mukherjee
Chairman of
CSR Committee
DIN: 00029362

Gourav Periwal
Director
DIN: 08643886

Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of directors

Introduction

Digvijay Finlease Limited (DFL) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

DFL recognizes the importance of independent directors in achieving the effectiveness of the Board. DFL aims to have an optimum combination of Non-Executive and Independent Directors.

Scope and Exclusion

This Policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

Terms and References

In this Policy, the terms shall have the following meanings:

“Director” means a director appointed to the Board of the Company.

“Nomination and Remuneration Committee” means the committee constituted by DFL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

“Independent Director” means a director referred to in Section 149(6) of the Companies Act, 2013.

Policy

Qualifications and Criteria

The Nomination and Remuneration Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s business operations.

In evaluating the suitability of individual Board members, the Committee may take into account factors such as:

- General understanding of the Company’s business dynamics and social perspective;
- Educational and professional background;
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and zeal in carrying out their duties and responsibilities effectively.

The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number (DIN);
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent in prescribed form to act as a Director;
- Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the ethics policy established by the Company for Directors, employees and Senior Management Personnel;

- Shall disclose his concern or interest in any Company or Companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

The Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

Criteria of Independence

The Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determination of independence when any new interests or relationships are disclosed by the Director.

To follow the criteria of independence as laid down in the Companies Act, 2013.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

Other directorships / committee memberships

The Board members are expected to have adequate time, expertise and experience to contribute to effective Board performance. The Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

A Director shall not be a member in more than 10 committees or act as Chairman of more than 5 committees across all companies in which he holds directorship.

Note: For the purpose of considering the limit of the Committees, Audit Committee and Stake holders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

Policy relating to remuneration for the directors, key managerial personnel and other employees

Introduction

Digvijay Finlease Limited (DFL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate talent to run the Company successfully.
- Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals. However, there is no incentive pay at present.

Scope and Exclusion

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

Terms and References

In this Policy, the terms shall have the following meanings:

“**Director**” means a director appointed to the Board of the Company.

“**Key Managerial Personnel**” means

- i) the Managing Director or Chief Executive Officer or Manager and in their absence a Whole-time Director;
- ii) the Company Secretary;
- iii) the Chief Financial Officer; and
- iv) such other officer as may be prescribed under the Companies Act, 2013

“**Nomination and Remuneration Committee**” means the committee constituted by DFL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

Policy

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive and Non-Executive Directors of the Company within the overall limits subject to approval by the shareholders of the Company. Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. In addition to the sitting fees the Non-Executive Directors shall be entitled to be paid their reasonable travelling, hotel and other expenses incurred for attending Board and Committee meetings or otherwise incurred in the discharge of their duties as Directors.

The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel and other Employees of the Company. Employee individual remuneration shall be determined according to their qualifications, and work experience as well as their roles and responsibilities and shall be based on various factors such as job profile, skill sets, seniority and experience.

The remuneration structure of the Executive Directors, Key Managerial Personnel and other Employees shall mainly include the following:

- a) Basic Pay
- b) Perquisites and Allowances
- c) Retiral Benefits

INDEPENDENT AUDITOR'S REPORT

To the Members of Digvijay Finlease Limited

Report on the Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Digvijay Finlease Limited** ("*the Company*") which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Ind AS 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.

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 Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and those charged with governance for the Ind AS 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 Ind AS financial statements

that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, 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 provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including statement of other comprehensive income), the statement of cash flow and changes in equity dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the 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 control with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the Ind AS financial statements;
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d) (i) The Management has represented that, to the best of its knowledge and belief, 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 person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(ii) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
 - e) No dividend has been declared or paid during the year by the Company.
- C. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) of the Act.

For S. Jaykishan
Chartered Accountants
Firm's Registration No. 309005E

CA Vivek Newatia
Partner
Membership No. 062636
UDIN:
Dated: The 20th day of August, 2022
Place: Kolkata

Annexure -A

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Digvijay Finlease Limited** of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i) (a) In respect of Property, Plant and Equipment:

The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.

(b) In our opinion property, plant and equipment have been physically verified by the management at regular intervals and no material discrepancies were noticed on such verification during the year.

(c) The title/lease deeds of immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the company except in the following cases:

Description of property	Gross Carrying value (in lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Freehold Land	435.75	Arham Securities Private Limited	No	1 April 2016 (Appointed date of merger)	Procedural delay - held in the name of erstwhile amalgamating company

(d) The company has not revalued any of its Property, Plant, and Equipment during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 or rules made thereunder, we have not come across any proceedings have been initiated under Section 24(1) of the Prohibition of Benami Property Transactions Act, 1988 by the Initiating Officer (IO) and/ or any proceedings being pending against the company before the Initiating Officer/ Adjudicating Authority/Appellate Tribunal/ High Court/Supreme Court during any of the preceding financial years.

ii) The Company is in the business of investing and financing activity and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of the said Order are not applicable to the Company.

iii) (a) Since the Company is engaged in non-banking financial activity, the provisions of clause 3(iii)(a) of the Order are not applicable 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 and guarantees provided to the extent applicable to it are not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans (together referred to as "loan assets"), where the schedule of repayment of principal and payment of interest has been stipulated, note 3.1 to the financial statements explains the Company's accounting policy relating to impairment of financial assets which includes loan assets. In accordance with that policy, loan asset with balance as at 31st March 2022 amounting to ₹1,950 lakhs was categorised as credit impaired ("Stage 3"). The Company did not have any other loan asset where the schedule of repayment of principal and payment of interest has been stipulated.

(d) The total amount overdue for more than ninety days in respect of loans and advances in the nature of loans, as at 31st March, 2022 is ₹ 1,950 lakhs. Reasonable steps are being taken by the Company for the recovery of the principal and interest.

(e) Since the Company's principal business is non-banking financial activity, the provisions of clause 3(iii)(e) of the Order are not applicable to it.

(f) According to the information and explanation given to us, the Company has granted loans and advances in nature of loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

	Other parties (₹ In lakhs)	Promoters	Related parties
Aggregate amount of loans / advances in nature of loans			
- Repayable on demand (A)	1750.00	None	None
-Agreement does not specify any terms of period of repayment (B)	None	None	None
Percentage of loans/ advances in nature of loans to the total loans	47.30%	None	None

iv) 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 complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantee or securities provided as applicable.

v) The Company has not accepted any deposit or amounts which are deemed to be deposits within the meaning of the directives issued by the RBI, provisions of sections 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, the provisions stated in clause 3(v) of the Order are not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National

Company Law Tribunal or the RBI or any court or any other tribunal against the Company in this regard.

vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the Company. Accordingly, provision of clause 3(vi) of the order are not applicable to the company.

vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, we report that the following statutory dues have not been deposited with the appropriate authority on account of dispute:-

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period which the amount relates to	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.10	A.Y. 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	22.75	A.Y. 2018-19	Commissioner of Income Tax (Appeals)

viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.

(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 been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) The Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised during the year by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiary, associate or joint venture. Accordingly, clause 3(ix)(e) and (f) of the Order are not applicable to the Company.
- x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of examination of 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.
- xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii) The Company is not a Nidhi Company and hence the Nidhi Rules, 2014 are not applicable to it. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii) According to the information and explanations given to us and records of the company, transactions with related parties are in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- xiv) (a) The company has an adequate internal audit system commensurate with the size and the nature of its business and internal audit of the company has been conducted as per scope of the audit.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv) According to the information and explanations given to us and on the basis of review on an overall basis, the Company has not entered into non cash transactions during the year, in terms of section 192 of the Act, with directors or persons connected with them. Accordingly, the provisions of clause (xv) are not applicable to the company.
- xvi) (a) According to the information and explanations given to us, the company is required to obtain the registration under section 45-IA and the necessary registration has been duly obtained.

(b) According to the information and explanations given to us, the company has obtained Certificate of Registration (CoR) from RBI for conducting activities related to Non-Banking Financing activities.

(c) According to the information and explanations given to us by the management, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) In our opinion, and according to the information and explanations given to us, the Group has no CIC as part of the group. Accordingly, clause 3(xvi)(d) of the Order is not applicable.

xvii) The Company has not incurred any cash losses during the current financial year and in the immediately preceding financial year.

xviii) According to the records of the Company examined by us, and information and explanations given to us, the erstwhile auditors of the Company resigned during the year on account of completion of maximum permissible term of three years as mandated by Reserve Bank of India. Further, there were no other issues, objections or concerns raised by the outgoing auditors in their resignation letter.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company for the year.

(b) There are no ongoing projects and hence, reporting under clause 3(xx)(b) of the Order is not applicable to the Company.

For S. Jaykishan
Chartered Accountants
Firm's Registration No. 309005E

CA Vivek Newatia
Partner
Membership No. 062636
UDIN:
Dated: The 20th day of August, 2022
Place: Kolkata

Annexure B

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Digvijay Finlease Limited** of even date)

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

Opinion

We have audited the internal financial controls with reference to financial statements of **Digvijay Finlease Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

The Management of the Company 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence 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.

For S. Jaykishan
Chartered Accountants
Firm's Registration No. 309005E

CA Vivek Newatia
Partner
Membership No. 062636
UDIN
Dated: The 20th day of August, 2022
Place:

DIGVIJAY FINLEASE LIMITED
CIN:- U67120WB2001PLC093899
Balance Sheet as at 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Financial assets			
(a) Cash and cash equivalents	4	126.52	34.97
(b) Bank balances other than cash and cash equivalents	5	2,184.00	18,040.89
(c) Loans	6	1,743.00	7.00
(d) Investments	7	10,93,145.06	12,90,281.13
(e) Other financial assets	8	126.64	165.40
TOTAL		10,97,325.22	13,08,529.39
Non-financial assets			
(a) Current tax assets (Net)	9	2.63	49.13
(b) Property, plant and equipment	10	519.20	519.22
(c) Other non-financial assets	11	61.82	20.12
TOTAL		583.65	588.47
TOTAL ASSETS		10,97,908.87	13,09,117.86
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
(a) Other financial liabilities	12	8.22	6.00
Non-financial liabilities			
(a) Current tax liabilities (net)	13	39.38	29.53
(b) Provisions	14	15.27	13.49
(c) Deferred tax liability (net)	15	34,807.21	59,206.86
(d) Other non-financial liabilities	16	0.79	0.69
TOTAL		34,870.87	59,256.57
Equity			
(a) Equity Share capital	17	1,325.94	1,325.94
(b) Other equity	18	10,61,712.06	12,48,535.35
TOTAL		10,63,038.00	12,49,861.29
TOTAL EQUITY AND LIABILITIES		10,97,908.87	13,09,117.86

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

In terms of our report attached
For S. Jaykishan
Chartered Accountants
Firm Registration No. 309005E

For and on behalf of the Board of Directors

Gourav Periwal **S.K. Mukherjee**
Director Director
DIN: 08643886 DIN: 00029362

CA Vivek Newatia
Partner
Membership No. 062636
Place : Kolkata
Date: 20-08-2022

Krishna Kumar Thakur **Sumit Jain**
Manager & CFO Company Secretary

DIGVIJAY FINLEASE LIMITED
CIN:- U67120WB2001PLC093899
Statement of profit and loss for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations			
(a) Interest income	19	578.86	91.60
(b) Dividend income	20	4,723.37	425.99
(c) Net gain on fair value changes	21	518.55	129.76
Total revenue from operations		5,820.78	647.35
Other income	22	54.80	0.04
Total income		5,875.58	647.39
Expenses			
(a) Employee benefits expense	23	50.35	32.72
(b) Depreciation, amortisation and impairment	10	0.01	3.03
(c) Other expenses	24	265.46	272.09
Total expenses		315.82	307.84
Profit before tax		5,559.76	339.55
Tax expense	25		
(a) Current tax		1,858.25	652.35
Less: Tax charged in OCI		480.13	468.13
		1,378.12	184.22
(b) Deferred tax		275.82	0.84
Tax expense		1,653.94	185.06
Profit for the year (A)		3,905.82	154.48
Other comprehensive income			
<u>(a) Items that will not be reclassified to profit or loss</u>			
- Changes in fair valuation of equity instruments		(2,15,069.55)	5,19,381.42
- Re-measurement (loss)/ gain on defined benefit plans		0.12	-
Tax impact on above		24,087.28	(60,235.15)
<u>(b) Items that will be reclassified to profit or loss</u>			
- Changes in fair valuation of bonds/ debt instruments		144.95	525.62
Tax impact on above		108.09	(114.74)
Other comprehensive income for the year		(1,90,729.11)	4,59,557.15
Total comprehensive income for the year		(1,86,823.29)	4,59,711.63
Earnings per equity share (face value ₹ 10 each)			
Basic & Diluted (₹)	26	29.46	1.17

The accompanying notes are an integral part of the financial statements

In terms of our report attached.

For S. Jaykishan

Chartered Accountants

Firm Registration No. 309005E

CA Vivek Newatia

Partner

Membership No. 062636

Place: Kolkata

Date: 20-08-2022

For and on behalf of the Board of Directors

Gourav Periwal

Director

DIN: 08643886

S.K. Mukherjee

Director

DIN: 00029362

Krishna Kumar Thakur

Manager & CFO

Sumit Jain

Company Secretary

DIGVIJAY FINLEASE LIMITED
CIN:- U67120WB2001PLC093899

Statement of cash flows for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A.	Cash flow from operating activities		
	Net profit before tax	5,559.76	339.55
	Adjustments for :		
	Depreciation	0.01	3.03
	Impairment loss recovery	(50.00)	-
	Provision for standards assets	(0.05)	(0.02)
	Provision for expected credit loss	14.95	-
	Net (gain)/loss on fair value changes of investment	(518.55)	(129.76)
		(553.64)	(126.75)
	Operating profit/(loss) before working capital changes	5,006.12	212.80
	Adjustments for :		
	(Increase)/Decrease in other financial assets	38.76	81.85
	(Increase)/Decrease in loan	(1,700.90)	10.02
	(Increase)/Decrease in other non- financial assets	(41.70)	(89.70)
	Increase/(Decrease) in other financial liabilities	2.22	3.99
	Increase /(Decrease) in provision	1.90	1.67
	Increase /(Decrease) in other non-financial liabilities	0.10	-
		(1,699.62)	7.83
	Cash generated from operations	3,306.50	220.63
	Net income tax (paid)/refund	(1,801.90)	(65.47)
	NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)	1,504.60	155.16
B.	Cash flow from investing activities		
	Sale of mutual funds	449.38	4,771.33
	Purchase of mutual funds	(6,640.16)	(1,093.60)
	Purchase of shares	(23,839.66)	(6,369.65)
	Sale of shares	12,760.50	19,830.62
	Investment in fixed deposit	15,856.89	(17,949.75)
	NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)	(1,413.05)	(811.04)
C.	Cash flow from financing activities		
	NET CASH FROM /(USED IN) FINANCING ACTIVITIES (C)	-	-
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	91.55	(655.88)
	Cash and cash equivalents at the beginning of the year	34.97	690.85
	Cash and cash equivalents at the end of the year	126.52	34.97

Notes:

i) Since the Company is an investment and finance company, purchase and sale of investments have been considered as part of "Cash flow from investing activities" and interest earned (net) ₹ 578.86 lakhs (Previous year ₹ 91.60) and dividend earned of ₹ 4723.38 lakhs (Previous year ₹ 425.99 lakhs) have been considered as part of "Cash flow from operating activities".

ii)

Direct taxes paid is treated as arising from operating activities and is not bifurcated between investing and financing activities.

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

In terms of our report attached

For S.Jaykishan

Chartered Accountants

Firm Registration No. 309005E

For and on behalf of the Board of Directors

Gourav Periwal

Director

DIN: 08643886

S.K. Mukherjee

Director

DIN: 00029362

CA Vivek Newatia

Partner

Membership No. 062636

Place : Kolkata

Date: 20-08-2022

Krishna Kumar Thakur

Manager & CFO

Sumit Jain

Company Secretary

DIGVIJAY FINLEASE LIMITED
CIN:- U67120WB2001PLC093899
Statement of changes in equity for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

a. Equity share capital

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	1,325.94	1,325.94
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	1,325.94	1,325.94
Changes in equity share capital during the current year	-	-
Balance at the end of the year	1,325.94	1,325.94

b. Other equity

Particulars	Reserve & surplus					Items of other comprehensive income		Total
	Capital reserve	Securities premium	Statutory reserve	General reserve	Retained earnings	Debt instruments through OCI	Equity instruments through OCI	
Balance as on 31 March 2020	313.08	2,177.08	6,453.34	6,025.00	17,356.70	(205.88)	7,56,704.40	7,88,823.72
Profit/(loss) for the year	-	-	-	-	154.48	-	-	154.48
Fair value gain/(loss) during the year (net of tax)	-	-	-	-	-	410.88	4,59,146.27	4,59,557.15
Transfer to statutory reserve	-	-	30.90	-	(30.90)	-	-	-
Balance as on 31 March 2021	313.08	2,177.08	6,484.24	6,025.00	17,480.28	205.00	12,15,850.67	12,48,535.35
Profit/(loss) for the year	-	-	-	-	3,905.82	-	-	3,905.82
Fair value gain/(loss) during the Year (net of tax)	-	-	-	-	-	253.04	(1,90,982.24)	(1,90,729.20)
Other Comprehensive Income(net of tax)	-	-	-	-	0.09	-	-	0.09
Transfer from equity instrument through OCI on realisation	-	-	-	-	14,359.89	-	(14,359.89)	-
Transfer to statutory reserve	-	-	781.16	-	(781.16)	-	-	-
Balance as on 31 March 2022	313.08	2,177.08	7,265.40	6,025.00	34,964.92	458.04	10,10,508.54	10,61,712.06

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

In terms of our report attached.

For S.Jaykishan

Chartered Accountants

Firm Registration No. 309005E

For and on behalf of the Board of Directors

Gourav Periwal
Director
DIN: 08643886

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CA Vivek Newatia

Partner

Membership No. 062636

Place : Kolkata

Date: 20-08-2022

Krishna Kumar Thakur
Manager & CFO

Sumit Jain
Company Secretary

DIGVIJAY FINLEASE LIMITED

CIN:- U67120WB2001PLC093899

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Corporate Information

Digvijay Finlease Limited (referred to as "The Company" or "DFL") is a public unlisted company, limited by shares incorporated on 1st May, 1992 and domiciled in India. The Company is carrying on business as a "Non-Banking Financial Company" (NBFC) registered with the Reserve Bank of India. The Company is engaged mainly in investment in shares and securities and granting of loans and advances. The Company's registered office is at 21, Strand Road, Kolkata 700 001.

The financial statements of the Company as on 31 March 2022 were approved and authorised for issue by the Board of Directors on 20th August, 2022.

2 Basis of Preparation of Financial Statements

2.1 Statement of compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

2.2 Basis of Preparation of Financial Statements

The financial statements have been prepared on accrual basis under the historical cost convention, except for certain financial instruments measured at fair value at the end of each reporting period as explained in the accounting policies below.

The financial statements are presented in Indian Rupees (INR), and all values are rounded to the nearest lacs, unless otherwise indicated.

3 Significant accounting policies

3.1 Financial instruments

(i) Classification

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.

Financial assets, other than equity, are classified into, Financial assets at fair value through other comprehensive income (FVOCI) or fair value through profit and loss account (FVTPL) or at amortised cost. Financial assets that are equity instruments are classified as FVTPL or FVOCI. Financial liabilities are classified as amortised cost category and FVTPL.

(ii) Business Model assessment and Solely payments of principal and interest (SPPI) test:

Classification and measurement of financial assets depends on the business model and results of SPPI test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(iii) Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

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

Financial assets and financial liabilities, with the exception of loans, debt securities and deposits are recognised on the trade date i.e. when a Company becomes a party to the contractual provisions of the instruments. Loans, debt securities and deposits are recognised when the funds are transferred to the customers account. Trade receivables are measured at the transaction price.

(iv) Subsequent measurement

(a) Financial assets at amortised cost:

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently these are measured at amortised cost using effective interest method less any impairment losses.

(b) Debt Instruments at FVOCI

Debt instruments that are measured at FVOCI have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on principal outstanding and that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. These instruments largely comprise long-term investments made by the Company. FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

(c) Equity Instruments at FVOCI

These include financial assets that are equity instruments as defined in IND AS 32 "Financial Instruments: Presentation" and are not held for trading and where the Company's management has elected to irrevocably designated the same as Equity instruments at FVOCI upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.

Gains and losses on these equity instruments are never recycled to profit or loss.

Dividends from these equity investments are recognised in the statement of profit and loss when the right to receive the payment has been established.

(d) Fair value through Profit and loss account:

Financial assets are measured at FVTPL unless it is measured at amortised cost or at FVOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

(v) Financial Liabilities and equity instruments:

(a) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

(c) Other Financial Liabilities:

These are measured at amortised cost using effective interest rate.

DIGVIJAY FINLEASE LIMITED

CIN:- U67120WB2001PLC093899

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(vi) Derecognition of Financial assets and Financial liabilities:

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

(vii) Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost or fair value through OCI. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

(viii) Reclassification of Financial assets:

The Company does not re-classify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances when the Company changes its business model for managing such financial assets. The Company does not re-classify its financial liabilities.

3.2 Determination of fair value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

3.3 Cash and cash equivalents

Cash and cash equivalent comprise of cash at banks & on hand term deposits with original maturity of less than three months, which are subject to insignificant risk of changes in values.

3.4 Property, plant and equipment (PPE)

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Advances paid towards the acquisition of PPE, outstanding at each reporting date are shown under other non-financial assets. The cost of property, plant and equipment not ready for its intended use at each reporting date are disclosed as capital work-in-progress.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income expense in the statement of profit and loss in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3.5 Depreciation

Depreciation on Property, Plant and Equipment is provided on written down value method (WDV) to write down their residual values over their estimated useful life specified in Schedule II of the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

3.6 Impairment of non-financial assets

The Company assesses at each reporting date to determine if there is any indication of impairment, based on internal/external factors. If any such indication exists, then an impairment review is undertaken and the recoverable amount is calculated as the higher of fair value less costs of disposal and the asset's value in use.

3.7 Employee Benefits Expenses

(i) Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences, which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

(ii) Gratuity

Liability with regard to long-term employee benefits is provided for on the basis of an actuarial valuation at the Balance Sheet date. Actuarial gain / loss is recognised immediately in the statement of other comprehensive income.

3.8 Taxes

Income tax expense represents the sum of current tax and deferred tax.

(i) Current Tax

The current tax is based on taxable profit for the year under the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

(ii) Deferred tax

Deferred tax is recognized on all temporary differences between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements except when the deferred tax arises from the initial recognition of goodwill or initial recognition of an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profits or loss at the time of transaction. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

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

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when the same relate to items that are recognised in Other Comprehensive Income or directly in Equity, in which case, the current and deferred tax relating to such items are also recognised in Other Comprehensive Income or directly in Equity respectively.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3.9 Provisions, contingent liabilities and contingent assets

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

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

3.10 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

3.11 Cash-flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

3.12 Leases

(i) Arrangements where the Company is the lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognises a Right-of-use Asset and a corresponding Lease Liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less ('short-term leases') and low value leases. For these short-term and low value leases, the Company recognises the rent as an operating expense in the Statement of Profit and Loss.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use Assets and Lease Liabilities includes these options when it is reasonably certain that they will be exercised.

The Right-of-use Assets are initially recognised at cost, which comprises the initial amount of the lease liabilities i.e. present value of future lease payments adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. The lease payments are discounted using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related Right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Right-of-use Assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(ii) Arrangements where the Company is the lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

3.13 Use of estimates, judgements and adjustments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, and disclosures of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the paragraphs that follow.

(i) Useful Economic Lives and Impairment of Other Assets

The estimated useful life of property, plant and equipment (PPE) is based on a number of factors including the effects of obsolescence, usage of the asset and other economic factors (such as known technological advances).

The Company reviews the useful life of PPE at the end of each reporting date and any changes could affect the depreciation rates prospectively.

The Company also reviews its property, plant and equipment for possible impairment if there are events or changes in circumstances that indicate that the carrying value of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits, such as the Company's business plans and changes in regulatory environment are taken into consideration.

(ii) Contingencies and Commitments

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made, the Company recognises a liability. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

(iii) Fair Value Measurements and Valuation Processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

(iv) Recognition of Deferred Tax Assets For Carried Forward Tax Losses and Unused Tax Credit

The extent to which deferred tax assets can be recognised based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised. In addition significant judgement is required in assessing the impact of any legal or economic limits.

3.14 Recent Accounting Developments

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

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

(ii) Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract

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

(iii) Ind AS 16 – Proceeds before intended use

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

DIGVIJAY FINLEASE LIMITED
CIN:- U67120WB2001PLC093899

Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 4:- Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash on hand (as certified by management)	4.01	4.01
Balances with banks		
a) in current accounts	122.51	30.96
	126.52	34.98

Note 5:- Bank Balances other than cash & cash equivalents

	As at 31 March 2022	As at 31 March 2021
Fixed deposits with banks (with original maturity of more than three months)	2,184.00	18,020.89
Fixed deposits with banks (with original maturity of more than twelve months)	-	20.00
	2,184.00	18,040.89

Note 6:- Loans

(A)

Loans repayable on demand, measured at amortised cost

	As at 31 March 2022	As at 31 March 2021
Loans repayable on demand	3,700.00	2,007.00
Total (A) - Gross	3,700.00	2,007.00
Less: Impairment loss allowance	(1,957.00)	(2,000.00)
Total (A) - Net	1,743.00	7.00

(B)

Secured

Unsecured	-	-
Total (B) - Gross	3,700.00	2,007.00
Less: Impairment loss allowance	(1,957.00)	(2,000.00)
Total (B) - Net	1,743.00	7.00

(C)(I)

Loans in India

(i) Public sector

(ii) Private sector- Bodies corporate	3,700.00	2,000.00
(iii) Individual	-	7.00

Total (C)(I)- Gross	3,700.00	2,007.00
Less: Impairment loss allowance	(1,957.00)	(2,000.00)
Total (C)(I)- Net	1,743.00	7.00

(C)(II)

Loans outside India

Total (C)(II)- Net	-	-
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Total (C)(I+II)

	1,743.00	7.00
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The Company has not granted any loans to promoters, directors, key managerial personnel and the related parties (as defined under the Companies Act 2013).

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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Analysis of changes in the gross carrying amount by stages in relation to loans and its corresponding impairment loss allowances is as follows :-

For the year ended 31 March 2022				
Particulars	Stage 1		Stage 3	
	Loans repayable on demand (Gross)	Impairment loss allowance	Loans repayable on demand (Gross)	Impairment loss allowance
As at March 2021	7.00	-	2,000.00	2,000.00
New credit exposure during the year, net of repayments	1,743.00	7.00	(50.00)	(50.00)
As at March 2022	1,750.00	7.00	1,950.00	1,950.00

For the year ended 31 March 2021				
Particulars	Stage 1		Stage 3	
	Loans repayable on demand (Gross)	Impairment loss allowance	Loans repayable on demand (Gross)	Impairment loss allowance
As at March 2020	17.00	-	2,000.00	2,000.00
New credit exposure during the year, net of repayments	(10.00)	-	-	-
As at March 2021	7.00	-	2,000.00	2,000.00

The following disclosures is required pursuant to RBI circular dated March 13, 2020 - Circular No.RBI/2019-20/170 DOR (NBFC).CC.PD.No. 109/22.10.106/2019-20

Asset classification as per RBI Norms	Asset Classification as per IND AS 109	Gross carrying amount as per IND AS	Gross allowances (provisions) as required under IND AS 109	Net carrying amount	Provision required as per IRACP Norms
Performing	Stage 1	1,750.00	7.00	1,743.00	7.00
Non-performing assets	Stage 3	1,950.00	1,950.00	-	1,950.00

There is no difference between the provisioning requirements as per IND AS 109 and IRACP norms.

DIGVIJAY FINLEASE LIMITED
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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 7: Investments

Investments	Amortised cost	At fair value			Total
		Through other comprehensive income (FVOCI)	Through profit and loss	Designated at fair value through profit and loss	
As at 31 March 2022					
i) Mutual funds	-	-	6,711.13	-	6,711.13
ii) Equity instruments	-	10,85,167.52	-	-	10,85,167.52
iii) Preference shares	-	1,266.41	-	-	1,266.41
Total (A)	-	10,86,433.93	6,711.13	-	10,93,145.06

Investments	Amortised cost	At fair value			Total
		Through other comprehensive income (FVOCI)	Through profit and loss	Designated at fair value through profit and loss	
As at 31 March 2021					
i) Mutual funds	-	-	418.78	-	418.78
ii) Equity instruments	-	12,87,919.50	-	-	12,87,919.50
iii) Preference shares	-	1,942.85	-	-	1,942.85
Total (A)	-	12,89,862.35	418.78	-	12,90,281.13

The fair value of investments in equity shares designated at FVOCI derecognised during the year on the date of derecognition is ₹ 11,522.11 lakhs (previous year ₹ 19,145.63 lakhs).

Particulars

(i) Investment outside India
(ii) Investment in India

Total

	As at 31 March 2022	As at 31 March 2021
	-	-
	10,93,145.06	12,90,281.13
	10,93,145.06	12,90,281.13

7.1 The market value of investments is equal to the book value.

7.2. The Company has elected an irrevocable option to designate its investments in equity instruments through FVOCI, as the said investments are not held for trading and company continues to invest for long term and remain invested in leaders in sectors, which it believes to have potential to remain accretive over the long term.

7.3. Of the total dividend recognised during the year from investment in equity share designated at FVOCI ₹ 10.24 lakhs (Previous year ₹ 50.84 lakhs) is relating to investment derecognised during the period and ₹ 4,657.76 lakhs (previous year ₹ 231.12 lakhs) pertains to investment held at the end of reporting period.

7.4. During the year, total cumulative gains (net of taxes) of ₹ 14,359.88 lakhs on investment in equity shares designated at FVOCI have been transferred to retained earnings on derecognition of related investments after adjusting for tax effect thereon. Such transfer includes ₹ 10,642.27 lakhs in respect of equity shares derecognised up to the financial year ended 31 March 2021 and ₹ 3,717.61 lakhs in respect of equity shares derecognised during the year ended 31 March 2022.

7.5. The other disclosure regarding fair value and risk arising from financial instruments are explained in Note No.32 and 33.

DIGVIJAY FINLEASE LIMITED
CIN:- U67120WB2001PLC093899

Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

7.6 Details of investments are as follows :-

Mutual funds

Particulars	Face value (Rs.)	As at 31 March 2022		As at 31 March 2021	
		Units	Amount (₹ in lakhs)	Units	Amount (₹ in lakhs)
At fair value through profit and loss					
Quoted					
UTI Arbitrage Fund-Growth Plan	10	2,15,89,472	6,135.99	-	-
Kotak Equity Arbitrage Fund	10	16,56,643	500.47	-	-
HDFC Liquid DP Growth Plan	10	-	-	74.99	3.03
HDFC Liquid fund	10	-	-	4.01	0.16
HDFC Overnight Fund	1000	-	-	971.06	29.70
ICICI Prudential Floating Interest Fund - Growth	100	22,136	74.67	9,345.65	30.31
ICICI Prudential Overnight Fund Growth	10	-	-	3,18,488.97	352.62
ICICI Prudential Overnight Fund Direct Plan Growth	100	-	-	556.86	0.62
Aditya Birla Sun Life Lower Duration Fund	100	-	-	453.73	2.34
Sub Total			6,711.13		418.78

Equity instruments - others, fully paid up

Particulars	Face value (Rs.)	As at 31 March 2022		As at 31 March 2021	
		Units	Amount (₹ in lakhs)	Units	Amount (₹ in lakhs)
At fair value through other comprehensive income					
Quoted					
1. Automobiles and auto components					
Bosch Ltd.	10	9,569	1,381.62	9,569	1,348.12
Maruti Suzuki Ltd	5	26,400	1,996.18	26,400	1,810.83
Schaeffler India Ltd	2/(10)	56,470	1,096.65	11,294	614.63
			4,474.45		3,773.58
2. Banks					
HDFC Bank Ltd	1	-	-	1,23,800	1,849.14
ICICI Bank Limited	2	1,35,250	987.73	-	-
			987.73		1,849.14
3. Cement					
Orient Cement Ltd	1	16,46,700	2,343.25	16,46,700	1,610.47
Shree Cement Ltd.	10	42,34,780	10,17,727.74	42,34,780	12,47,794.86
			10,20,070.99		12,49,405.33
4. Chemicals and fertilisers					
Foseco India Ltd	10	14,377	198.98	14,377	164.34
			198.98		164.34
5. Electricity and transmission					
GE Power India Limited	10	6,38,343	970.60	-	-
			970.60		-
6. Finances, services and insurance					
HDFC Ltd	2	-	-	44,500	1,111.65
HDFC Life Insurance Company Limited	10	5,50,000	2,960.10	-	-
N.B.I. Industrial Finance Co. Ltd.	5	4,71,478	10,465.87	4,71,478	9,233.90
Poonawalla Fincorp Limited	2	2,28,000	619.82	-	-
			14,045.79		10,345.55

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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

(All amounts in ₹ lakhs, unless otherwise stated)					
7. Fast moving consumer goods and consumer durables					
3M India Ltd	10	7,880	1,552.15	7,880	2,398.41
Asian Paints Ltd	1	30,150	928.60	-	-
Gillette India Ltd	10	14,400	698.35	-	-
Godrej Consumer Products Ltd	1	5,15,000	3,848.60	-	-
Hindustan Unilever Ltd	1	83,181	1,704.09	83,181	2,022.55
ITC Ltd	1	7,00,000	1,754.55	-	-
United Sprits Ltd	2	888	1,349.40	1,51,900	845.10
Whirlpool of India Ltd.	10	79,522	1,250.76	79,522	1,770.64
Kansai Nerolac Paints Ltd	1	-	-	5,80,681	3,490.18
Nestle India Ltd	10	-	-	30,593	5,251.35
P& G Hygiene & Healthcare Ltd	10	6,603	951.86	6,603	837.19
EPL Limited	2	6,55,200	1,268.47	6,55,200	1,547.58
			15,306.83		18,163.00
8. Pharmaceuticals					
Pfizer Ltd	10	25,850	1,124.00	-	-
Laurus Labs Limited	2	1,00,000	590.10	-	-
			1,714.10		-
9. Information technology					
Infosys Ltd	5	2,32,410	4,431.71	60,410	836.86
Oracle Financial Services Ltd	5	23,200	832.36	-	-
			5,264.07		836.86
10. Telecommunications					
Tejas Networks Ltd.	10	4,61,100	1,967.74	-	-
			1,967.74		-
Sub Total			10,65,001.28		12,84,537.80

Particulars	Face value (Rs.)	As at 31 March 2022		As at 31st March 2021	
		Units	Amount (₹ in lakhs)	Units	Amount (₹ in lakhs)
Unquoted					
Alfa Buildhome Pvt. Ltd.	10	2,600	30.89	2,600	31.97
Aqua infra Projects Ltd.	10	8,20,185	700.93	8,20,185	689.12
Asish Creations Pvt. Ltd	10	2,17,000	7,898.86	2,17,000	522.36
Cast Solutions Pvt Ltd	10	1	0.00*	1	0.01
Cem Logistics Pvt Ltd	10	1	0.00*	1	0.05
Didu Investments Pvt Ltd	10	1,667	279.86	1,667	7.22
Karmayog Properties Pvt Ltd	10	15,59,000	1,672.96	15,59,000	1,696.97
Newa Investments Pvt Ltd	10	15,000	3,253.20	15,000	113.29
New Central Jute Mills Co. Ltd.	10	9	0.00*	9	-
Ragini Finance Pvt Ltd**	10	29,000	6,227.95	29,000	217.64
Ramgopal Holdings Pvt. Ltd.	10	2,23,750	78.20	2,23,750	78.58
Ragini Properties Pvt Ltd	10	79,600	8.33	79,600	7.76
SCL Energy Pvt Ltd	10	100	0.01	100	0.01
Shree Cement Marketing Ltd	10	5,000	0.97	5,000	1.30
Shreecap Holdings Pvt Ltd	10	7,000	0.84	7,000	1.14
Shreeman Investments Pvt Ltd	10	-	-	10,000	1.42
Shree Cement East Bengal Foundation Ltd	10	1,000	0.01	1,000	0.10
Suryadewata Prop. Pvt Ltd	10	5,800	6.94	5,800	6.99
The Kamla Co Ltd	10	25,000	6.29	25,000	5.77
Sub Total			20,166.24		3,381.70

*Amount below rounding off norms

**Private limited w.e.f 01-02-2022

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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Preference shares - others, fully paid up

Particulars	Face value (Rs.)	As at 31 March 2022		As at 31 March 2021	
		Units	Amount (₹ in lakhs)	Units	Amount (₹ in lakhs)
At fair value through other comprehensive income					
Quoted					
2.95% Zee Entertainment Enterprises Ltd - NCPS	-(/2)	-	-	6,19,92,247	1,177.85
Unquoted					
9% Cast Solutions Pvt Ltd - NCNCRP	100	70,000	70.00	70,000	70.00
9% CEM Logistics Pvt. Ltd.- NCNCRP	100	5,30,000	530.00	5,30,000	530.00
5% Tanushree Logistics Pvt. Ltd.- NCNCRP	100	1,65,000	666.41	1,65,000	165.00
Sub Total			1,266.41		1,942.85

Total Investments

10,93,145.06

12,90,281.13

Note 8:-Other financial assets

Unsecured

considered good

Interest accrued on bank deposits

10.14

81.44

Interest accrued on loans given

109.55

7.52

Less: Provision for expected credit loss

(0.44)

-

109.11

7.52

Security deposits

3.18

3.18

Dividend receivable on investments

-

68.81

Advance to staff

4.21

4.45

considered doubtful

Interest accrued on loan

7.52

-

Less: Provision for doubtful receivable

(7.52)

-

126.64

165.40

Note 9:-Current tax assets

Advance tax (net of provision of Rs.898.10 lakhs
(31-03-2021-898.10 lakhs)

2.63

49.13

2.63

49.13

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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 10: Property, plant and equipment

Particulars	Freehold Land	Building	Furniture and fixtures	Data processing equipments	Total
Gross Block (Deemed Cost)					
As at 31 March 2020	515.44	22.05	0.07	0.21	537.77
Additions	-	-	-	-	-
Sale/Deduction	-	-	-	-	-
As at 31 March 2021	515.44	22.05	0.07	0.21	537.77
Additions	-	-	-	-	-
Sale/Deduction	-	-	-	-	-
As at 31 March 2022	515.44	22.05	0.07	0.21	537.77
Accumulated depreciation					
As at 31 March 2020	-	15.40	0.00	0.12	15.52
For the year	-	3.00	0.00	0.03	3.03
Adjustment	-	-	-	-	-
As at 31 March 2021	-	18.40	0.01	0.15	18.56
For the year	-	-	0.00	0.01	0.01
Adjustment	-	-	-	-	-
As at 31 March 2022	-	18.40	0.01	0.16	18.57
Net Book Value					
As at 31 March 2022	515.44	3.65	0.06	0.05	519.20
As at 31 March 2021	515.44	3.66	0.06	0.06	519.22

Details of title deeds of immovable property not held in the name of the Company:
 Relevant line item in the balance sheet Property, plant and equipment

Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Freehold Land	435.75	Arham Securities Private Limited	No	1 April 2016 (Appointed date for the merger)	Procedural delay - held in the name of erstwhile amalgamating company

Note 11:- Other non-financial assets

	As at 31 March 2022	As at 31 March 2021
Income tax refundable	60.51	17.53
Advance against expenses	0.25	0.20
Balances / deposits with government authorities	1.06	2.39
	61.82	20.12

DIGVIJAY FINLEASE LIMITED
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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 12:-Other financial liabilities

Other payable - For expenses

As at 31 March 2022	As at 31 March 2021
8.22	6.00
8.22	6.00

Note: 12 (a) Disclosure with regard to dues to micro enterprises and small enterprises

(i) The Ministry of micro, small and medium enterprises has issued an office memorandum dated 26 August 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on the information received and available with the Company.

(ii) Based on the information / documents available with the company, no interest provisions / payments has to be made by the Company to micro enterprises and small enterprises creditors and thus, no related disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 are made in these accounts.

Note 13:-Current tax liabilities

Provision for income tax (net of advance tax of Rs.2,410.68 lakhs (31-03-2021-570.47 lakhs)

As at 31 March 2022	As at 31 March 2021
39.38	29.53
39.38	29.53

Note 14:-Provisions

Provision for employee benefits:

- a) Gratuity
b) Leave salary

As at 31 March 2022	As at 31 March 2021
10.73	9.32
4.54	4.11

Others

- a) Contingent provision against standard assets

As at 31 March 2022	As at 31 March 2021
-	0.05
15.27	13.49

14.1 Movement in provisions:

As at 1st April 2020

Provision utilised

Provision created / (reversed)

Balance as at 31 March 2021

Provision utilised

Provision created / (reversed)

Balance as at 31 March 2022

Provision for leave salary	Provision for gratuity
3.85	7.91
-	-
0.26	1.41
4.11	9.32
-	-
0.43	1.41
4.54	10.73

Note 15:-Deferred tax (assets)/liabilities (net)

Deferred tax liabilities

- On fair value gain of investments (through other comprehensive income)
- On fair value gain of investments (through profit or loss)

As at 31 March 2022	As at 31 March 2021
35,288.98	59,964.48
16.67	-
35,305.65	59,964.48

Deferred tax assets

- Property, plant and equipment
- Provision for gratuity
- Provision for leave salary
- Provision for expected credit loss
- On fair value loss of investment (FVTPL)
- Mat credit entitlement

As at 31 March 2022	As at 31 March 2021
0.06	0.07
2.70	2.71
1.14	1.20
494.54	-
-	4.82
-	748.82
498.44	757.62

Deferred tax (assets)/ liabilities (net)

34,807.21	59,206.86
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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 16:-Other non-financial liabilities

Statutory dues

As at 31 March 2022	As at 31 March 2021
0.79	0.69
0.79	0.69

Note 17: Equity share capital

Authorised:

2,00,00,000 Equity Shares of ₹ 10 each

Issued, subscribed and fully paid:

1,32,59,420 Equity Shares of ₹ 10 each

As at 31 March 2022	As at 31 March 2021
2,000.00	2,000.00
1,325.94	1,325.94
1,325.94	1,325.94

17.1 Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. Dividend, if any, proposed by the board of directors is subject to approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to the remaining assets of the company after distribution of all preferential amounts in proportion to the number of equity shares held by them.

17.2 Reconciliation of the number and amount of equity shares

Particulars

As at 01 April 2020

Add: Movement during the year

As at 31 March 2021

Add: Movement during the year

As at 31 March 2022

In Number	Amount (₹ in lakhs)
1,32,59,420	1,325.94
-	-
1,32,59,420	1,325.94
-	-
1,32,59,420	1,325.94

17.3 The Company is a non-banking finance company, the objective of the Company is to invest in long term investments and granting of loans to ensure sustainable growth. The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment.

17.4 Details of shareholders holding more than 5% equity shares in the company

Name	As at 31 March 2022		As at 31 March 2021	
	No. of Shares held	% holding	No. of Shares held	% holding
Asish Creations Pvt Ltd	9,09,599	6.86%	9,09,599	6.86%
Didu Investments Pvt Ltd	7,20,620	5.43%	7,20,620	5.43%
Mannakrishna Investments Pvt Ltd	12,69,296	9.57%	12,64,491	9.54%
Newa Investments Pvt Ltd	11,01,890	8.31%	11,01,890	8.31%
Shree Capital Services Ltd	38,80,759	29.27%	38,80,759	29.27%
The Didwana investment Co Ltd	6,73,760	5.08%	6,73,760	5.08%
The Venkatesh Co Ltd	8,21,521	6.20%	8,21,521	6.20%
Rajkamal Devi Bangur	19,61,332	14.79%	19,61,332	14.79%

DIGVIJAY FINLEASE LIMITED
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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

17.5 Shares held by promoters as at 31 March 2022 :-

Promoter name	Shareholding at the end of the year [As on 31/Mar/2021]		Shareholding at the end of the year [As on 31/Mar/2022]		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Asish Creations Pvt. Ltd.	9,09,599	6.86	9,09,599	6.86	-
Didu Investments Pvt. Ltd.	7,20,620	5.43	7,20,620	5.43	-
Hari Mohan Bangur	2	0.00	2	0.00	-
India Paint & Commercial Co. Ltd.	1	0.00	1	0.00	-
Karmayog Properties Pvt. Ltd.	1	0.00	1	0.00	-
Khemka Properties Pvt.Ltd.	1	0.00	1	0.00	-
Mannakrishna Investments Pvt Ltd	12,64,991	9.54	12,69,296	9.57	0.03
Newa Investments Pvt. Ltd.	11,01,890	8.31	11,01,890	8.31	-
Prashant Bangur	2,82,642	2.13	2,82,642	2.13	-
Ragini Finance Pvt.Ltd.	3,75,275	2.83	3,75,275	2.83	-
Rajesh Vanijya Pvt. Ltd.	84,001	0.63	84,001	0.63	-
Rajkamal Devi Bangur	19,61,332	14.79	19,61,332	14.79	-
Ramgopal Holdings Pvt.Ltd.	1	0.00	1	0.00	-
Ranu Bangur	1,34,801	1.02	1,34,801	1.02	-
Scl Energy Pvt.Ltd.	1	0.00	1	0.00	-
Shree Capital Services Ltd.	38,80,759	29.27	38,80,759	29.27	-
Shreecap Holdings Pvt. Ltd.	1	0.00	1	0.00	-
Suryadewata Properties Pvt.Ltd.	1	0.00	1	0.00	-
The Didwana Investment Co. Ltd.	6,73,760	5.08	6,73,760	5.08	-
The Venkatesh Co. Limited	8,21,521	6.20	8,21,521	6.20	-
Shreeman Investments Private Ltd.	1	0.00	-	-	(0.00)
Total	1,22,11,201	92.09	1,22,15,505	92.13	0.03

Shares held by promoters as at 31 March 2021:-

Promoter name	Shareholding at the end of the year [As on 31/Mar/2020]		Shareholding at the end of the year [As on 31/Mar/2021]		% change during the year
	No. of Shares	% of total shares	No. of shares	% of total shares	
Asish Creations Pvt. Ltd.	9,09,599	6.86	9,09,599	6.86	-
Didu Investments Pvt. Ltd.	7,20,620	5.43	7,20,620	5.43	-
Hari Mohan Bangur	2	0.00	2	0.00	-
India Paint & Commercial Co. Ltd.	1	0.00	1	0.00	-
Karmayog Properties Pvt. Ltd.	1	0.00	1	0.00	-
Khemka Properties Pvt.Ltd.	1	0.00	1	0.00	-
Mannakrishna Investments Pvt Ltd	12,37,442	9.33	12,64,991	9.54	0.21
Newa Investments Pvt. Ltd.	11,01,890	8.31	11,01,890	8.31	-
Prashant Bangur	2,82,642	2.13	2,82,642	2.13	-
Ragini Finance Pvt.Ltd.	3,75,275	2.83	3,75,275	2.83	-
Rajesh Vanijya Pvt. Ltd.	84,001	0.63	84,001	0.63	-
Rajkamal Devi Bangur	19,61,332	14.79	19,61,332	14.79	-
Ramgopal Holdings Pvt.Ltd.	1	0.00	1	0.00	-
Ranu Bangur	1,34,801	1.02	1,34,801	1.02	-
Scl Energy Pvt.Ltd.	1	0.00	1	0.00	-
Shree Capital Services Ltd.	38,80,759	29.27	38,80,759	29.27	-
Shreecap Holdings Pvt. Ltd.	1	0.00	1	0.00	-
Suryadewata Properties Pvt.Ltd.	1	0.00	1	0.00	-
The Didwana Investment Co. Ltd.	1	0.00	6,73,760	5.08	-
The Venkatesh Co. Limited	6,73,760	5.08	8,21,521	6.20	-
Shreeman Investments Private Ltd.	8,21,521	6.20	1	0.00	-
Total	1,21,83,652	91.89	1,22,11,201	92.09	0.21

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Note 18: Other equity

Reserves and Surplus

Capital reserve

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning and end of the year	313.08	313.08
Securities premium		
Balance at the beginning and end of the year	2,177.08	2,177.08
Statutory reserve		
Opening balance	6,484.24	6,453.34
Add: Transfer from retained earnings	781.16	30.90
Closing balance	7,265.40	6,484.24
General reserve		
Balance at the beginning and end of the year	6,025.00	6,025.00
Retained earnings		
Opening balance	17,480.28	17,356.70
Add: Profit for the year	3,905.82	154.48
Add: Transfer from equity instrument through OCI on realisation	14,359.89	-
Less: Transfer to statutory reserve	(781.16)	(30.90)
Add: Other comprehensive income for the year (net of tax)	0.09	-
Closing balance	34,964.92	17,480.28
Debt instruments through OCI		
Opening balance	205.00	(205.88)
Add:- Fair value gain/(loss) during the Year (net of tax)	253.04	410.88
Closing balance	458.04	205.00
Equity instruments through OCI		
Opening balance	12,15,850.67	7,56,704.40
Add:- Fair value gain/(loss) during the year (net of tax)	(1,90,982.24)	4,59,146.27
Less: Transfer to retained earnings on realization	(14,359.89)	-
Closing balance	10,10,508.55	12,15,850.67
TOTAL	10,61,712.06	12,48,535.35

Capital reserve

This reserve represents the difference between value of the net assets transferred, consideration received for such assets in excess of original cost and excess value received in amalgamation.

Securities premium

This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Statutory reserve

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of Profit for the period is transferred to the fund for the year.

General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

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Debt instruments through other comprehensive income

This reserve represents the cumulative gains (net of losses) arising on the revaluation of debt instruments measured at fair value through Other Comprehensive Income, net of tax. The amount is transferred from this reserve to the statement of profit and loss when the debt instrument is derecognised.

Equity instruments through other comprehensive income

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of tax, under an irrevocable option, net of amount reclassified to retained earnings when such assets are disposed off, if any.

Note 19:- Interest income

On financial assets measured at amortised cost

	Year ended 31 March 2022	Year ended 31 March 2021
Interest on loans	121.72	0.79
Interest on deposits with banks	457.14	90.81
	578.86	91.60

Note 20:- Dividend income

Dividend income from:

On financial assets measured at FVTPL

	Year ended 31 March 2022	Year ended 31 March 2021
Mutual funds	-	0.55

On financial assets measured at FVTOCI

a) Preference shares	55.38	143.48
b) Equity shares	4,667.99	281.96
	4,723.37	425.99

Note 21:- Net gain on fair value change

	Year ended 31 March 2022	Year ended 31 March 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss	101.56	129.76
Gain/(loss) on sale of debt instrument at FVTOCI	416.99	-
Total net gain/(loss) on fair value changes	518.55	129.76

Fair value changes

Realised	432.16	119.64
Unrealised	86.39	10.12
Total net gain/(loss) on fair value changes	518.55	129.76

Note 22:- Other income

	Year ended 31 March 2022	Year ended 31 March 2021
Provision for standard assets written back	0.05	0.02
Reversal of provision for impairment on financial assets	50.00	-
Interest on IT refund	4.74	-
Miscellaneous income	0.01	0.02
	54.80	0.04

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Note 23:- Employee benefits expense

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and allowance	46.07	29.96
Staff welfare expenses	2.32	1.09
Gratuity	1.53	1.41
Leave salary	0.43	0.26
	50.35	32.72

Note 24:- Other expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Advertisement and publicity	0.11	0.03
Communication cost	5.86	1.65
CSR expenditure [Refer note 24.1]	54.60	30.65
Custodian fees	0.53	0.53
Depository charges	0.14	0.02
Directors meeting fees	1.07	0.90
Donations	125.00	200.00
Filing fees	0.43	0.07
Goods & services tax	1.36	0.16
Auditor's fees and expenses [Refer note-24.2]	1.14	0.34
Printing and stationary	4.50	2.81
Professional and legal charges	10.33	1.88
Rent, rates and taxes	2.24	2.24
Repairs and maintenance - others	6.19	4.25
Securities transaction tax	35.30	25.65
Travelling and conveyance	1.43	0.49
Provision for expected credit loss	14.95	-
Miscellaneous expenses	0.28	0.42
	265.46	272.09

Note 24.1-Details of CSR expenditure:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(a) Gross amount required to be spent by the Company during the Year	54.57	30.55
(b) Amount spent during the year	54.60	30.65
(c) Shortfall at the end of the year	-	-
(d) total of the previous year shortfall	-	-
(e) reason for shortfall	-	-
(f) nature of CSR activities	Contribution towards promotion of sports	Contribution towards promotion of sports

Note 24.2-Payment to auditor

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
For statutory audit	1.00	0.24
For tax audit	0.10	0.06
For other services	0.04	0.04
	1.14	0.34

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Note 25:- Tax expense

Amounts recognised in profit and loss

	Year ended 31 March 2022	Year ended 31 March 2021
Current tax	1,369.87	131.87
Income tax relating to earlier years	8.25	52.35
Deferred tax charge/(credit) relating to origination and reversal of temporary differences	275.82	0.84
	1,653.94	185.06

Amounts recognised in other comprehensive income

Current tax (charged)/credit		
Equity instruments through other comprehensive income	(480.13)	(468.13)
Deferred tax relating to origination and reversal of temporary differences (charged)/credit		
Remeasurement of the defined benefit plans	(0.03)	-
Equity instruments through other comprehensive income	24,567.44	(59,767.02)
Debt instruments through other comprehensive income	108.09	(114.74)
	24,195.37	(60,349.89)

Reconciliation of effective tax rate

The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit before tax	5,559.76	339.55
Tax Rate*	25.17	29.12
Income tax expense calculated at the effective rate	1,399.28	98.88
Expenses disallowed	54.09	76.00
MAT credit written off	748.82	-
Effect of tax relating to uncertain tax positions	-	0.84
Effect of income not taxable	-	(41.80)
Tax due to Ind AS adjustments	-	(14.06)
Income tax relating to earlier years	8.25	52.35
Income chargeable to tax at differential rates	(57.24)	13.40
Deferred tax recognised during the year on impairment	(494.54)	-
Other adjustments	(4.70)	(0.55)
Tax expenses	1,653.96	185.06

*Company opted for reduced corporate tax rate of 25.17% as per section 115BAA of the Income Tax Act, 1961 during the year ended 31 March 2022 and accordingly MAT credit of ₹ 748.82 lakhs has been written off.

25.2 Movement in deferred tax liabilities for year ended 31 March 2022:

Particulars	As at 01 April 2021	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2022
Deferred tax liabilities for taxable temporary differences on:				
On fair value gain of investment (FVTOCI)	59,964.48	-	(24,675.50)	35,288.98
On fair value gain of investment (FVTPL)	-	16.67	-	16.67
Deferred tax liabilities	59,964.48	16.67	(24,675.50)	35,305.65

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Movement in deferred tax asset for year ended 31 March 2022:

Particulars	As at 01 April 2021	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2022
Deferred tax assets for taxable temporary differences on:				
Property, plant and equipment	0.07	(0.01)	-	0.06
Provision for gratuity	2.71	0.02	(0.03)	2.70
Provision for leave salary	1.20	(0.05)	-	1.14
On fair value gain of investment (FVTPL)	4.82	(4.82)	-	-
Provision for expected credit loss/impairment	-	494.54	-	494.54
MAT credit	748.82	(748.82)	-	-
Deferred tax assets	757.62	(259.14)	(0.03)	498.45
Net deferred tax liabilities/(assets)	59,206.86	275.81	(24,675.47)	34,807.21

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25.2 Movement in deferred tax liabilities for year ended 31 March 2021:

Particulars	As at 01 April 2020	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2021
Deferred tax liabilities for taxable temporary differences on:				
On fair value gain of investment (FVTOCI)	82.73	-	59,881.75	59,964.48
On fair value gain of investment (FVTPL)	-	-	-	-
Deferred tax liabilities	82.73	-	59,881.75	59,964.48

Movement in deferred tax asset for year ended 31 March 2021:

Particulars	As at 01 April 2020	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2021
Deferred tax assets for taxable temporary differences on:				
Property, plant and equipment	0.09	(0.02)	-	0.07
Provision for gratuity	2.20	0.51	-	2.71
Provision for leave salary	1.07	0.13	-	1.20
On fair value gain of investment (FVTPL)	6.29	(1.47)	-	4.82
MAT credit	748.82	-	-	748.82
Deferred tax assets	758.47	(0.84)	-	757.62
Net deferred tax liabilities/(assets)	(675.75)	0.84	59,881.75	59,206.86

Note 26:- Earnings per share

Particulars	Year ended	Year ended
	31 March 2022	31 March 2021
Net profit after tax as per statement of profit and loss	3,905.82	154.48
Weighted average number of equity shares used as denominator for calculating Basic EPS	132.59	132.59
Total weighted average number of equity shares used as denominator for calculating Diluted EPS	132.59	132.59
Basic earnings per share (₹)	29.46	1.17
Diluted earnings per share (₹)	29.46	1.17
Face value per equity share (₹)	10.00	10.00

Note 27:- Segment reporting

The Company has only one line of business i.e. Non Banking Financial activities. There are no separate reportable segments as per Ind AS 108.

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Note 28:- Employee benefits

(a) Defined benefit plans:

Contribution to defined benefit plans, recognised as an expense in profit and loss statement for the year are as under:

Particulars	Year ended 31 March 2022
Gratuity - Net defined benefit obligation	1.53
	1.53

Defined benefit plan

The employee gratuity scheme of the company is unfunded. The present value of obligation is determined based on the actuarial valuation using the projected unit credit method as on 31st March 2022, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The company's gratuity expense is recognized under the head - "Gratuity" in note 23.

Movement of defined benefit obligation

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Year ended 31 March 2022
Defined benefit obligation at beginning of the year	9.32
Current service cost	0.85
Interest cost	0.68
Benefits paid	-
Actuarial (gain)/loss	(0.12)
Defined benefit obligation at end of the year	10.73

Liability recognised in the balance sheet

Present value of defined benefit obligation	10.73
Amount recognised as liability in balance sheet	10.73

Expenses recognised during the year (Under the head "Employee benefits expense" – Refer note no. 23)

Expense recognised in profit and loss statement	Year ended 31 March 2022
Current service cost	0.85
Past service cost (vested)	-
Net interest cost	0.68
Total amount	1.53

Remeasurements recognised in other comprehensive income

	Year ended 31 March 2022
Actuarial (gain)/loss on obligations due to change in financial assumption	(3.92)
Actuarial (gain)/loss on obligations due to unexpected experience	3.80
Total amount recognised in other comprehensive income	(0.12)

Net Cost **1.41**

Note: Includes benefit payable to key managerial person not separately reported in actuarial report.

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Actuarial assumptions

Discount rate (per annum)	7.24%
Rate of escalation in salary (per annum)	6.00%
Retirement age	60

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2012-14) Ultimate.

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Sensitivity analysis	<u>Increase by</u>	<u>Decrease by</u>
	<u>Year ended 31 March 2022</u>	<u>Year ended 31 March 2022</u>
Discount rate (-/+ 0.5%)	10.38	11.11
Salary growth (-/+ 0.5%)	11.11	10.37
Attrition rate (-/+ 0.5%)	10.73	10.73
Mortality rate (-/+ 10%)	10.73	10.73

Maturity profile

<u>Year</u>	<u>Year ended 31 March 2022</u>
1	0.10
2	0.62
3	0.48
4	0.13
5	0.15
6 to 10	1.34
More than 10 years	3.44

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency in terms of the post employment benefit obligations.

The above information is certified by an actuary. Provision for gratuity in the preceding year was made by the management on an estimated basis in accordance with the formula prescribed under Payment of Gratuity Act 1972. The opening liability as determined by the actuary is not at significant variance to that calculated in the previous year.

Note 29:- Related party disclosure

<u>I) Particulars of relationship</u>	<u>Names of related parties</u>	<u>Designation</u>
Key managerial personnel	Ashok Bhandari	Chairman, non executive director
	Ravi Goenka	Director
	Sudip Kumar Mukherjee	Director
	Gaurav Periwal	Director
	K.K.Thakur	Manager & CFO
	R.R.Dalmia (Ceased w.e.f 21.02.2022)	Company Secretary
	Sumit Jain (Appointed w.e.f 21.02.2022)	Company Secretary
Enterprise having significant influence over the Company	Shree Capital Services Ltd	

II) Disclosures of transactions between the companies and related parties with status of outstanding closing balances:

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<u>Particular</u>	Year ended 31 March 2022	Year ended 31 March 2021
(I) Particulars of transactions with related parties (Key managerial personnel)		
A) Key Managerial Personnel		
i) Remuneration of key managerial personnel*		
K.K.Thakur		
Short term employee benefits	18.52	18.21
R.R Dalmia		
Short term employee benefits	1.17	1.40
Sumit Jain		
Short term employee benefits	0.88	-
ii) Advances		
Paid	1.50	3.00
Received back	1.00	2.40
iii) Directors sitting fees		
Ashok Bhandari	0.31	0.25
Ravi Goenka	0.27	0.22
Sudip Kumar Mukherjee	0.32	0.26
Gaurav Periwal	0.17	0.17
B) Enterprise having significant influence over the company		
Shree Capital Services Limited		
Rent Paid	0.28	0.28
II) Outstanding balance at the end of year (Key managerial personnel)		
Closing balance of advances	1.50	1.00

* Post employment benefit details are not separately disclosed in actuarial report for the year (Refer note: 28)

Note 30: Disclosure of Ratios

Ratios	Formula	Current period	Previous period	% variance	Reason for variance
a) Capital to risk-weighted assets ratio (CRAR)	Tier I plus Tier II capital / Risk weighted assets	118.62%	176.32%	-32.73%	Increase in Investments
b) Tier I CRAR	Tier I capital / Risk weighted assets	118.62%	176.32%	-32.73%	Increase in Investments
c) Tier II CRAR	Tier II capital / Risk weighted assets	-	-	-	NA
d) Liquidity coverage ratio	Highly liquid assets / Net cash outflow over next 30 days	1436.72%	534.75%	168.67%	Liquid asset deployed in investment

Ratio is calculated as per formula prescribed by the regulatory authority.

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Note 31:- Contingent liabilities

Particular	Year ended 31 March 2022	Year ended 31 March 2021
(a) Claims against company not acknowledged as debts		
Income tax matters under dispute with Ld. CIT (A)	22.85	6.39

The company's pending litigations comprise mainly claims against the company for proceedings pending with the Income Tax authorities. The company has reviewed all its pending litigations and proceedings and has made adequate provisions wherever required and disclosed the contingent liabilities wherever applicable, in its financial statements. The company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

Note 32:- Disclosure on financial instruments

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

(i) Categories of Financial Instruments

Particulars	Note	As at 31 March 2022	As at 31 March 2021
Financial assets			
a) Measured at amortised cost			
i) Cash and cash equivalents	4	126.52	34.97
ii) Other bank balances	5	2,184.00	18,040.89
iii) Loans	6	1,743.00	7.00
iv) Other financial assets	8	126.64	165.40
Sub-Total		4,180.16	18,248.26
b) Measured at fair value through OCI (FVOCI)			
i) Investment in equity shares	7	10,85,167.52	-
ii) Investment in preference shares	7	1,266.41	-
Sub-Total		10,86,433.93	-
c) Measured at fair value through profit and loss (FVTPL)			
i) Investment in mutual fund	7	6,711.13	-
Sub-Total		6,711.13	-
Total financial assets		10,97,325.22	18,248.26
Financial liabilities			
a) Measured at amortised cost			
i) Other financial liabilities	13	8.22	6.00
Total financial liabilities		8.22	6.00

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(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(iii) Valuation technique used to determine Fair Value

Specific valuation techniques used to value financial instruments include:

- the fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
- the fair value of level 2 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

(iv) Fair value of Financial Assets and Liabilities measured at Fair value - recurring Fair Value Measurements

Particulars	As at 31 March 2022		As at 31 March 2021	
	Level 1	Level 2	Level 1	Level 2
Financial assets				
Investment in equity instruments	10,65,001.28	20,166.24	12,84,537.80	3,381.70
Investment in debt instruments	-	1,266.41	1,177.85	765.00
Investment in mutual fund	6,711.13	-	418.78	-
Total financial assets	10,71,712.41	21,432.65	12,86,134.43	4,146.70

(v) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

(vi) Fair value of assets and liabilities measured at cost/amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, Other financial assets and other financial liabilities approximate their carrying amounts of these instruments, as discussed below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets:				
Cash and cash equivalents	126.52	126.52	34.97	34.97
Other bank balances	2,184.00	2,184.00	18,040.89	18,040.89
Loan	1,743.00	1,743.00	7.00	7.00
Other financial assets	126.64	126.64	165.40	165.40
Financial liabilities				
Other financial liabilities	8.22	8.22	6.00	6.00

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(vii) Maturity analysis of assets and liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	Within 12 months	After 12 months	Within 12 months	After 12 months
ASSETS				
Financial assets				
Cash and cash equivalents	126.52	-	34.97	-
Other bank balances	2,184.00	-	18,020.89	20.00
Loan	1,743.00	-	7.00	-
Investments	6,711.13	10,86,433.93	1,596.63	12,88,684.50
Other financial assets	126.64	-	165.40	-
Total financial assets	10,891.29	10,86,433.93	19,824.89	12,88,704.50
Non-financial assets				
Current tax assets (Net)	2.63	-	49.13	-
Property, plant & equipment	-	519.20	-	519.22
Other non-financial assets	61.82	-	20.12	-
Total non financial assets	64.45	519.20	69.25	519.22
Total assets	10,955.74	10,86,953.13	19,894.14	12,89,223.72
Liabilities				
Financial liabilities				
Other financial liabilities	8.22	-	6.00	-
Total financial liabilities	8.22	-	6.00	-
Non-financial liabilities				
Current tax liabilities (Net)	39.38	-	29.53	-
Provisions	15.27	-	13.49	-
Deferred tax liabilities (Net)	16.67	34,790.54	98.07	59,108.79
Other non-financial liabilities	0.79	-	0.69	-
Total non financial liabilities	72.11	34,790.54	141.78	59,108.79
Total liabilities	80.33	34,790.54	147.78	59,108.79
Net equity	10,875.41	10,52,162.59	19,746.36	12,30,114.94

Note 33

Financial risk management

The Company is a Non-Banking Financial Company registered with the Reserve Bank of India. On account of its business activities it is exposed to various financial risks associated with financials products such as credit or default risk, market risk, interest rate risk, liquidity risk and inflationary risk. However, the Company has a robust financial risk management system in place to identify, evaluate, manage and mitigate various risks associated with its financial products to ensure that desired financial objectives are met. The Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies, as approved by the Board of Director. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Company's risk management objectives and policies needs prior approval of it's Board of Directors.

Credit risk

This risk is common to all investors who invest in bonds and debt instruments and it refers to a situation where a particular bond/debenture issuer is unable to make the expected principal payment interest rate payment, or both. Similarly, a lender bears the risk that the borrower may default in the payment of contractual interest or principal on its debt obligation, or both. The entity continuously monitors defaults of the customers and other counterparties and incorporates this information into its credit risk control.

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(All amounts in ₹ lakhs, unless otherwise stated)

Market risk:

Market risk is a form of systematic risk associated with the day-to-day fluctuation in the market prices of shares and securities and such market risk affects all securities and investors in the same manner. These daily price fluctuations follows its own broad trends and cycles and are more news and transaction driven rather than fundamentals and many a times, it may affect the returns from an investment. Market risks majorly comprises of two types - interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include borrowings and investments.

Interest rate risk

Interest rate risk is a type of systematic risk that particularly affects fixed rate debt instruments like bonds and debentures. The value of the fixed-rate debt instruments generally decline due to rise in interest rates and vice versa. The rationale is that a bond is a promise of a future stream of payments; an investor will offer less for a bond that pays-out at a rate lower than the rates offered in the current market. A rising interest rate scenario also affects the Company's interest expenditure on borrowed funds.

The Company monitors the interest rate scenarios on a regular basis and accordingly takes investments decisions as whether to invest in fixed rate debt instruments, shares and securities at a particular point of time.

Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in equity instruments, bonds, mutual funds etc. The Company is exposed to price risk arising mainly from investments carried at FVOCI which are valued using quoted prices in active markets. A sensitivity analysis demonstrating the impact of the change in market prices of these instruments from the prices existing as at the reporting date is given below:

Particulars	Carrying value as at	
	31-Mar-22	31-Mar-21
Investments carried at FVOCI valued using quoted prices in active market	10,65,001.28	12,84,537.80

Particulars	Sensitivity analysis on total	
	Increase by 10 %	Decrease by 10 %
Impact on total comprehensive income for year ended 31 March 2022	1,06,500.13	(1,06,500.13)
Impact on total comprehensive income for year ended 31 March 2021	1,28,453.78	(1,28,453.78)

Equity instrument through OCI being a component of other equity would increase/decrease as a result of gain/loss on equity securities classified as fair value through Other Comprehensive Income.

Liquidity risk:

Liquidity refers to the readiness of the Company to sell and realise its financial assets. Liquidity risk is one of the most critical risk factors for Companies which is into the business of investments in shares and securities. It is the risk of not being able to realise the true price of a financial asset, or is not being able to sell the financial asset at all because of non-availability of buyer Unwillingness to lend or restricted lending by Banks and Financial Institutions may also lead to liquidity concerns for the entities.

The Company maintains a well-diversified portfolio of investments in shares and securities . A dedicated team of market experts are monitoring the markets on a continuous basis, which advises the management for timely purchase or sale of securities. The management ensures to manage its cash flows and asset liability patterns to ensure that the financial obligations are satisfied in timely manner.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis.

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total
As at 31 March 2022				
Other financial liabilities	8.22	-	-	8.22
	8.22	-	-	8.22
As at 31 March 2021				
Other financial liabilities	6.00	-	-	6.00
	6.00	-	-	6.00

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(All amounts in ₹ lakhs, unless otherwise stated)

Inflationary risk:

Inflationary or purchasing power risk refers to the variation in investor returns caused by inflation. It is the risk that results in increase of the prices of goods and services which results in decrease of purchasing power of money, and likely negatively impact the value of investments. The two important sources of inflation are rising costs of production and excess demand for goods and services in relation to their supply. Inflation and interest rate risks are closely related as interest rates generally go up with inflation.

The Company closely monitors the inflation data and analyses the reasons for wide fluctuations thereof and its effect on various sectors and businesses. The main objective is to avoid inflationary risk and accordingly invest in securities and debt instruments that provides higher returns as compared to the inflation in long-term.

Note 34-Capital management

For the purpose of Company's capital management, capital includes issued equity share capital, other equity reserves and borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximize shareholder's value.

The entity manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the entity may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The entity monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The entity's policy is to keep an optimum gearing ratio. The entity includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Following table summarizes the capital structure of the Company.

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings	-	-
Less: Cash and cash equivalents	126.52	34.97
Adjusted net debt	(126.52)	(34.97)
Total equity (*)	10,63,038.00	12,49,861.29
Net debt to equity ratio**	-	-

(*) Equity includes capital and all reserves of the Company that are managed as capital.

** As negative kept Nil.

Note 35

Particulars required under paragraph 18 of master directions Non-Banking Financial company - Systemically important non deposit taking company (Reserve Bank) Directions, 2016 are given in annexure appended hereto

Note 36

The Company entered into cancellable lease arrangements for certain accommodations. Terms of such lease include upto one month notice by either party for cancellation, option for renewal on mutually agreed terms and there are no restrictions imposed by such lease arrangements. The Company has applied the 'short-term lease' exemptions for these leases. Rental expenses incurred are disclosed in Note 24 as Rent.

Note 37: Other statutory information:

(i) The company has not advanced or given loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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Notes to financial statements for the year ended 31 March 2022
(All amounts in ₹ lakhs, unless otherwise stated)

Note 38:

Figures for the previous period have been regrouped and reclassified to conform to the classification of current period wherever necessary.

Note 39:

Statement of Balance Sheet Disclosures in terms of Master direction- Non-Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

i) Capital	31 March 2022	31 March 2021
Capital to Risk/Weighted Assets Ratio (CRAR) (%)	118.62%	176.32%
CRAR-Tier I Capital (%)	118.62%	176.32%
CRAR-Tier II Capital (%)	-	-
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

ii) Investments	31 March 2022	31 March 2021
------------------------	----------------------	----------------------

A. Value of Investments

Gross Value of Investments:		
a) In India	10,93,145.06	12,90,281.13
b) Outside India	-	-

Provisions for Depreciation:

a) In India	-	-
b) Outside India	-	-

Net Value of Investments

a) In India	10,93,145.06	12,90,281.13
b) Outside India	-	-

B. Movement of provisions held towards depreciation on investments

Opening Balance	-	-
Add: Provisions made during the year	-	-
Less: Write-off/Write-back of excess provisions during the year	-	-
Closing Balance	-	-

iii) Derivatives

The Company does not have any derivatives exposure in the current and previous financial year.

iv) Disclosures relating to Securitisation

The Company does not have any securitisation transaction in the current and previous financial year.

v) Asset Liability Management

Disclosures relating to maturity pattern of certain items of assets and liabilities are given in annexure appended hereto. Please refer annexure to note 39.

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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

vi) Exposures

A) Exposure to Real Estate Sector

31 March 2022 31 March 2021

Category

a) Direct Exposure

i) Residential Mortgages-

Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.

- -

ii) Commercial Real Estate

Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits.

- -

iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -

a. Residential

- -

b. Commercial Real Estate

- -

Total Exposure to Real Estate Sector

- -

B) Exposure to Capital Market

31 March 2022 31 March 2021

i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;

10,91,803.97 12,87,954.73

ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;

- -

iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;

- -

iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;

- -

v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;

- -

vi) loans sanctioned to 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;

- -

vii) bridge loans to companies against expected equity flows / issues;

- -

viii) all exposures to Venture Capital Funds (both registered and unregistered)

- -

Total Exposure to Capital Market

10,91,803.97 12,87,954.73

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C) Details of financing of parent company products

The Company does not have a parent company and accordingly no disclosures required.

D) Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC

There are no instances of exceeding the single and group borrowing limit by the Company during the current and previous year.

E) Unsecured Advances

The Company does not have any unsecured advances for which intangible securities such as charge over rights, license, authority, etc. has been taken.

vii) Miscellaneous

A) Registration obtained from other financial sector regulators

The Company has not obtained any registration from other financial sector regulators.

B) Disclosure of Penalties imposed by RBI and other regulators

There have been no penalties imposed on the Company by RBI or other financial sector regulators during the current and previous financial year.

C) Related Party Transactions

Details of all material related party transactions are disclosed in Note 29.

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

Not applicable

E) Remuneration of Directors

Details relating to remuneration of directors are disclosed in Note 29. All pecuniary relationship or transactions of the Non Executive Directors vis a vis have been disclosed in the Annual Report.

F) Management

The management discussion and analysis report for the year ended March 31, 2022 forms part of the Annual Report.

vii) Additional Disclosures

A) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss

	<u>31 March 2022</u>	<u>31 March 2021</u>
Provisions for depreciation on Investment	-	-
Provision towards NPA	(50.00)	-
Provision made towards Income tax	1,858.25	652.35
Other Provision and Contingencies (including employee benefits)	9.79	1.67
Provision for Standard Assets	7.00	-

B) Draw Down from Reserves

There have been no instances of draw down from reserves by the Company during the current and previous financial year.

C) Concentration of Advances, Exposures and NPAs

	<u>31 March 2022</u>	<u>31 March 2021</u>
a) Concentration of Advances		
Total Advances to twenty largest borrowers	3,700.00	2,007.00
Percentage of Advances to twenty largest borrowers to Total Advances	100%	100%
b) Concentration of Exposures		
Total exposure to twenty largest borrowers/customers	3,700.00	2,007.00
Percentage of exposures to twenty largest borrowers / customers to Total Exposure	100%	100%

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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

c) Concentration of NPAs

Total exposure to top four NPA accounts	1,950.00	2,000.00
---	----------	----------

d) Sector-wise NPAs

	31 March 2022	31 March 2021
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	1,950.00	2,000.00
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

e) Movement of NPAs

	31 March 2022	31 March 2021
i) Net NPAs to net advances (%)	-	-
ii) Movement of NPAs (Gross)		
a) Opening balance	2,000.00	2,000.00
b) Additions during the year	-	-
c) Reductions during the year	50.00	-
d) Closing balance	1,950.00	2,000.00

iii) Movement of net NPAs

a) Opening balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-

iv) Movement of provisions for NPAs (excluding provisions on standard assets)

a) Opening balance	2,000.00	2,000.00
b) Provisions made during the year	-	-
c) Write-off/write-back of excess provisions	50.00	-
d) Closing balance	1,950.00	2,000.00

f) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The Company did not have any overseas assets during the current and previous year.

g) Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company did not sponsor any SPVs during the current and previous financial

Disclosure of customer complaints

	31 March 2022	31 March 2021
a) No. of complaints pending at the beginning of the year	NIL	NIL
b) No. of complaints received during the year	NIL	NIL
c) No. of complaints redressed during the year	NIL	NIL
d) No. of complaints pending at the end of the year	NIL	NIL

Note:

Amounts for the current year and comparative years included above are based on the financial statements prepared under Ind As

Note 40

Disclosures in terms of RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04 November 2019 have been given below:

	31 March 2022	31 March 2021
(i) Funding Concentration based on significant counterparty on borrowings		
Number of significant counterparties	-	-
Amount of borrowed funds from significant counterparties	-	-
Percentage of total deposits	Not applicable	Not Applicable
Percentage of total liabilities	-	-

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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note:

i) A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

ii) Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(ii) Top 20 large deposits (amount in ₹ lakhs and % of total deposits)

The company has not taken any deposits for the FY 21-22

(iii) Top 10 borrowings

The company does not have any borrowings for the FY 21-22

(iv) Funding Concentration based on significant instrument / product

Name of the instrument/product	As on 31 March 2022		As on 31 March 2021	
	Amount (**)	% of total liabilities	Amount (**)	% of total liabilities
Debt securities	Not applicable	Not applicable	Not applicable	Not applicable
Borrowings (other than debt securities)	-	-	-	-
Other Financial Liabilities	8.22	0.02%	6.00	0.01%

Note:

(i) A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

(ii) Total liabilities has been computed as total assets less equity share capital less reserve & surplus and computed basis extant regulatory ALM guidelines.

(**) Figures are based on gross borrowing outstanding and does not includes accrued interest and other Ind AS adjustments.

(V) Stock ratios in percentage	31 March 2022	31 March 2021
1. Commercial papers as a % of total liabilities	-	-
2. Commercial papers as a % of total assets	-	-
3. Commercial papers as a % of public fund	-	-
4. Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	-	-
5. Non-convertible debentures (original maturity of less than one year) as a % of total assets	-	-
6. Non-convertible debentures (original maturity of less than one year) as a % of public fund	-	-
7. Other short-term liabilities as a % of total liabilities	0.03%	0.01%
8. Other short-term liabilities as a % of total assets	0.00%	0.00%
9. Other short-term liabilities as a % of public fund	-	-

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a Quarterly or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

(vii) RBI moratorium & restructuring

No restructuring of loans/ borrowings has been taken place during the current year and previous year.

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Notes to financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 41:

Other than the above disclosures, the remaining other disclosures as prescribed in Amended Division III of Schedule III read with section 129 of Companies Act 2013 are either NIL or Not Applicable to the company for the current period.

In terms of our report attached
For S.Jaykishan
Chartered Accountants
Firm Registration No. 309005E

For and on behalf of the Board of Directors

CA Vivek Newatia
Partner
Membership No. 062636
Place: Kolkata
Date: 20-08-2022

Gourav Periwal
Director
DIN: 08543886

S.K. Mukherjee
Director
DIN: 00029362

Krishna Kumar Thakur
Manager & CFO

Sumit Jain
Company Secretary

Schedule of non-deposit taking non banking financial company
[as required in terms of para 19 of Non-Banking Financial Company - Systematically Important Non-Deposit taking company and Deposit
taking Company (Reserve Bank), Directions, 2016, as amended.]

Annexure to Note 35

31.03.2022

31.03.2021

<u>Particulars</u>	<u>Amount</u> <u>outstanding</u>	<u>Amount</u> <u>overdue</u>	<u>Amount</u> <u>outstanding</u>	<u>Amount</u> <u>overdue</u>
<u>Liabilities side</u>				
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:				
(a) Deferred credits	-	-	-	-
(b) Term loans	-	-	-	-
(c) Inter-corporate loans and borrowing	-	-	-	-
(d) Commercial paper	-	-	-	-
(e) Other loans	-	-	-	-
			31.03.2022 <u>Amount</u> <u>outstanding</u>	31.03.2021 <u>Amount</u> <u>outstanding</u>
<u>Assets side:</u>				
(2) Break-up of loans and advances including bills receivables [other than those included in (3) below]:				
(a) Secured			-	-
(b) Unsecured			1,743.00	7.00
(3) Break up of leased assets and stock on hire and other assets counting towards AFC activities				
(i) Lease assets including lease rentals under sundry debtors:				
(a) Financial lease			-	-
(b) Operating lease			-	-
(ii) Stock on hire including hire charges under sundry debtors:				
(a) Assets on hire			-	-
(b) Repossessed assets			-	-
(iii) Other loans counting towards AFC activities				
(a) Loans where assets have been repossessed			-	-
(b) Loans other than (a) above			-	-
(4) Break-up of investments: (net of provision for dimunition) (as per AS 13) Current investments:				
1. Quoted:				
(i) Shares: (a) Equity				-
(b) Preference			-	-
(ii) Debentures and bonds			-	-
(iii) Units of mutual funds			6,614.15	408.19
(iv) Government securities			-	-
(v) Others			-	-
2. Unquoted:				
(i) Shares: (a) Equity			-	-
(b) Preference			-	-
(ii) Debentures and bonds			-	-
(iii) Units of mutual funds			-	-
(iv) Government securities			-	-
(v) Others			-	-

Schedule of non-deposit taking non banking financial company

[as required in terms of para 19 of Non-Banking Financial Company - Systematically Important Non-Deposit taking company and Deposit taking Company (Reserve Bank), Directions, 2016, as amended.]

Long Term investments:

1. * Quoted:

(i) Share: (a) Equity	36,475.98	17,028.27
(b) Preference	-	821.40
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others (please specify)	-	-

2. *Unquoted:

(i) Shares: (a) Equity	2,874.08	2,875.08
(b) Preference	828.31	828.31
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others (Please specify)	-	-
	46,792.52	21,961.25

*Considered at original cost

(5) Borrower group-wise classification of all leased assets, stock on hire and loans and advances (including other Current Assets):

Category	31.03.2022		31.03.2021	
	Secured	Unsecured	Secured	Unsecured
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	-	-	-	-
	-	-	-	-

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	31.03.2022		31.03.2021	
	Market Value /break up/or fair value or NAV	Book Value (Net of Provisions)	Market Value /break up/or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	10,20,234.10	3,478.57	12,50,314.57	3,478.57
(c) Other related parties	-	-	-	-
2. Other than related parties	72,910.96	43,313.95	39,966.56	18,482.68
Total	10,93,145.06	46,792.52	12,90,281.13	21,961.25

(7) Other information

Gross non-performing assets		
(a) Related parties	1,950.00	2,000.00
(b) Other than related parties	-	-

Net non-performing assets		
(a) Related parties	-	-
(b) Other than related parties	-	-

Assets acquired in satisfaction of debt

DIGVIJAY FINLEASE LIMITED
CIN:- U67120WB2001PLC093899
Annexure to Note 39

Asset Liability Management

Maturity pattern of assets and liability as on 31 March 2022

Particulars	(₹ in lacs)										
	1 to 7 days	8 to 14 days	15-30 days	Over 1 Month up to 2 Months	Over 2 Months up to 3 Months	Over 3 Months & up to 6 Months	Over 6 Months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	3.18	3.18
Advances	-	-	-	-	-	-	1,750.00	-	-	-	1,750.00
Investments	-	-	6,711.13	-	-	-	-	-	600.00	1,650.00	8,961.13
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

* Equity shares amounting to 10,85,167.45 lacs, are not included above, since there is no set maturity pattern for the same

Maturity pattern of assets and liability as on 31 March 2021

Particulars	(₹ in lacs)										
	1 to 7 days	8 to 14 days	15 to 30 days	Over 1 Month up to 2 Months	Over 2 Months up to 3 Months	Over 3 Months & up to 6 Months	Over 6 Months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	3.18	3.18
Advances	-	-	-	-	-	-	7.00	-	-	-	7.00
Investments	-	-	418.78	-	-	-	1,177.85	-	600.00	1,650.00	3,846.63
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

* Equity shares amounting to 12,87,919.50 lacs, are not included above, since there is no set maturity pattern for the same

Notes

- a) The above information has been considered as per Asset Liability Management (ALM) report compiled by the Management and reviewed by the ALM committee.
b) In compiling the information in the above note, certain assumptions have been made by the Company and the same have been relied upon by the Auditors.