



# ANNUAL REPORT

2022 - 2023





## MISSION

To build resilient communities through responsible, timely and affordable credit.



## VISION

Lending wings to a billion dreams by making loans quick, easy and hassle-free

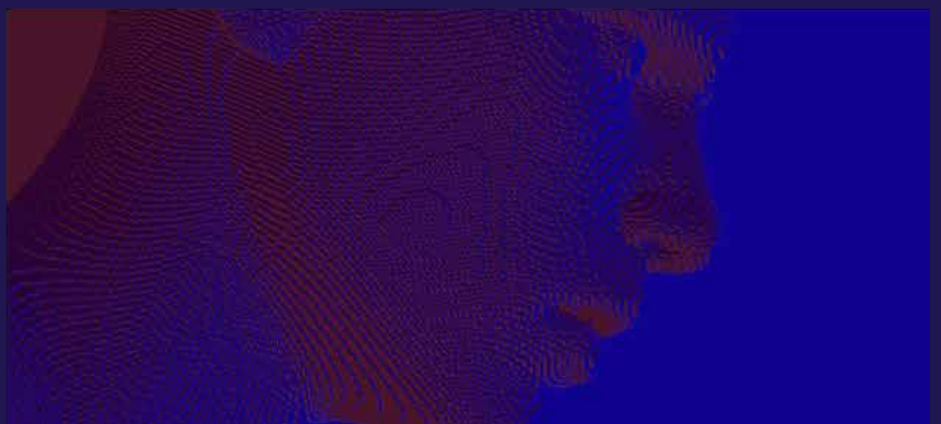


## VALUES

Minimalism  
Non-Violence  
Truth  
Multiplicity  
Trusteeship

## TECH

We use artificial intelligence, big data and machine learning to make lending easier.



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## **Corporate Information**

BSE Scrip Id	FINKURVE
BSE Scrip Code	508954
CIN	L65990MH1984PLC032403

## **BOARD OF DIRECTORS**

Mr. Ketan Kothari	Chairman
Mr. Narendra Jain	Executive Director
Mr. Priyank Kothari	Non-Executive Director
Mr. Nishant Ranka	Independent Director
Mr. Dharmesh Trivedi	Independent Director
Mrs. Riddhi Tilwani	Independent Director

## **KEY MANAGERIAL PERSONNEL**

Mr. Amit Shroff	Chief Executive Officer
Mr. Aakash Jain	Chief Financial Officer
Mr. Sunny Parekh	Company Secretary & Compliance Officer

## **AUDITORS**

<b><u>STATUTORY AUDITOR</u></b>	<b><u>SECRETARIAL AUDITOR</u></b>
M/s. P. D. Saraf & Co., Mumbai	M/s. Mayank Arora & Co., Mumbai
Chartered Accountants	Practicing Company Secretary
<b><u>INTERNAL AUDITOR</u></b>	
M/s. Aadesh Shah & Associates, Mumbai	
Chartered Accountants	

### ➤ **BANKERS**

Axis Bank Limited  
Union Bank of India  
Kotak Mahindra Bank Limited  
CITY Union Bank Limited  
HDFC Bank Limited  
ICICI Bank Limited  
The South Indian Bank Limited

<b>REGISTERED OFFICE</b>	<b>REGISTRAR &amp; SHARE TRANSFER AGENTS</b>
Finkurve Financial Services Limited 202/A, 02nd Floor, Trade World, D-Wing, Kamala Mills Compound, S. B., Marg, Lower Parel West Mumbai - 400013  <b>Email id:</b> finkurvefinancial@gmail.com <b>Website:</b> www.arvog.com <b>Telephone No.:</b> 022 42441200	Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400083



<b><u>Composition of Audit Committee</u></b>	
Mr. Nishant Ranka	Chairperson
Mr. Narendra Jain	Member
Mrs. Riddhi Tilwani	Member

<b><u>Composition of Nomination and Remuneration Committee</u></b>	
Mr. Nishant Ranka	Chairperson
Mr. Ketan Kothari	Member
Mrs. Riddhi Tilwani	Member

<b><u>Composition of Stakeholder's Relationship Committee</u></b>	
Mr. Ketan Kothari	Chairperson
Mr. Nishant Ranka	Member
Mrs. Riddhi Tilwani	Member



## NOTICE

Notice is hereby given that the 39<sup>th</sup> Annual General Meeting ('AGM') of the Members of Finkurve Financial Services Limited ("The Company") will be held on Friday, 29<sup>th</sup> day of September, 2023 at 2.00 p.m. Indian Standard Time ("IST"), through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') to transact the following businesses:

### **ORDINARY BUSINESS:**

#### **Item No. 1 – Approval and Adoption of Audited Financial Statements of the Company for the year ended March 31, 2023 along with Auditor's Report and Board's Report:**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution: -

**"RESOLVED THAT** the audited Financial Statements of the Company for the financial year ended March 31, 2023 including Balance Sheet as at March 31, 2023, Statement of Profit and Loss as at March 31, 2023 and Statement of Cash Flows for the year ended as on that date, together with other statements and notes forming part of financial statements and the reports of Auditors and Directors, as circulated to the members and laid before meeting, be and are hereby received, considered, approved and adopted."

#### **Item No. 2 - Re-appointment of Mr. Priyank Kothari (DIN: 07676104) as Director liable to retire by rotation**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution: -

**"RESOLVED THAT** pursuant to the provisions of section 152 of the Companies Act, 2013, Mr. Priyank Kothari (DIN: 07676104), who retires by rotation at the 39<sup>th</sup> Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

### **SPECIAL BUSINESS:**

#### **Item No. 3 – To Approve Material Related Party Transactions pertaining to Financial Transactions with Related Parties from the conclusion of 39<sup>th</sup> Annual General Meeting till the conclusion of 40<sup>th</sup> Annual General Meeting to be held in the Year 2024.**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter referred to as "SEBI Listing Regulations") and Section 188, if and to the extent applicable, and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on "Materiality of Related Party Transactions and also on dealing with Related Party



Transactions ” subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/ or sanctions which may be agreed to by the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) for entering into and/ or carrying out and/or continuing with contracts, arrangements and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) with Related Parties, whether individually and/or in the aggregate, including Material Related Party Transactions , i.e. exceeding 10% of the Annual Consolidated Turnover as per the Company’s last Audited Financial Statements or any other materiality threshold as may be applicable under law/ SEBI Regulations from time to time, as per details given below:

**Nature of Transaction:** Granting and / or acceptance of Loan in Ordinary Course of Business  
**Duration:** From conclusion of the 39<sup>th</sup> Annual General Meeting till conclusion of the 40<sup>th</sup> Annual General Meeting to be held in the year 2024.

Sr No.	Name of the Related Party	Nature of Relationship	Principal Amount alongwith Interest outstanding at any given point in time (₹ In Crore)
1.	M/s. Aranath Real Estate Private Limited	A Private Company in which relative of Director is a director	50.00
2.	M/s. Augmont Goldtech Private Limited	A Private Company in which Director is a director	100.00
3.	M/s. Augmont Enterprises Private Limited	A Private Company in which Director is a director	50.00
4.	M/s. HR Commercials Private Limited	A Private Company in which Director is a director	10.00

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, to finalise the terms and conditions of the transactions with the aforesaid parties, and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution.”

**Item No. 4 – To Approve of Material Related Party Transactions pertaining to payment of Service Fees and other charges to M/s. Augmont Goldtech Private Limited from the conclusion of 39<sup>th</sup> Annual General Meeting till the conclusion of 40<sup>th</sup> Annual General Meeting to be held in the Year 2024.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter referred to as “SEBI Listing Regulations”) and Section 188, if and to the extent applicable, and other applicable provisions of the Companies



Act, 2013 ('Act') read with the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on "Materiality of Related Party Transactions and also on dealing with Related Party Transactions" subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/or sanctions which may be agreed to by the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) for entering into and/ or carrying out and/or continuing with contracts, arrangements and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) with Related Parties, whether individually and/or in the aggregate, including Material Related Party Transactions, i.e. exceeding 10% of the annual consolidated turnover as per the Company's last Audited Financial Statements or any other materiality threshold as may be applicable under law/ SEBI Regulations from time to time, as per details given below:

**Nature of Transaction:** Service Fees & Other charges (Expense)

**Duration:** From conclusion of the 39<sup>th</sup> Annual General Meeting till conclusion of the 40<sup>th</sup> Annual General Meeting to be held in the year 2024.

S No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Amount up to (₹ In Crore)
1.	M/s. Augmont Goldtech Private Limited	A Private Company in which Director is a director	Service Fee & Other charges (Expense)	50.00

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, to finalise the terms and conditions of the transactions with the aforesaid parties, and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution."

**Item no. 5 – Re-classification of Promoters or member of Promoter Group of the Company.**

To consider and if thought fit, to pass the following resolution with or without modification(s) as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements), 2015 and any other relevant provisions, including any modification(s) or re-enactments(s) thereof for the time being in force, and subject to necessary approvals from the Stock Exchanges and other appropriate statutory authorities, as may be necessary, the approval of the members be and is hereby accorded for re-classification of following persons forming part of Promoter Group from "Promoter & Promoter Group Category" to "Public Category":





1. Mrs. Kalawati Kothari
2. Mrs. Devkumari Kothari

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to the forgoing resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under the forgoing resolution to any committee of the Board or to any director(s) of the Company as it may consider appropriate, including authorisation for submitting/filing of necessary application(s), form(s) and return(s) with the Registrar of Companies, Mumbai, Ministry of Corporate affairs, Stock Exchange and any other concerned authorities, as may be necessary, and to do all such acts, deeds and things as may be expedient or desirable to give effect to the forgoing resolution.”

**Item No. 6 – To Increase Authorized Share Capital of the Company and Alter the Capital Clause of the Memorandum of Association**

To consider, and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 13, read with Section 61 and 64 of the Companies Act, 2013, Rule 15 of the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 (including any amendment(s) thereto or re-enactment thereof) and applicable provisions of the Memorandum and Articles of Association of the Company, consent be and is hereby accorded, to increase the Authorized Share Capital of the Company from ₹ 13,00,00,000/- (Rupees Thirteen Crores Only) divided into 13,00,00,000/- (Thirteen Crores) Equity Shares of ₹ 1/- each (Rupees One Only) to ₹ 14,00,00,000/- (Rupees Fourteen Crores Only) divided into 14,00,00,000/- (Fourteen Crores) Equity Shares of ₹ 1/- each (Rupees One Only) by addition to 1,00,00,000 (One Crore) Equity Shares of ₹ 1/- each (Rupees One Only) ranking *pari passu* in all respect with the existing shares of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 13 and 61 and other applicable provisions of the Companies Act, 2013, consent of the Members be and is hereby accorded to substitute the existing Clause V of the Memorandum of Association of the Company, relating to the Authorized Share Capital, with the following new Clause V:

***V. The Authorised share capital of the Company is ₹ 14,00,00,000/- (Rupees Fourteen Crores Only) divided into 14,00,00,000/- (Fourteen Crores) Equity Shares of ₹ 1/- each (Rupees One Only)***

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take all necessary action for giving effect to the aforesaid resolution and to do all such acts and deeds as may be required from time to time in this regard.”



**Item No. 7 - To issue Non – Convertible Debentures on Private Placement Basis:**

To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 42, Section 71 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification, variation or re-enactment to any of the foregoing and other applicable rules / regulations / guidelines and provisions of the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board) to offer or issue Redeemable Non-Convertible Debentures (NCDs), secured or unsecured in one or more series / tranches including the debentures already issued, aggregating up to an amount not exceeding ₹ 200 Crore (Rupees Two Hundred Crore Only) on a Private Placement basis, during a period of One (01) year from the date of passing this resolution, on such terms and conditions, as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected with or incidental thereto.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise and execute all deeds, documents and writings as may be necessary, desirable or expedient, and to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or desirable and to delegate all or any of these powers to the Director(s) or any other Officer(s) of the Company or to any other person.”

**Item No. 8 - To approve power to borrow funds pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, not exceeding ₹ 600 Crore (Rupees Six Hundred Crore Only)**

To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in supersession of all earlier resolutions passed on the matter and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), and the relevant regulations/directions as may be prescribed from time to time (including any amendment(s), modification(s) thereof) and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company to borrow by obtaining loans, overdraft facilities, lines of credit, commercial papers, nonconvertible debentures, external commercial borrowings (loans/bonds), INR denominated offshore bonds or in any other forms from Banks,



Financial Institutions, Insurance Companies, Mutual Funds or other Corporates or other eligible investors, including by way of availing credit limits through Non-Fund based limits i.e. Bank Guarantee, Letter of Credit, etc. or by any other means as deemed fit by it, against the security of term deposits, movables, immovable or such other assets as may be required or as unsecured, at any time or from time to time, any sum or sums of money(ies) which together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), exceeding the aggregate of paid-up share capital of the Company, its free reserves and Securities Premium, provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 600 Crore (Rupees Six Hundred Crore only).

**RESOLVED FURTHER THAT** the Board of Directors or such person/s or such committee (by whatever name called), as may be authorized by the Board in this regards, be and are hereby authorized to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all other acts, deeds, matters and things as may be deemed necessary and incidental for giving effect to the above, including execution of all such documents, instruments and writings, as may be required.”

**Item No. 9 - To increase the overall managerial remuneration of the Directors of the Company.**

To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 197 of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee, approval of the Members of the Company be and is hereby accorded to increase the overall limit of managerial remuneration payable beyond specified limits under Section 197 of Companies Act 2013 in respect of any Financial year as per notification issued by Ministry of Corporate Affairs (MCA) dated 12<sup>th</sup> September 2018 under notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 thereby Part I and Part II related to conditions to be fulfilled for the Appointments and Remuneration of a Managing or Whole-time director or a Manager without the approval of the Central Government but by the approval of Members in the general meeting via special resolution .

**RESOLVED FURTHER THAT** where in any Financial Year, the Company has no profits or profits are inadequate, the overall managerial remuneration paid to Directors shall not exceed ₹ 1,00,00,000/- (Rupees One Crore Only).

**RESOLVED FURTHER THAT** the Board of Directors (including its committee thereof) and/or Company Secretary of the Company be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

**Item No. 10 – To adopt a new set of Memorandum of Association ('MOA') of the Company as per Companies Act, 2013**



To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 13 of the Companies Act, 2013 (the ‘Act’), read with the Companies (Incorporation) Rules, 2014, and any other applicable provisions, including any modification(s) thereto or re-enactment(s) thereof for the time being in force, the consent of the members of the Company be and is hereby accorded to substitute the existing Memorandum of Association of the Company with a new set of Memorandum of Association (MOA) as per the provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** any of the Director or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be considered necessary and expedient for the purpose of giving effect to the foregoing resolution.”

**By order of the Board of Directors  
For Finkurve Financial Services Limited**

**Place: Mumbai  
Date: 30<sup>th</sup> August, 2023**

**Sd/-  
Ketan B. Kothari  
Chairman  
(DIN:00230725)**



**NOTES:**

1. In accordance with the provisions of the Act, read with the Rules made thereunder and General Circular No. 10/2022 dated 28th December, 2022, other Circulars issued by the Ministry of Corporate Affairs (“MCA”) from time to time, and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 issued by SEBI (“the Circulars”), companies are allowed to hold AGM through video conference/other audio visual means (“VC/OAVM”) upto 30th September, 2023, without the physical presence of member. The AGM of the Company is being held through VC/OAVM, and video recording and transcript of the same shall be made available on the website of the Company. National Securities Depository Limited (“NSDL”) will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM and e-voting during the AGM.
2. As the AGM will be conducted through VC/OAVM, the facility for appointment of proxy by the members is not available for this AGM and hence, the proxy form is not annexed to this Notice. Further, attendance slip including route map is not annexed to this Notice.
3. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Authorised representatives of the corporate members intending to participate in the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/JPG format) of the relevant Board Resolution/Authority Letter, etc. authorising them to attend the AGM, by email to [finkurvefinancial@gmail.com](mailto:finkurvefinancial@gmail.com).
5. In compliance with the Circulars, Notice of the AGM along with the Annual Report for the financial year 2022-23 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depository Participants (“DPs”).

In case any Member is desirous of obtaining physical copy of the Annual Report for the financial year 2022-23 and Notice of the 39th AGM of the Company, he/she may send a request to the Company by writing at [finkurvefinancial@gmail.com](mailto:finkurvefinancial@gmail.com) with mentioning their DP ID and Client ID/folio no.

Members may note that the Notice and the Annual Report for the financial year 2022-23 will also be available on the Company’s website at [www.arvog.com](http://www.arvog.com), websites of the Stock Exchanges on which the equity shares of the Company are listed i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member



using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

- Members who would like to express their views or ask questions during the AGM may pre-register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [finkurvefinancial@gmail.com](mailto:finkurvefinancial@gmail.com) between September 22, 2023 (9:00 a.m. IST) to September 24, 2023 (5:00 p.m. IST). The Company reserves the right to restrict the number of questions and speakers depending on the availability of time for the AGM. Further, the sequence in which the shareholders will be called upon to speak will be solely determined by the Company.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

The remote e-voting period begins on Tuesday, 26<sup>th</sup> September, 2023 at 09:00 A.M. and ends on Thursday, 28<sup>th</sup> September, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22<sup>nd</sup> September, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the Paid-up Equity Share Capital of the Company as on the cut-off date, being 22<sup>nd</sup> September, 2023.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**





**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ section , this will prompt you to enter your existing User ID and Password. After successful



	<p>authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <ol style="list-style-type: none"> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or</li> </ol>



	<p><a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi. Tab and then user your existing my easi username &amp; password.</p> <ol style="list-style-type: none"> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>





**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****



c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
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5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".



3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs@mayankarora.co.in](mailto:cs@mayankarora.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [finkurvefinancial@gmail.com](mailto:finkurvefinancial@gmail.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [finkurvefinancial@gmail.com](mailto:finkurvefinancial@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/Members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote



through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER: -**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [finkurvefinancial@gmail.com](mailto:finkurvefinancial@gmail.com). The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions during the AGM may pre-register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at



finkurvefinancial@gmail.com between September 22, 2023 (9:00 a.m. IST) to September 24, 2023 (5:00 p.m. IST). The Company reserves the right to restrict the number of questions and speakers depending on the availability of time for the AGM. Further, the sequence in which the shareholders will be called upon to speak will be solely determined by the Company.



**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013  
("The Act")**

The Following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Item No. 3**

The Company enters into various Non-Banking Financial Transactions with Related Parties from time to time. These transactions usually occur on a repetitive basis and are expected to exceed the prescribed threshold limits under the Listing Regulations so as to qualify as Material Related Party Transactions.

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 ("Listing Regulations") read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 08<sup>th</sup> April, 2022, all Related Party Transactions shall require prior approval of the Audit Committee and all Material Transactions with related parties require approval of the Members of the Company through Ordinary Resolution. A transaction with a Related Party shall be considered material under the Listing Regulations, if the transaction(s) in a contract to be entered into individually or taken together with previous transactions during a Financial Year, exceeds 10% of the Annual Consolidated Turnover of the Company as per the last Audited Financial Statements of the Company or any other materiality threshold prescribed by any other applicable law.

Further, Section 188 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 states that no Company shall enter into transactions with a Related Party except with the consent of the Board and Members of the Company, where such transactions are either not (a) in Ordinary Course of Business or (b) on arm's length basis.

The Company proposes to enter into transactions with Related Parties as provided in Resolution No. 3, from time to time, at the agreed terms of the transactions between the parties. The said transactions with the Related Parties as per Resolution No. 3 are to be held at arm's length and in the ordinary course of business of the Company.

The Audit Committee has approved the said Related Party Transactions which were placed before it at its meeting held on 20<sup>th</sup> May, 2023 and has noted that these transactions are in the ordinary course of business and all the transactions are at arm's length. Further, the said transactions qualify as Material Related Party Transactions under the Listing Regulations. Accordingly, the Members' approval is sought for the same which shall be valid from the conclusion of 39<sup>th</sup> Annual General Meeting till the conclusion of the 40<sup>th</sup> Annual General Meeting to be held in the year 2024.

Information relating to transactions viz. names of the related parties and relationships, monetary value of the transactions are mentioned in the resolution. The terms are determined from contract to contract, as agreed between the parties.



None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution except Mr. Ketan Kothari and Mr. Narendra Jain.

The Directors recommend the Resolution No. 3 of the Notice for approval of the Members by way of an Ordinary Resolution.

**Additional Information on the proposed Related Party Transactions under the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662**

**Item No. 3**

**a. Justification why the proposed transaction is in the interest of the Company:**

The Company being an NBFC, provides inter-corporate loans business, loan against gold and various other loans to different entities/individuals in its normal course of business. Therefore, All the proposed transactions which are to be entered into by the Company with its Related Parties in the ordinary course of business and at arm's length contributes to the business of the Company and so are commercially beneficial to the Company.

**b. Valuation report or other external report relied upon in relation to the proposed transaction:**

The Company has been regularly transacting with the parties on the basis of various external information and market practices in relation to the proposed transactions.

**c. Information if the transaction relates to loans, ICD, Advances or Investments:**

**i. Whether any indebtedness is incurred to make or give loans, etc.:**

The Company being an NBFC has incurred indebtedness which is in the ordinary course of business and in furtherance to its main business activity. There is no specific indebtedness incurred in relation to the proposed transactions.

**ii. Applicable terms of the proposed transactions:**

**a. Tenure:** The approval sought shall be valid from the conclusion of the 39<sup>th</sup> Annual General Meeting till the conclusion of the 40<sup>th</sup> Annual General Meeting to be held in the year 2024; however, the proposed transactions are continuous in nature and are generally made on demand.

**b. Interest Rate:** As per prevailing market rates/ conditions.

**c. Repayment:** On demand or Fixed tenure

**d. Secured / Unsecured:** Both

**e. Nature of security:** Movable Assets, Immovable Assets, Current Assets, Fix Assets, etc.

**iii. The purpose for which the funds will be utilised by the ultimate beneficiary of such funds:**

The funds shall be utilised by the ultimate beneficiary towards its main business activity.

**Item No. 4:**

The proposed transaction as mentioned in Resolution No. 4 is in reference to the Services Agreement entered into by the Company with M/s. Augmont Goldtech Private Limited ("AGTPL") wherein AGTPL acts as the Loan Service Provider and handles the end-to-end operations of the Company's Gold Loan Product and is therefore entitled for the Service Fee, reimbursement and Other Charges in lieu of its services rendered to the Company.



Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (“Listing Regulations”) read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 08<sup>th</sup> April, 2022, all Related Party Transactions shall require prior approval of the Audit Committee and all material transactions with Related Parties require approval of the Members of the Company through Ordinary Resolution. A transaction with a Related Party shall be considered material under the Listing Regulations, if the transaction(s) in a contract to be entered into individually or taken together with previous transactions during a Financial Year, exceeds 10% of the annual consolidated turnover of the Company as per the last Audited Financial Statements of the Company or any other materiality threshold prescribed by any law other applicable law.

Further, Section 188 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 states that no Company shall enter into transactions with a Related Party except with the consent of the Board and Members of the Company, where such transactions are either not (a) in Ordinary Course of Business or (b) on arm’s length basis.

The Company proposes to enter into transactions with Related Parties as provided in Resolution No. 4, from time to time, at the agreed terms of the transactions between the parties. The said transactions with the Related Parties as per Resolution No. 4 are to be held at arm’s length and in the Ordinary Course of business of the Company.

The Audit Committee has approved the said Related Party Transactions which were placed before it at its meeting held on 20<sup>th</sup> May, 2023 and has noted that these transactions are in the Ordinary Course of business and all the transactions are at arm’s length. Further, the said transactions qualify as Material Related Party Transactions under the Listing Regulations. Accordingly, the Members’ approval is sought for the same which shall be valid from the conclusion of 39<sup>th</sup> Annual General Meeting till the conclusion of the 40<sup>th</sup> Annual General Meeting to be held in the year 2024.

Information relating to transactions viz. names of the related parties and relationships, monetary value of the transactions are mentioned in the resolution. The terms are determined from contract to contract, as agreed between the parties.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution except Mr. Ketan Kothari, Mr. Narendra Jain and Mr. Priyank Kothari.

The Directors recommend the Resolution No. 4 of the Notice for approval of the Members by way of an Ordinary Resolution.





**Additional Information on the proposed Related Party Transactions under the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662**

**Item No. 4**

**a. Justification why the proposed transaction is in the interest of the Company:**

The proposed transaction as mentioned in Resolution No. 4 is in reference to the Gold Loan Product of the Company wherein Augmont Goldtech Private Limited acts as the Loan Service Provider and handles the end-to-end operations of such Product and is therefore entitled for the Service Fee, reimbursement and other charges in lieu of its services rendered to the Company. The services availed by the Company facilitates it to cater into gold loan segment and thereby tap new opportunities.

**b. Valuation report or other external report relied upon in relation to the proposed transaction:**

The Company has entered into the Service Agreement with Augmont Goldtech Private Limited on the basis of external reports & market practices followed by other NBFCs/ Banks with respect to loan against gold product.

**Item No. 5**

The Company had received requests from (i) Mrs. Devkumari Kothari (ii) Mrs. Kalawati Kothari, Promoters of the Company, for their reclassification from 'Promoter' Category to 'Public' category under Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015"). The following are the details regarding their respective shareholding in the Company:

Sr No.	Name of the Promoter	No. of shares held	Percentage (%)
1.	Mrs. Devkumari Manekchand Kothari	71,270	0.06
2.	Mrs. Kalawati Prithviraj Kothari	69,92,600	5.51
	<b>Total</b>	<b>70,63,870</b>	<b>5.57</b>

Pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, both, Mrs. Devkumari Kothari and Mrs. Kalawati Kothari, seeking reclassification individually confirmed through their respective request letters that:

- i) She, do not hold more than ten per cent of the total Voting Rights in the Company;
- ii) She does not exercise control over the affairs of the Company directly or indirectly;
- iii) She does not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- iv) She does not represent on the Board of Directors (including not having a Nominee Director) of the Company;
- v) she does not act as a Key Managerial Person in the Company;
- vi) She is not 'wilful defaulter' as per the Reserve Bank of India Guidelines;
- vii) She is not fugitive economic offender.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.



The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on Friday 30th June, 2023, subject to the approval of shareholders of the Company & any other Statutory Authority, in this regard, which inter-alia include BSE Limited. Accordingly, the approval of shareholders of the Company is being sought on same.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 5, the same would be 49.03%.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. Priyank Kothari and Mr. Ketan Kothari and their relatives, has any concern or interest, financial or otherwise, in the resolution.

The Directors recommend the Resolution No. 5 of the Notice for approval of the Members by way of an Ordinary Resolution.

#### **Item No. 6**

The present Authorised Share Capital of the Company is ₹ 13,00,00,000/- (Rupees Thirteen Crores Only) divided into 13,00,00,000/- (Thirteen Crores) Equity Shares of ₹ 1/- each (Rupees One Only) and Paid-up Capital of the Company is ₹ 12,68,58,198/- (Rupees Twelve Crores Sixty Eight Lakhs Fifty Eight Thousand One Hundred and Ninety Eight Only) divided into 12,68,58,198/- (Twelve Crores Sixty Eight Lakhs Fifty Eight Thousand One Hundred and Ninety Eight) Equity Shares of ₹ 1/- each (Rupees One Only). The Company may require to raise further capital for the growth of business and its working capital requirements hence it considered necessary to increase the Authorized Share Capital of the Company from ₹ 13,00,00,000/- (Rupees Thirteen Crores Only) divided into 13,00,00,000/- (Thirteen Crores) Equity Shares of ₹ 1/- each (Rupees One Only) to ₹ 14,00,00,000/- (Rupees Fourteen Crores Only) divided into 14,00,00,000/- (Fourteen Crores) Equity Shares of ₹ 1/- each (Rupees One Only) by addition to 1,00,00,000 (One Crore) Equity Shares of ₹ 1/- each (Rupees One Only) ranking pari passu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company, subject to shareholders approval.

Pursuant to the provisions of Section 13 & 61 of the Companies Act, 2013, approval of the Members is required for increasing the Authorised Share Capital of the Company and alteration in the Memorandum of Association of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Directors recommend the Resolution No. 6 of the Notice for approval of the Members by way of an Ordinary Resolution.

#### **Item No. 7**

In order to augment long term resources for financing, inter alia, for the strategic business expansion in future and for general corporate purposes, the Company is planning to mobilize



funds through issue of Non-Convertible Debentures.

It is proposed to offer or invite subscriptions for NCDs on private placement basis, in one or more tranches, during the period of one year from the date of passing of this special resolution by the Members upto ₹ 200 Crore (Rupees Two Hundred Crore Only) including the debentures already issued, as may be approved by the Members from time to time, with the authority to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by Resolution No. 7 to determine the terms and conditions including the issue price of NCDs, interest, repayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental hereto as the Board shall in its absolute discretion deems fit, without being required to seek any further consent or approval from Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the resolution.

As per the provisions of Section 42 of the Companies Act, 2013 (“the Act”) and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company offering or making an invitation to subscribe to Redeemable Non-Convertible Debentures (NCDs) secured or unsecured on a Private Placement basis is required to obtain prior approval of the Members by way of Special Resolution. Such approval by a Special resolution can be obtained once a year for all the offer(s) and invitation(s) for such NCDs to be made during the year. Accordingly, the approval of the Members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any of the Act and its Rules there under as set out in Item No. 7 appended to this notice.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Directors recommend the Resolution No. 7 of the Notice for approval of the Members by way of a Special Resolution.

### **Item no. 8**

The Shareholders of the Company at their meeting held on 30<sup>th</sup> September, 2015 considered and authorized the Company to Borrow upto ₹ 500 Crore (Rupees Five Hundred Crore Only) by way of Inter Corporate Deposits, Long Term Loans, and External Commercial Borrowings or through issue of any securities, instruments, etc. pursuant to Section 180(1)(c) and other applicable provisions, if any, of Companies Act, 2013. Considering the requirement of the Company, it is proposed to increase the said limit of borrowings to ₹ 600 Crore (Rupees Six Hundred Crore Only) including the existing borrowings already made by the Company.

The provisions of Section 180 of the Companies Act, 2013 requires the Companies to pass Special resolution to authorize the Board to borrow funds which will exceed the aggregate of the paid-up capital and free reserves. In view thereof, it is proposed to obtain a fresh approval of Shareholders by a Special Resolution.



None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Directors recommend the Resolution No. 8 of the Notice for approval of the Members by way of a Special Resolution.

**Item no. 9**

As per Section 197 of the Companies Act, 2013, total managerial remuneration payable by the Company to its directors, including Managing Director and Whole-Time Director and its manager in respect of any financial year may be given to maximum permissible limit as per the provisions laid down in Section 198 of the Companies Act, 2013, provided that the same has been approved by the shareholders of the Company by way of Special Resolution/Ordinary Resolution.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 20<sup>th</sup> May, 2023, recommended to increase in overall limit of managerial remuneration payable by the Company in respect of financial year 2022-23 beyond specified limits under Section 197 and computed in the manner laid down in Section 198 of the Companies Act, 2013.

Where in any Financial Year, the Company has no profits or profits are inadequate, the overall remuneration to Directors shall not exceed ₹ 1,00,00,000/- (Rupees One Crore Only).

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Priyank Rakesh Kothari and Mr. Narendra Champalal Jain is in any way concerned or interested, in the said resolution.

The Directors recommend the Resolution No. 9 of the Notice for approval of the Members by way of a Special Resolution.

**Item No. 10**

The Existing Memorandum of Association (MOA) is based on the erstwhile Companies Act, 1956. The Alteration of MOA is necessary to bring the existing MOA in line with the new Companies Act, 2013.

According to the Companies Act, 2013, a Company's MOA should have only Main Business and Ancillary and Incidental Business to the attainment of Main Business. Therefore, it is important to alter and adopt the new set of Memorandum of Association as per the Companies Act, 2013 although there is no change in the line of business of the Company. The new set of MOA is based on Table A of the Companies Act, 2013.

A copy of the proposed set of new Memorandum of Association of the company would be available for inspection at the registered office of the company during business hours or any working day between 11.00 a.m. 01.30 p.m. upto the date of the Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in



any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 10 of the Notice.

The Directors recommend the Resolution No. 10 of the Notice for approval of the Members by way of a Special Resolution.

**By order of the Board of Directors  
For Finkurve Financial Services Limited**

**Place: Mumbai  
Date: 30<sup>th</sup> August, 2023**

Sd/-  
**Ketan B. Kothari**  
Chairman  
(DIN:00230725)

**DIRECTOR'S REPORT**

To,  
The Members,  
Finkurve Financial Services Limited

Your directors take the pleasure in presenting the 39<sup>th</sup> Annual Report together with Audited Financial Statements of the Company along with Auditor's Report thereon for the financial year ended 31<sup>st</sup> March, 2023.

**1. FINANCIAL SUMMARY**

The summary of the Company's financial performance, for the financial year ("FY") 2022-23 and FY 2021-22 is given below:

(As per IND-AS) (₹ in Lakhs.)

Particulars	2022-23	2021-22
Total Revenue	5062.78	2269.80
Less: Total Expenses	3103.17	1659.32
Add: Share of Profit/ (Loss) of Associates	-	-
<b>Profit/ (Loss) before taxation</b>	<b>1959.60</b>	<b>2705.70</b>
Less: Tax Expense	527.28	544.82
<b>Profit/ (Loss) After Tax</b>	<b>1432.32</b>	<b>2160.88</b>
Other Comprehensive Income	4.88	(2.05)
Total comprehensive income for the year	1437.20	2158.84

**2. BUSINESS OVERVIEW:**

Your Company has been classified as a Loan Company in providing long term and short-term loans to other corporate/ firms. Your Company is also in the business of providing educational Loans, loan against gold jewellery and other forms of consumer loans and the Board is in constant search for new business avenues which can be taken with the existing business.

**3. BUSINESS PERFORMANCE:**

During the year under review, your Company earned a Total Revenue of ₹ 5062.78 lakhs as against ₹ 2269.80 lakhs in the previous year. The Profit before Tax was ₹ 1959.60 lakhs as against ₹ 2,705.70 lakhs in the previous year. The Net profit of ₹ 1432.32 lakhs has been carried to the Balance Sheet. Your directors expect a better performance in the coming years.

**4. SHARE CAPITAL:**

The Authorized Share Capital is ₹ 13,00,00,000/- and Paid-Up Share Capital is ₹ 12,68,58,198/- of ₹ 1/- each. There has been no change in the Authorized and Paid-Up Share Capital of the Company during the year under review.

**5. EMPLOYEE STOCK OPTIONS:**

The Company has implemented an ESOP scheme called Finkurve ESOP Plan (Finkurve ESOP 2018) in accordance with Securities Exchange Board of India (Share Based Employees Benefits), 2014 for grant of stock options to its eligible employees of the Company. The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employee Stock Options Scheme of the Company. During the year under review, the Company has not granted any fresh options under Employee Stock Options Plan.

The ESOP Schemes are in compliance with the Act and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the disclosures relating to the ESOP Schemes as required under the abovementioned SEBI Regulations are available on the Company's website, <https://www.arvog.com/investors.html>.

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

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

**7. NUMBER OF MEETING OF BOARD:**

During the year 15 (Fifteen) Board Meetings were held i.e on 05th April, 2022, 18th April, 2022, 05th May, 2022, 16th May, 2022, 09th May, 2022, 30th May, 2022, 07th June, 2022, 08th August, 2022, 12th August, 2022, 28th September, 2022, 14th November, 2022, 13th December, 2022, 19th January, 2023, 10th February, 2023, 21st March, 2023.

The particulars of attendance of Directors are as under:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Number of Board Meetings attended</b>
1	Mr. Ketan Bhawarlal Kothari	15 out of 15
2	Mr. Priyank Rakesh Kothari	15 out of 15
3.	Mr. Narendra Champalal Jain	15 out of 15
4.	Mr. Nishant Tolchand Ranka	15 out of 15
5.	Mrs. Riddhi Kamlesh Tilwani	15 out of 15
6.	*Mr. Dharmesh Trivedi	8 out of 8

*\*During the year under review, Mr. Dharmesh Lalitkumar Trivedi (DIN: 03619491) was appointed as Additional Non-Executive, Independent Director of the Company with effect from 07th June, 2022, further appointed as a Non-Executive, Independent Director of the Company with effect from 05th September, 2022.*

**8. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to Director's Responsibility Statement, it is hereby confirmed that:

a) In preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;



b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;

c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

d) The directors had prepared the annual accounts for the Financial Year on a “Going Concern” basis;

e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and

f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**9. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT UNDER SECTION 143(12):**

During the year under review, the Statutory Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143 (12) of the Act, the details of which need to be mentioned in this report.

**10. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6):**

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

**11. PARTICULARS OF EMPLOYEES AND REMUNERATION:**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975 in respect of employees of the Company and directors have been appended as “Annexure – I” to this report.

**12. EXTRACT OF ANNUAL RETURN**

Pursuant to the Section 92(3) of the Companies Act, 2013 extract of the Annual Return is annexed to this report as “Annexure – II”. The Annual Return of the Company for the financial year 2022-23 as required under Section 92(3) of the Companies Act, 2013 is available on the website of the Company and can be accessed on the Company’s website <https://www.arvog.com/investor/>.





**13. LOANS, GUARANTEES AND INVESTMENTS:**

Pursuant to Section 186 of Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), disclosure on particulars relating to loans, advances, guarantees and investments are provided as part of the financial statements.

**14. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm’s length and in the ordinary course of business. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm’s length basis. The Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Companies Act, 2013.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY2022-23 and hence does not form part of this report.

Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone financial statements forming part of this Annual Report 2022-23. To identify and monitor significant Related Party Transactions, the Company has also framed a policy on the Related Party Transactions and the same is available on the Company's website i.e., [www.arvog.com](http://www.arvog.com).

**15. DIVIDEND:**

With a view to conserve the reserves of the Company, your directors are not recommending any payment on account of dividend.

**16. TRANSFER TO RESERVES:**

The Board of Directors recommend to transfer 20% of profit to the reserve fund during the year under review as per Section 45IC of The RBI Act, 1934. Further, the balance amount of profit for the year under review has been carried forward to the Statement of Profit and Loss.

**17. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

No material changes and commitments affecting the financial position of the Company occurred from the end of the previous financial year till the date of this report.

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

The Company being engaged in the financial services does not have any energy utilization or technology absorption. The Company during the year under consideration has not earned or spent any foreign exchange.



**19. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The risk management and minimization procedure adopted and followed by the Company is adequate in relation to the nature and size of the business. The same is reviewed periodically for improvement.

**20. CORPORATE GOVERNANCE:**

The Company is adhering to good Corporate Governance practices in every sphere of its operations. The Company has taken adequate steps to comply with the applicable provisions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is annexed to this report as “Annexure III”.

**21. AUDITORS:**

**A. STATUTORY AUDITORS AND AUDITOR'S REPORT:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, the current Auditors of the Company, M/s. P. D. Saraf & Co., Chartered Accountants having FRN: 109241W were appointed by the Members at the 36th Annual General Meeting convened on 30th September, 2020, to hold office until the conclusion of the 41st Annual General Meeting to be held in the year 2025.

**STATUTORY AUDITORS QUALIFICATION:**

There is no qualification, reservation or adverse remarks made in the Statutory Auditors Report.

**B. INTERNAL AUDIT AND INTERNAL AUDITOR'S REPORT:**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Rules made there under, the current Internal Auditors of the Company, M/s. Aadesh Shah & Associates, Chartered Accountants having FRN: 138515W were appointed by the Board in the Meeting held on 30th May, 2022, for the Financial Year 2022-23.

**C. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT:**

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of Mr. Mayank Arora, proprietor of M/s. Mayank Arora & Co., Company Secretaries, Mumbai (Membership. No. F10378 and COP No.: 13609) to conduct the Secretarial Audit of the Company for the Financial year ended 31<sup>st</sup> March, 2023.

**SECRETARIAL AUDITORS' QUALIFICATION:**

The qualification in the Secretarial Compliance Report and Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2022 and the reply of the Board of Directors to such qualifications are as under:



<b>Sr. No.</b>	<b>Qualification/ Observation in the Secretarial Compliance Report and Secretarial Audit Report</b>	<b>Reply to the qualifications/ observations by the Board</b>
1	<p>The numbers of Directors were less than six from 1st April 2021 till 19th May 2021. The Company was in constant search for the prospective candidate for the position of Independent Director during such period and the Company was able to appoint the Director on 19th May, 2021.</p> <p>Further, due to the resignation of one of the Independent Director w.e.f. 09th March 2022, the Board of the Company currently comprises of less than six Directors and the Company is in process to fill such intermittent vacancy.</p>	The Board took the note of the same and affirmed that the qualification/ observation raised in the Secretarial Compliance Report shall be taken care of in the future.
2.	Mr. Rakesh Mehta (Independent Director) resigned w.e.f. 09th March 2022, however, the Company made disclosure to the Stock Exchange on 30th March 2022 after accepting the resignation letter in the Board Meeting held on 30th March, 2022.	

The report of the Secretarial Auditor for the Financial Year ended 31<sup>st</sup> March, 2022 is appended as “Annexure – IV”.

## **22. ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE AND OF THE INDIVIDUAL DIRECTORS AND COMMITTEES**

On the advice of the Board of Directors, the Nomination and Remuneration Committee of the Board of Directors of the Company formulated the criteria for evaluation of the performance of the Board of Directors & its Committees, Independent Directors, Non-Independent Directors and the Managing Director of the Board. Based on that, performance evaluation has been undertaken. The Independent Directors of the Company have also convened a separate meeting for this purpose.

## **23. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

- a. During the year under review, Mr. Dharmesh Lalitkumar Trivedi (DIN: 03619491) was appointed as Additional Non-Executive, Independent Director of the Company with effect from 07<sup>th</sup> June, 2022 and further appointed as a Non-Executive Independent Director of the Company in the Annual General Meeting of the Company convened on 05th September, 2022.



- b. In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Priyank Kothari (DIN: 07676104), Director of the Company who retires by rotation and being eligible, offer himself for re-appointment.

**Key Managerial Personnel:**

During the year under review, Mr. Amit Shroff (PAN: BKGPS8629N) has been appointed as a Chief Executive Officer ('CEO') of the Company on 13th December, 2022.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the company are as follows:

<b>Sr No.</b>	<b>Name</b>	<b>Designation</b>
1.	Mr. Narendra Jain	Wholetime Director
2.	Mr. Amit Shroff	Chief Executive Officer
3.	Mr. Aakash Jain	Chief Financial Officer
4.	Mr. Sunny Parekh	Company Secretary & Compliance Officer

**24. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:**

The Board of Directors have evaluated the Independent Directors appointed during the year 2022-23 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

**25. SUBSIDIARIES, ASSOCIATES & JOINT VENTURES:**

The Company does not have any subsidiary, associate or joint venture.

**26. PUBLIC DEPOSITS:**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

**27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

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.



**28. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Pursuant to the applicability of the Companies (Corporate Social Responsibility) Rules, 2014, the Board at its meeting held on 15th September, 2020 constituted the Corporate Social Responsibility Committee of the Company. In terms of the provisions of the Companies Act, 2013, read with the CSR Rules, the Annual Report on CSR activities under the format prescribed in “Annexure V” of the CSR Rules is annexed to this Report.

**29. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Company has put in place proper systems and procedures to detect and protect the Organizational resources both tangible and intangible. The Company has also put in place the following to ensure the adequacy of internal financial controls.

The Company has appointed Internal Auditors to check the Internal Controls and also check whether the workflow of the Organization is in accordance with the approved policies of

Financial Statements, Internal Auditors present to the Audit Committee, the Internal Audit Report and Management Comments on the Internal Audit observations.

The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors Report.

**30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Pursuant to Regulation 34(2) of the SEBI (Listing Obligations and Disclosures Requirements) (LODR) Regulation, 2015 with the Stock Exchanges, the Management Discussion & Analysis Report for the year under review is given under a separate section as “Annexure VI”.

**31. MAINTENANCE OF COST RECORDS AS MANDATED BY THE CENTRAL GOVERNMENT**

Pursuant to the provisions of Section 148(1) of the Companies act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company was required is not required to maintain cost records.

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

The Company has been employing women employees in various cadres within the Office premises. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



The Internal Complaints Committee was re-constituted by the Board of Directors through its resolution dated 10th February, 2023 as per the following:

1. Ms. Bharti Solanki - Presiding Officer
2. Ms. Brisa Shah - Member
3. Mr. Aakash Nemichand Jain - Member
4. Ms. Saily Ambavkar - External Member

There was no complaint received from any employee during the financial year 2022-23 and hence no complaint is outstanding as on 31.03.2023 for redressal.

**33. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:**

The Company has initiated proceedings against M/s. Rao Edusolutions Private Limited (CIN: U80301MH2013PTC247740) in the capacity of Financial Creditor before the Hon'ble National Company Law Tribunal ('NCLT').

The Hon'ble National Company Law Tribunal ('NCLT') has ordered the Commencement of a Corporate Insolvency Resolution Process ('CIRP') on July 3, 2023.

**34. AUDIT COMMITTEE**

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report.

**35. NOMINATION AND REMUNERATION POLICY:**

Pursuant to Section 178 of the Companies Act, 2013 the Board of Directors of your Company has, on recommendation of the Nomination & Remuneration Committee, framed and adopted a policy for selection and appointment of Directors, Senior Management and their remuneration.

**36. LISTING FEES:**

The Equity Shares of the Company is listed on BSE Limited. The Listing fees for the Financial Year 2023-24 for BSE Limited has been paid by the Company.

**37. ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:**

The Whistle Blower Policy is formulated to encourage all employees and directors of the Company to report any unethical behaviour, actual or suspected fraud or violation of the Code of the Company and to provide a secure environment to such employees acting in good faith and safeguarding them from any adverse action by the management. This policy is in line with the requirements of the Listing Regulations of the Stock Exchange and the provisions of Sub



Section 9 of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 which stipulated that every listed Company shall establish a “Vigil Mechanism”.

**38. RISK MANAGEMENT:**

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and the Listing Regulations, the Company has constituted a Risk Management Committee and it has framed and adopted a policy on Risk Management of the Company, to identify the elements of risk which may threaten the existence of the Company and possible solutions to mitigate the risk involved.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

**39. CODE OF CONDUCT:**

The Code of Conduct for the directors and Senior Management Personnel of the Company have been laid by the Board and necessary declaration has been obtained from them. The Company has adopted amended ‘Code of Conduct’ (including code of conduct of Independent Directors) and the terms & conditions for appointment of Independent Directors of the Company in the meeting of Board of Directors held on 12th November, 2014.

A declaration signed by the Executive Director of the Company to this effect is contained at the end of this report. The said Code is posted on the website of the Company i.e. [www.arvog.com](http://www.arvog.com).

**40. AUCTIONS HELD DURING THE YEAR:**

During the Financial Year under review, the Company had auctions. The details of auctions required to be furnished in the Annual Report of the Company as per Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India (RBI) are stated under:

Date of Auction	Number of loan accounts	Outstanding amounts (in INR)	Value fetched	Whether any of its sister concerns participated in the auction
04-Jul-22	1	14,622	16,700	No
05-Jul-22	2	341,513	350,000	No
02-Aug-22	3	370,208	388,310	No
09-Aug-22	2	165,319	182,700	No



21-Sep-22	1	219,939	225,000	No
13-Dec-22	4	204,268	234,274	No
18-Jan-23	10	2,108,994	2,388,335	No
16-Feb-23	7	302,420	335,962	No
21-Feb-23	1	195,164	216,537	No
24-Feb-23	1	22,345	24,720	No
27-Feb-23	2	44,803	41,454	No
28-Feb-23	1	12,949	14,420	No
01-Mar-23	1	14,323	15,000	No
10-Mar-23	6	675,464	769,721	Yes
14-Mar-23	1	67,126	77,765	No
24-Mar-23	8	178,552	235,912	Yes
	<b>51</b>	<b>49,38,010</b>	<b>55,16,809</b>	

#### **41. SECRETARIAL STANDARDS**

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

#### **42. COMMITTEES OF THE BOARD**

As on March 31, 2023, the Board had Seven committees:

The Audit Committee, The Corporate Social Responsibility Committee, The Nomination and Remuneration Committee, The Risk Management Committee, The Stakeholders Relationship Committee, The Internal Compliant Committee and The Asset- Liability Committee ('ALCO').

The Board, at its meeting held on 10th February, 2023, constituted Asset- Liability Committee ('ALCO').

During the year, all recommendations made by the committees were approved by the Board.

A detailed note on the composition of the Board and its committees is provided in the Corporate Governance report.





**43. BUSINESS RESPONSIBILITY REPORT:**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, top 1000 Listed entities in terms of market capitalization are required to furnish a Business Responsibility Report in the Annual Report. The Company is not required to furnish Business Responsibility Report since the Company does not form a part of top 1000 Listed entities in terms of market capitalization for the Financial Year under review.

**44. CREDIT RATING:**

During the year under review, the Credit Rating agencies have reaffirmed/ assigned the below credit ratings:

Rating Agency	Instrument Type	Size of Issues (₹ Crore)	Rating/Outlook (September 16, 2022)	Rating/Outlook (April 25, 2023)	Rating Action
Infomeric Valuation and Rating Private Limited (“INFOMERIC”)	Long term Bank Facilities- NCD	7.50	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	IVR BBB/Stable (IVR Triple B with Stable Outlook)	Revised
Infomeric Valuation and Rating Private Limited (“INFOMERIC”)	Short term Bank Facilities – Overdraft	17.00 (Reduced from Rs. 17.50 Crore)	IVR A3 (IVR A Three)	IVR A3+ (IVR A Three Plus)	Revised
Infomeric Valuation and Rating Private Limited (“INFOMERIC”)	Long Term/ Short Term Bank Facilities – Proposed facility	75.50 (Increased from Rs. 25 Crore)	IVR BBB-/ Stable; IVR A3 (IVR Triple B Minus with Stable Outlook; IVR A Three)	IVR BBB/ Stable; IVR A3+ (IVR Triple B with Stable Outlook; IVR A Three Plus)	Revised

The above ratings indicate a very strong degree of safety regarding timely servicing of financial obligations.

**45. OTHER DISCLOSURES:**

**(i) Compliance:**

The Company had uploaded the Financial Results on BSE Listing Center within stipulated timeline as per Companies- SOP. However, it was later observed that the page containing the Consolidated Cash Flow statement in the Financial Statements of the Company uploaded on the BSE Listing Center was erroneously missed. In order to correct the flaw, the Company



chose to upload amended Financial Statement for the quarter and Year ended 31st March, 2022 with the inclusion of the Consolidated Cash Flow Statements. In addition to that, the Company has paid the fine of Rs. 5,900/- in response to the correspondence it received from the BSE Listing Centre.

**(ii) Whistle Blower Policy:**

In line with the best Corporate Governance practices, the Company has in place a system through which the directors and employees may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The employees and directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee. The Whistle-Blower Policy is placed on the website of the Company.

**(iii) Prevention of Insider Trading Code:**

As per SEBI (Prevention of Insider Trading) Regulation, 1992, as amended, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the directors, employees at senior management and other employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the Code. The Compliance Officer is responsible for setting forth procedures and implementation of the code for trading in Company securities. During the year under review there has been due compliance with the said code.

**(iv) Material Subsidiary Policy:**

The Company has framed policy for determining “Material Subsidiaries” to ensure that Board of Directors has overall supervision of functioning of subsidiaries of the Company and to provide the governance framework for such subsidiaries. The policy has been uploaded on the website of the Company i.e. [www.arvog.com/reports-policies/](http://www.arvog.com/reports-policies/).

**(v) CEO/ CFO Certification:**

The certificate certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs is annexed and forms part of the Annual Report.



**46. ACKNOWLEDGEMENT:**

Your Company and its Directors wish to extend their sincerest thanks for the co-operation received from shareholders, bankers and other business constituent during the year under review. Your directors also wish to place on record their deep sense of appreciation for the commitment displayed by all employees of the Company.

**For and on behalf of the Board of Directors**

**Place: Mumbai  
Date: 30<sup>th</sup> August, 2023**

**Sd/-  
Ketan Kothari  
Chairman  
DIN:00230725**

**Annexure I**

[Pursuant to Section 197 (12) and Rule 5(1) and Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- a. The ratio of remuneration of each of Director to the Median Remuneration of employees who were on the payroll of the Company during the financial year 2022-23 is given below:

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Ratio of median remuneration</b>
1.	Mr. Priyank Rakesh Kothari	Non- Executive Director	3.22
2.	Mr. Narendra Champalal Jain	Whole Time Director	5.79

- b. The Percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer in the financial year is as follows:

<b>Sr. No.</b>	<b>Name of Director, Chief Financial Officer &amp; Company Secretary</b>	<b>Designation</b>	<b>% of Increase in remuneration in the financial year</b>
1.	Mr. Priyank Rakesh Kothari	Non- Executive Director	(16.66%)
2.	Mr. Narendra Champalal Jain	Whole Time Director	Nil
3.	Mr. Sunny Dilip Parekh	Company Secretary and Compliance Officer	18%
4.	Mr. Aakash Nemichand Jain	Chief Financial Officer	39%

- c. The percentage increase / (decrease) in the median remuneration of employees in the Financial Year was 15.02%
- d. The number of permanent employees on the rolls of Company as on 31st March, 2023 was 23.
- e. Average percentage increase in the salaries of employees, other than the managerial personnel, for the FY 2022-23 was 43.1%. The average percentage increase in the salaries of the managerial personnel for the FY 2022-23 was 27 %.
- f. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms remuneration is as per the remuneration policy of the Company.
- g. Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the directors' report for the year ended March 31, 2023.



During the year under review none of the employees of the Company was drawing remuneration equal to or more than One Crore and Two Lacs per annum and Eight Lacs & Fifty Thousand per month pursuant to Provisions of Section 197(12) read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Details of Top 10 Employees in terms of remuneration drawn as per Rule 5(2) and 5(3) are as follows:

Employee Name	Designation	Education Qualification	Age (in years)	Experience (in years)	Date of Joining	Gross Remuneration	Previous Employment and Designation	The percent age of equity shares held by the employee in the Company	Whether such employee is a relative of any director or manager of the Company
Amit Shroff	Chief Executive Officer	MBA Finance	35	13	14-11-2022	28,00,000	CO-Founder Svakarma Finance	0	No
Narendra Jain	Whole time Director	CFA, CA, B. Com	42	19	01-09-2020	27,00,000	ICICI Bank – Manager	0	No
Aakash Jain	Chief Finance Officer	CA, CS, B. Com	31	9	08-10-2019	18,00,000	Pareto Capital - VP Investment Banking	0	No
Sagar Nishar	Head – Investments & Strategy	Masters in Management, Chartered Financial Analyst (CFA), Company Secretary (CS), Financial Modelling & Valuation Analyst,	27	5	01- 04-2021	17,00,000	Analyst – Investment & Advisory	0	No



		M.Com, Bachelor s in Banking & Insuranc e							
Sunny Parekh	Company Secretary & Compliance Officer	CS, M.com	33	10	26-07- 2013	16,87,400	Times Of Money - CS Intern	0	No
Darshit Jain	Associate Vice President	MBA+C WM	28	6	10-03-2022	11,28,000	Partnership Manager, Veefin	0	No
Prakash Tiwari	Credit Manager	Post Graduation-MMS	31	7	06-03-2023	10,00,000	Svakarma Finance-Area Credit Manager	0	No
Sugandhi Ravi Kumar	Chartered Accountant	Chartered Accountant	34 years	8	22-04-2019	9,00,000	Senior Associate at Ashok D Shah and Company	0	No
Nirav Narendra Pandya	Legal Manager	Masters in Law (L.L.M)	35	11	09-09-2021	7,00,000	Shangrila Corporate Services Private Limited – Senior Legal Associate	0	No
Pala Pradeep	Business Development Manager	B. Com	35	5	08-11-2021	5,80,000	Fintelligence Data Science Private Limited-Channel Head - Sales	0	No

**Annexure II****EXTRACT OF ANNUAL RETURN**

As on the financial year ended 31/03/2023

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**FORM NO. MGT – 9****I. REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	L65990MH1984PLC032403
<b>Registration</b>	23/03/1984
<b>Name of the Company</b>	Finkurve Financial Services Limited
<b>Category/Sub-Category of the Company</b>	Company having share capital
<b>Address of the registered office and contact details</b>	202/A, 02nd Floor, Trade World, D-Wing, Kamala Mills Compound, S. B. Marg, Lower Parel West, Mumbai, Maharashtra, 400013 Tel. No.: 022-4244 1200 Email – <a href="mailto:finkurvefinancial@gmail.com">finkurvefinancial@gmail.com</a> Website – <a href="http://www.arvog.com">www.arvog.com</a>
<b>Whether listed Company</b>	Yes
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Link Intime India Pvt. Ltd. C101, 247 Park, LBS Marg, Vikhroli (W), Mumbai – 400083. Tel No. 022 49186270 Fax No. 022 49186060 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

**II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY:**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

<b>Sr No.</b>	<b>Name and Description of main products/ services</b>	<b>NIC Code of the products/ services</b>	<b>% of the total turnover of the Company</b>
1.	Other financial service activities, except insurance and pension funding activities, n.e.c.	64990	100%



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
<i>The Company does not have any subsidiary, associate or joint venture.</i>					

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category of shareholders	No. of shares at the beginning of the year				No. of shares at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	69268200	-	69268200	54.60	69268200	-	69268200	54.60	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	69268200	-	69268200	54.60	69268200	-	69268200	54.60	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	<b>69268200</b>	-	<b>69268200</b>	<b>54.60</b>	<b>69268200</b>	-	<b>69268200</b>	<b>54.60</b>	-
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-





e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B) (1):-	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	601486	-	601486	0.47	1073122	-	1073122	0.85	(0.38)
ii) Overseas	7414040	-	7414040	5.84	7414040	-	7414040	5.84	--
<b>b) Individuals</b>									
i) Individual Shareholders holding nominal share capital upto 1 lakh	83335	490	83825	0.06	102584	490	103074	0.08	(0.02)
ii) Individual Shareholders holding nominal share capital in excess of 1 lakh	44357960	2379510	46737470	36.84	44172769	2344510	46517279	36.67	0.17
<b>c) Others (specify)</b>									
HUF	1981170	-	1981170	1.56	1673206	-	1673206	1.32	0.24
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) NRI / OCBs	757879	-	757879	0.62	758027	-	758027	0.60	0.02
v) Clearing Members / Clearing House	14128	-	14128	0.01	6250	-	6250	0.00	0.00
vi) Trusts	-	-	-	-	20000	-	20000	0.02	0.02
vii) Limited Liability Partnership	-	-	-	-	25000	-	25000	0.02	0.02
viii) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
ix) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	<b>55209998</b>	<b>2380000</b>	<b>57589998</b>	<b>45.40</b>	<b>55244998</b>	<b>2345000</b>	<b>57589998</b>	<b>45.40</b>	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	<b>55209998</b>	<b>2380000</b>	<b>57589998</b>	<b>45.40</b>	<b>55244998</b>	<b>2345000</b>	<b>57589998</b>	<b>45.40</b>	-
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	-	-	-	-	-	-



<b>Grand Total (A+B+C)</b>	<b>124478198</b>	<b>2380000</b>	<b>126858198</b>	<b>100</b>	<b>124513198</b>	<b>2345000</b>	<b>126858198</b>	<b>100</b>	<b>-</b>
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**V. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)**

Sr No	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	M/s. Muthoot Bankers (Trivandrum) (through its Partners)	18421050	14.52	18421050	14.52
2.	M/s. Rishabh Jewellers (through its Partners)	8108108	6.39	8108108	6.39
3.	M/s. Nextpact Limited	7414040	5.84	7414040	5.84
4.	Mrs. Sangeeta Bishon Singh	1501500	1.18	1501500	1.18
5.	Mr. Vipul Ramesh Mehta	1396500	1.10	1396500	1.10
6.	Mr. Prakash Rajesh Jain	1372000	1.08	1372000	1.08
7.	Mr. Narendra Shivji Shah	1302000	1.03	1302000	1.03
8.	Mr. Harakchand Fatehchand Vardhan	1050000	0.83	1050000	0.83
9.	Mrs. Shobha Ramesh Mehta	1022000	0.81	1022000	0.81
10.	Dinesh Harakchand Vardhan HUF	1015000	0.08	1015000	0.08

**VI. Shareholding of Directors and Key Managerial Personnel as on 31st March, 2023:**

Sr No	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Ketan Kothari	53451230	42.13%		
	Change during the year	Nil	Nil		
	At the end of the year (or on the date of separation, if separated during the year)			53451230	42.13%

Other than the above, no other Director and Key Managerial Personnel holds any shares in the Company for the year ended 31<sup>st</sup> March, 2023.



**VII. INDEBTEDNESS**

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

Particulars		Unsecured Loan	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year	<b>4,39,13,301.22</b>	<b>17,29,21,990.05</b>	<b>NIL</b>	<b>21,68,35,291.27</b>
i) Principal Amount	<b>4,39,13,301.22</b>	<b>17,29,21,990.05</b>	<b>NIL</b>	<b>21,68,35,291.27</b>
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	83,417.00	1,99,51,918.00	NIL	2,00,35,335.00
<b>Total (i+ii+iii)</b>	<b>4,39,96,718.00</b>	<b>19,28,73,907.81</b>	<b>NIL</b>	<b>23,68,70,626.27</b>
Change in Indebtedness during the financial year				
•Addition (Including Interest)	1,96,26,93,919.02	61,70,65,539.94	NIL	2,57,97,59,458.96
• Reduction (Including TDS)	1,83,56,76,206.73	46,62,56,700.31	NIL	2,30,19,32,907.04
<b>Net Change</b>	<b>12,70,17,712.29</b>	<b>15,08,08,839.63</b>	<b>NIL</b>	<b>27,78,26,551.92</b>
Indebtedness at the end of the financial year				
i) Principal Amount	16,92,61,279.51	31,89,74,345.00	NIL	48,82,35,624.51
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	17,53,151.00	2,47,08,402.68	NIL	2,64,61,553.68
<b>Total (i+ii+iii)</b>	<b>17,10,14,430.51</b>	<b>34,36,82,747.68</b>	<b>NIL</b>	<b>51,46,97,178.19</b>

**VIII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

**A. Remuneration of Managing Director, Whole- time Director and/ or Manager.**

Sr. No.	Particulars of Remuneration	Name of Director	
		Mr. Narendra Jain (WTD)	Mr. Priyank Rakesh Kothari (Director)
<b>1.</b>	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	<b>27,00,000</b>	- - -



2.	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-
3.	Stock Option	-	-
	Sweat Equity	-	-
	Commission	-	-
4.	a.) as a % of profit	-	15,00,000
	b.) others, specify	-	-
	Others, please specify (professional fees)	-	15,00,000
	<b>Total</b>		
	<b>Total (A)</b>		<b>42,00,000</b>

**B. Remuneration to other Directors:**

Sr. No.	Particulars or Remuneration	Name of Directors (Independent Directors)			
		Mr. Nishant Ranka	Mrs. Riddhi Tilwani	##Mr. Dharmesh Trivedi	
1.	<b>Independent Director</b>				
a.	Fees for attending Board/ Committee Meetings	50,000	50,000	60,000	
b.	Commission	-	-	-	
c.	Others, please specify	-	-	-	
	Total (1)	50,000	50,000	60,000	
2.	<b>Other Executive &amp; Non-Executive Directors</b>	<b>Mr. Ketan Kothari</b>			
a.	Fee for attending				
b.	Board/committee meetings				
c.	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)		1,60,000		
	Overall Ceiling as per the Act				
	<b>Total Managerial Remuneration (A+B)</b>		<b>43,60,000</b>		

**## During the year under review, Mr. Dharmesh Lalitkumar Trivedi (DIN: 03619491) was appointed as Additional Non-Executive, Independent Director of the Company with effect from 07th June, 2022 and further appointed as a Non-Executive Independent Director of the Company in the Annual General Meeting of the Company convened on 05th September, 2022.**

**C. Remuneration to key managerial personnel other than MD/ Manager/ WTD:**

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		CFO	CS	
		Mr. Aakash Jain	Mr. Sunny Parekh	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of Perquisites u/sec 17 (2) Income Tax Act, 1961 (c) Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961	18,00,000	16,87,400	34,87,400
2.	Stock Option			
3.	Sweat Equity			
4.	Commission as a. % of profit b. Others, specify			
5.	Others, Please specify			
	<b>Total</b>	<b>18,00,000</b>	<b>16,87,400</b>	<b>34,87,400</b>

**I. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES (Under the Companies Act): N.A.**

For and on behalf of the Board of Directors

Place: Mumbai  
Date: 30<sup>th</sup> August, 2023

Sd/-  
Ketan Kothari  
Chairman  
DIN: 00230725

**Annexure III****REPORT ON CORPORATE GOVERNANCE**

[As per Regulation 34(3) read along with Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

Your Company believes that sound ethical practices, transparency in operations and timely disclosures go a long way in enhancing long-term shareholders value while safeguarding the interest of all the stakeholders. It is this conviction that has led the Company to make strong corporate governance values intrinsic in all operations. The Company is led by a distinguished Board, which includes independent directors. The Board provides a strong oversight and strategic counsel. The Company has established systems and procedures to ensure that the Board of the Company is well-informed and well-equipped to fulfil its oversight responsibilities and to provide management the strategic direction it needs to create long-term shareholders value.

**BOARD OF DIRECTORS:****Composition:**

The Company is in compliance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (as amended from time to time). The Board of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. The strength of the Board, includes one Woman Director. The composition of the Board of the Directors is in conformity with the Listing Regulations. No relationship exists between the Directors inter-se except that Mr. Priyank Rakesh Kothari (DIN: 07676104), Director of the Company is a part of extended family of Mr. Ketan Kothari (DIN: 00230725), Chairman of the Company. The details of the Directors and their directorships/Memberships in Committees of other companies as on 31<sup>st</sup> March, 2023, (excluding Finkurve Financial Services Limited) are as under.

Sr. No.	Name of Director	Category	No. of Directorships in other Companies	Committee Positions in Listed & Unlisted Public Companies		Name of the listed entity where the person is a Director
				Chairman	Member	
1.	Mr. Ketan Bhawarlal Kothari	Non-Executive, Non-Independent	6 (Six)	1 (One)	1 (One)	-



2.	Mr. Priyank Rakesh Kothari	Non-Executive, Non-Independent	3 (Three)	0 (Nil)	0 (Nil)	-
3.	Mr. Narendra Champalal Jain	Executive, Non-Independent	2 (Two)	0 (Nil)	1 (One)	-
4.	Mrs. Riddhi Kamlesh Tilwani	Non-Executive, Independent	0 (Nil)	0 (Nil)	3 (Three)	-
5.	Mr. Nishant Tolchand Ranka	Non-Executive, Independent	1 (One)	2 (Two)	1 (One)	-
6.	*Mr. Dharmesh Trivedi	Non-Executive, Independent	3 (Three)	0 (Nil)	0 (Nil)	

*\* During the year under review, Mr. Dharmesh Lalitkumar Trivedi (DIN: 03619491) was appointed as an Additional Non-Executive, Independent Director of the Company with effect from 07th June, 2022, further appointed as a Non-Executive Independent Director of the Company with effect from 05th September, 2022.*

#### **Inter-se relationships between Directors:**

None of the Directors of the Company are inter-se related to each other.

#### **Profile of Directors:**

The brief profile of the Company's Board is as under:

##### **(i) Mr. Ketan Kothari (DIN: 00230725):**

Mr. Ketan Kothari is the Non-Executive Chairman of the Company with expertise in Finance & Investments, holding an MA degree from Nottingham University. He has made significant contributions to the success of Arvog, where he has played a key role in envisioning, implementing, and managing various initiatives. He is a member of various steering committees, providing recommendations to shape gold and personal loan policies. In recognition of his outstanding contributions, Mr. Ketan Kothari was honoured as a BW40under40 recipient by Business World in 2021.

##### **(ii) Mr. Narendra Jain (DIN: 08788557):**

Mr. Narendra Jain is a CFA® charterholder, Chartered Accountant and holds a Bachelor's degree in Commerce. With a career spanning over two decades, he has gained diverse experience in the fields of Treasury, Forex, Derivatives, Products, Bullion, Equities, etc. He started his career with ICICI Bank Ltd. in 2004 and over more than 6 years, held various positions in Retail Assets & Treasury Front Office. In 2010, he joined MUFG Bank (erstwhile Bank of Tokyo) and held various positions like Swaps Trader, Inter-bank Dealer & Fx



Proprietary Trader. As Vice President, he left MUFG Bank in 2016. Before joining Finkurve, he was Head - Treasury in Augmont Enterprises.

**(iii) Mr. Priyank Kothari (DIN: 07676104):**

Mr. Priyank Kothari is a highly accomplished professional with a Bachelor's degree in Commerce and a Master's Degree in Entrepreneurship, Innovation, and Enterprise Development. His journey with Arvog began as a credit and risk underwriter, where he demonstrated exceptional skills and dedication over a period of three years. He has made significant contributions to the expansion and diversification of Finkurve Financial Services Limited (Arvog).

**(iv) Mrs. Riddhi Tilwani (DIN: 06910038):**

Mrs. Riddhi Tilwani is a Non-Executive Independent Director of the Company and is a qualified Company Secretary from the Institute of Company Secretaries of India. She has an experience of over 9 years in Secretarial and Compliance field.

**(v) Mr. Nishant Ranka (DIN: 06609705):**

Mr. Nishant Ranka is a Non-Executive Independent Director of the Company. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He has an experience of over 17 years in the field of Accountancy and Finance.

**(vi) Mr. Dharmesh Trivedi (DIN: 03619491)**

Mr. Dharmesh Lalit Kumar Trivedi is an Associate Member of Institute of Chartered Accountants of India and holds a Bachelor's degree in Commerce and hold a degree of Bachelor of Legislative Law (LLB), and he is a Registered Valuer with Insolvency and Bankruptcy Board of India for the Category of Financial assets or securities and has been doing valuation assignments for start-ups, companies raising capital, valuation under Ind AS, Business/Enterprise Valuation and Brand Valuations. He has 30 years of Industry experience in Finance, treasury, audit, MIS, systems etc in various companies.

**\*#Board Meetings**

During the year 15 (Fifteen) Board Meetings were held i.e on 05th April, 2022, 18th April, 2022, 05th May, 2022, 16th May, 2022, 09th May, 2022, 30th May, 2022, 07th June, 2022, 08th August, 2022, 12th August, 2022, 28th September, 2022, 14th November, 2022, 13th December, 2022, 19th January, 2023, 10th February, 2023 and 21st March, 2023.

The particulars of attendance of Directors are as under:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>No. of Board Meeting attended</b>	<b>Attendance at AGM held on 05<sup>th</sup> September, 2022</b>
1.	Mr. Ketan Bhawarlal Kothari	15 out of 15	Yes
2.	Mr. Priyank Rakesh Kothari	15 out of 15	Yes
3.	Mr. Narendra Champalal Jain	15 out of 15	Yes
4.	Mr. Nishant Tolchand Ranka	15 out of 15	Yes
5.	Mrs. Riddhi Kamlesh Tilwani	15 out of 15	Yes





6.	*Mr. Dharmesh Trivedi	8 out of 8	Yes
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*\*\*During the year under review, Mr. Dharmesh Lalitkumar Trivedi (DIN: 03619491) was appointed as an Additional Non-Executive, Independent Director of the Company with effect from 07th June, 2022, further appointed as a Director of the Company with effect from 05th September, 2022.*

**Induction and Training of Board Members:**

On appointment, the concerned director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program including the presentation on the Company’s finance and other important aspects. The Company Secretary briefs the director about their legal and regulatory responsibilities as a director.

**Core skills/ Expertise/ Competencies of the Board of Directors**

Pursuant to Schedule V of the Listing Regulations, the Core skills/ Expertise/ Competencies required in context of the Company’s business and sector are listed below along with the names of the Directors who possess it:

Core skills/ Expertise/ Competencies	Name of the Directors who possess it
Industry Knowledge	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Dharmesh Lalitkumar Trivedi Mrs. Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka
Financial Literacy and Audit	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Dharmesh Lalitkumar Trivedi Mrs. Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka
Banking, Investment, Financial Services	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Dharmesh Lalitkumar Trivedi Mrs. Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka
Risk Management	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Dharmesh Lalitkumar Trivedi Mrs, Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka



Economics & Market conditions	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Dharmesh Lalitkumar Trivedi Mrs. Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka
Governance & Regulatory Knowledge	Mr. Ketan Bhawarlal Kothari Mr. Priyank Rakesh Kothari Mr. Narendra Champalal Jain Mr. Dharmesh Lalitkumar Trivedi Mrs. Riddhi Kamlesh Tilwani Mr. Nishant Tolchand Ranka

**###Independent Directors:**

Based on the declarations received from the Independent Directors, the Board has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

Pursuant to the provisions of the section 149 of the Companies Act, 2013, the following Non-Executive Directors are appointed as Independent Directors: -

Sr. No.	Name of Director	Date of Appointment
1	Mr. Dharmesh Lalitkumar Trivedi	07/06/2022
2	Mr. Nishant Tolchand Ranka	07/03/2018
3	Mrs. Riddhi Kamlesh Tilwani	01/07/2014

*### During the year under review, Mr. Dharmesh Lalitkumar Trivedi (DIN: 03619491) was appointed as an Additional Non-Executive, Independent Director of the Company with effect from 07th June, 2022, further appointed as a Non-Executive Independent Director of the Company with effect from 05th September, 2022.*

Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of SEBI Listing Regulations, in the opinion of the Board, all the independent directors fulfil the conditions as specified in the SEBI Listing Regulations and are independent of the management. Certificate from Company secretary in practice certifying that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/ Ministry of Corporate Affairs or any other statutory authority is annexed to this report.

The Independent Directors have also registered their names in the Data Bank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014, Further, apart from receiving commission and sitting fees, none of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgment, would affect their independence.



As required under Regulation 46 of the Listing Regulations, the terms and conditions of appointment of IDs including their role, responsibility and duties are available on the website of the Company at [www.arvog.com](http://www.arvog.com)

**Separate Meeting of Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 10<sup>th</sup> February, 2023 to review the performance of Non-Independent Directors, Chairman and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

**Familiarization Programme of Independent Directors:**

Whenever any person joins the Board of the Company as an Independent Director, an induction programme is arranged for him/her wherein he/she is familiarised with the Company, their roles, rights and responsibilities in the Company, the code of conduct to be adhered, nature of the industry in which the Company operates, business model of the Company, meeting with the senior management team Members, etc. The details of familiarization programmes imparted to Independent Directors can be viewed at our website [www.arvog.com/reports-policies/](http://www.arvog.com/reports-policies/)

**Woman Director:**

In terms of the provision of Section 149 of the Companies Act, 2013 and Regulation 17 (1) of SEBI (LODR) Regulations, 2015 a company shall have at least one-woman director on the board of the Company. Your Company has one woman director i.e. Mrs. Riddhi Kamlesh Tilwani on Board w.e.f. 01<sup>st</sup> July, 2014 who was re-appointed for a second term of 5 years ending 30<sup>th</sup> June, 2024 at the Annual General Meeting of the Company convened on 30<sup>th</sup> September, 2019.

**Committees of the Board:**

As on 31st March, 2023 the Company has The Audit Committee, The Corporate Social Responsibility Committee, The Nomination and Remuneration Committee, The Risk Management Committee, The Stakeholders Relationship Committee, The Internal Compliant Committee and The Asset- Liability Committee ('ALCO'). The details of these Committees are set out below.

The Board, at its meeting held on 10th February, 2023, constituted Asset- Liability Committee ('ALCO').

**5. Audit Committee:****Composition:**

The Audit Committee comprises with following Members as on 31<sup>st</sup> March, 2023:

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Designation</b>
1.	Mr. Nishant Ranka	Chairman, Independent Director
2.	Mr. Narendra Jain	Member, Executive Director
3.	Mrs. Riddhi Tilwani	Member, Independent Director

**Meetings and attendance:**

During the year under review, the Committee met 5 (Five) times on 02<sup>nd</sup> May, 2022, 30<sup>th</sup> May, 2022, 12<sup>th</sup> August, 2022, 14<sup>th</sup> November, 2022 and 10<sup>th</sup> February, 2023.

Name of the Committee Members along with their attendance are given below:

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Designation</b>	<b>No. of meetings attended</b>
1.	Mr. Nishant Ranka	Chairman	5 of 5
2.	Mr. Narendra Jain	Member	5 of 5
3.	Mrs. Riddhi Tilwani	Member	5 of 5

**Terms of reference:**

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Regulations of the stock exchange read with Section 177 of the Companies Act, 2013. These broadly includes

- (i) Develop an annual plan for Committee.
- (ii) Review of financial reporting processes.
- (iii) Review of risk management, internal control and governance processes
- (iv) Discussions on quarterly, half yearly and annual financial statements
- (v) Interaction with statutory and internal auditors
- (vi) Recommendation for appointment, remuneration and terms of appointment of auditors and
- (vii) Risk management framework concerning the critical operations of the Company.

**In addition to the above, the Audit Committee also reviews the following:**

- (i) Matter included in the Director's Responsibility Statement
- (ii) Changes, if any, in the accounting policies
- (iii) Major accounting estimates and significant adjustments in financial statement
- (iv) Compliance with listing and other legal requirements concerning financial statements
- (v) Disclosures in financial statement including Related Party Transactions
- (vi) Qualification in draft audit report
- (vii) Scrutiny of inter-corporate loans & investments
- (viii) Management's Discussions and Analysis of Company's operations
- (ix) Valuation of undertakings or assets of the Company, wherever it is necessary
- (x) Periodical Internal Audit Reports and the report of Risk Management Committee, if any



- (xi) Findings of any special investigations carried out either by the Internal Auditors or by the external investigating agencies.
- (xii) Letters of Statutory Auditors to management on internal control weakness, if any.
- (xiii) Major non routine transactions recorded in the financial statements involving exercise of judgment by the management.
- (xiv) Recommend to the Board the appointment, re-appointment and, if required the replacement or removal of the statutory auditors considering their independence and effectiveness, and recommend the audit fees.
- (xv) Subject to review by the Board of Directors, review on quarterly basis, Related Party Transactions entered into by the Company pursuant to each omnibus approval given.

## **6. Nomination & Remuneration Committee:**

### **Composition:**

The Nomination and Remuneration Committee comprises with following Members as on 31<sup>st</sup> March, 2023:

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Designation</b>
1.	Mr. Nishant Ranka	Chairman, Independent Director
2.	Mr. Ketan Kothari	Member, Non-Executive Director
3.	Mrs. Riddhi Tilwani	Member, Independent Director

### **Meetings and attendance:**

During the year under review, the Committee met 3 (Three) times on 07<sup>th</sup> June, 2022, 08<sup>th</sup> August, 2022 and 13<sup>th</sup> December, 2022.

Name of the Committee Members along with their attendance are given below:

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Designation</b>	<b>No. of meetings attended</b>
1.	Mr. Nishant Ranka	Chairman	3 of 3
2.	Mr. Ketan Kothari	Member	3 of 3
3.	Mrs Riddhi Tilwani	Member	3 of 3

### **Terms of reference:**

- i. To identify persons who are qualified to become directors and who may be appointed in Senior Management level in accordance with the criteria laid down in the Nomination & Remuneration policy.
- ii. To recommend to the Board, appointment and removal of the directors and evaluation of every director's performance as laid down in the Nomination & Remuneration policy
- iii. To formulate the criteria for determining qualifications and positive attributes of the Directors
- iv. To deal with the matters relating to the remuneration payable to Whole Time Directors, Key Managerial Personnel and Senior Management Executives and commission, if any, to be paid to Non-Executive Directors, apart from sitting fees.



- v. To review the overall compensation policy, service agreement and other employment conditions of Whole Time Directors, Key Managerial Personnel and Senior Management Executives which include the employees designated as Vice-President and above (normally include the first layer of management below the Board level),
- vi. To deal with other matters as the Board may refer to the Nomination and Remuneration Committee (“the Committee”) from time to time.

**Performance evaluation criteria of Independent Director:**

The Company has carried out performance evaluation of its Independent Directors individually. The structured evaluation process contained various aspects of the functioning of Independent Directors and their roles, frequency of meetings, level of participation, and independence of judgments, performance of duties and obligations and implementation of good corporate governance practices. The Company expressed its satisfaction on the performance of Independent Directors individually.

**7. Stakeholder’s Relationship Committee:****Composition:**

The Stakeholder Relationship Committee comprises with following Members as on 31<sup>st</sup> March, 2023:

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Designation</b>
1.	Mr. Ketan Kothari	Chairman, Non-Executive Director
2.	Mr. Nishant Ranka	Member, Independent Director
3.	Mrs Riddhi Tilwani	Member, Independent Director

**Meeting and attendance:**

During the year under review, the Committee met 4 (Four) times on 07<sup>th</sup> June, 2022, 28<sup>th</sup> September, 2022, 13<sup>th</sup> December, 2022 and 10<sup>th</sup> February, 2023.

Name of the Committee Members along with their attendance are given below:

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Designation</b>	<b>No. of meetings attended</b>
1.	Mr. Ketan Kothari	Chairman	4 of 4
2.	Mr. Nishant Ranka	Member	4 of 4
3.	Mrs. Riddhi Tilwani	Member	4 of 4

Mr. Sunny Parekh, Company Secretary of the Company has been designated as Compliance Officer (E-mail ID: finkurvefinancial@gmail.com) for complying with the requirements of SEBI (LODR) Regulations, 2015 with the Stock Exchanges.

**Terms of Reference:**

The Committee focuses primarily on monitoring and ensuring that all investor services operate in an efficient manner and that shareholder and investor grievances/complaints including that



of all other stakeholders are addressed promptly with the result that all issues are resolved rapidly and efficiently.

#### Details of Investor Complaints

<b>Number of Complaints received from 01/04/2022 to 31/03/2023</b>			
<b>Number of Pending Complaints as on 01/04/2022</b>	<b>Number of Shareholders' Complaints received during the Financial Year</b>	<b>Number of Complaints not solved to the Satisfaction of Shareholders</b>	<b>Number of Pending Complaints as on 31/03/2023</b>
Nil	Nil	Nil	Nil

#### 8. Risk Management Committee

##### \*\*\*Composition:

The Risk Management Committee comprises with following Members as on 31<sup>st</sup> March, 2023:

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Designation</b>
1.	Mr. Priyank Kothari	Chairman, Non-Executive Director
2.	Mr. Nishant Ranka	Member, Independent Director
3.	Mrs. Riddhi Tilwani	Member, Independent Director
4.	Mr. Amit Shroff	Chief Executive Officer

\*\*\* *During the year under review, Mr. Nishant Ranka, had stepped down from the position of the Chairman and he continues to act as a Member of the Risk Management Committee. Mr. Priyank Kothari, an existing Member, was elected as the Chairman of the Risk Management Committee. Mrs. Riddhi Tilwani, resigned as the Member of the said Committee and Mr. Amit Shroff, Chief Executive Officer of the Company was appointed as a member of the said Committee with effect from 10<sup>th</sup> February, 2023.*

##### Meeting and attendance:

During the year under review, the Committee met 3 (Three) times on 07<sup>th</sup> June, 2022, 12<sup>th</sup> August, 2022 and 15<sup>th</sup> March, 2023.

Name of the Committee Members along with their attendance are given below:

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Designation</b>	<b>No. of meetings attended</b>
1.	Mr. Priyank Kothari	Chairman	3 of 3 (2 meetings attended as a Member and 1 meeting attended as Chairman)
2.	Mr. Nishant Ranka	Member	3 of 3 (2 meetings attended as a Chairman and 1 meeting attended as Member)
3.	***Mrs. Riddhi Tilwani	Member	2 of 2
4.	***Mr. Amit Shroff	Member	1 of 1



**Terms of reference**

- (i) Formulate a Risk Management Framework and/or Risk Management Policy and recommend the said framework and/or Policy and any amendments thereto to the Board for its approval;
- (ii) Ensure that appropriate methodology, processes and systems are in place to monitor, evaluate and report risks associated with the business of the Corporation;
- (iii) Review the adequacy of the existing measures to mitigate risks covering various functions of the Corporation;
- (iv) Evaluate and approve new risks and the mitigation measures that may be recommended by the Risk Manager(s) in respect of any function and review the action taken for its implementation on an ongoing basis;
- (v) Evaluate and ensure that appropriate processes and systems are in place to monitor, evaluate and report cyber security risks associated with the business of the Corporation and to review the adequacy of the existing measures to mitigate the said risk.
- (vi) The Committee shall perform such other functions as may be required under the relevant provisions of the Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2015, any other applicable laws and various circulars issued by the regulatory authorities thereof, as amended from time to time.

**9. Corporate Social & Business Responsibility Committee**

In line with the requirements of Section 135 of the Act, your Board has constituted a Corporate Social Committee of the Board to oversee the CSR functions of the Company. The details of meetings of the Corporate Social Committee including composition are provided in the Annual Report on Corporate Social Responsibility appended to the Annual Report.

**Terms of reference**

- (i) To annually review the CSR Policy and associated frameworks, processes and practices of the Company and make appropriate recommendations to the Board.
- (ii) To monitor if the Company is taking appropriate measures to ensure the successful implementation of CSR activities.
- (iii) To identify the areas of CSR activities and recommend the amount of expenditure to be incurred on such activities.
- (iv) To review the Company's initiatives and programs from time to time.
- (v) To formulate and monitor the implementation of the CSR annual action plan, in accordance with the Company's CSR policy and provisions of applicable laws from time to time.
- (vi) To recommend the CSR annual action plan and any modification(s) thereto during the financial year, for the approval of the Board from time to time.
- (vii) To review the impact assessment report(s) (if any), and place them before the Board.
- (viii) To monitor the identification and implementation of multi-year projects / programs ("Ongoing Projects")
- (ix) To monitor the administrative overheads in pursuance of CSR activities or projects or programs so that they do not exceed the prescribed thresholds.
- (x) To formulate necessary monitoring mechanism to enable the Board to satisfy itself that the funds disbursed for CSR activities or projects or programs have been utilized for the purposes and in the manner as approved by it.



**Remuneration to Directors:****Criteria of making payment to Non- Executive Directors:**

Company does not make any payments to Non-Executive Directors towards their services except from the sitting fees which are cited below:

**Details of sitting fees paid to the Non-Executive Directors during the Financial Year ended 31<sup>st</sup> March, 2023 are given below:**

Sr. No.	Name of Director	Sitting Fees (Amount in ₹)	Annual Remuneration/ Commission (Amount in Rs.)	No. of shares held
1.	Mr. Ketan Bhawarlal Kothari	-	-	5,34,51,230
2.	Mr. Priyank Rakesh Kothari	-	<b>15,00,000</b>	Nil
3.	Mr. Nishant Tolchand Ranka	<b>50,000</b>	-	Nil
4.	Mrs. Riddhi Kamlesh Tilwani	<b>50,000</b>	-	Nil
5.	*^Mr. Dharmesh Lalitkumar Trivedi	<b>60,000</b>	-	Nil

*\*^ During the year under review, Mr. Dharmesh Lalitkumar Trivedi (DIN: 03619491) was appointed as an Additional Non-Executive, Independent Director of the Company with effect from 07th June, 2022, further appointed as a Non-Executive Independent Director of the Company with effect from 05th September, 2022.*

The tenure of the Independent Directors is fixed in accordance with the requirements laid down in the Companies Act, 2013 and clarifications/circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

**The Disclosures with respect to the remuneration of the director is given in the Annexure - I of the Directors Report.**

**Disclosure regarding appointment/ re-appointment of Directors:**

The details of the directors who are being appointed/ reappointed are provided in the Notice to the Annual General Meeting.

**GENERAL BODY MEETINGS:**

**Details of last three Annual General Meetings ('AGM') and Special Resolutions passed:**

Financial Year	Date of AGM	Time and venue	Special Resolutions passed
2019-20	30 <sup>th</sup> September, 2020	Through Video Conferencing	1. Issue of Non – Convertible Debenture on Private Placement Basis 2. Appointment of Mr. Narendra Jain (DIN:08788557) as Whole-time Director of the Company



2020-21	20 <sup>th</sup> September, 2021	Through Video Conferencing	<p>1. To appoint Mr. Rakesh Govindchand Mehta (DIN: 00002676), as Non-Executive Independent Director of the Company</p> <p>2. To appoint Mr. Priyank Rakesh Kothari (DIN: 07676104), as Non-Executive Non-Independent Director of the Company</p> <p>3. To disinvest the shares held by the Company in Arvog Forex Private Limited, Material Subsidiary of the Company</p> <p>4. To issue Non – Convertible Debentures on Private Placement Basis</p>
2021-22	05 <sup>th</sup> September, 2022	Through Video Conferencing	<p>1. To appoint Mr. Dharmesh Lalitkumar Trivedi (DIN: 03619491), as Non-Executive Independent Director of the Company.</p> <p>2. Re-appointment of Mr. Nishant Tolchand Ranka (DIN: 06609705) as Independent Director of the Company.</p> <p>3. To issue Non – Convertible Debentures on Private Placement Basis.</p> <p>4. To approve power to borrow funds pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, not exceeding Rs. 600 Crore (Rupees Six Hundred Crore Only)</p> <p>5. To increase the overall managerial remuneration of the Directors of the company.</p>

During the last 3 years, all the resolutions were approved by the Shareholders of the Company.

**POSTAL BALLOT:**

During the FY 2022-23, the Company has not passed any Special Resolution for obtaining approval of members through Postal Ballot.

Ordinary Resolution passed through Postal Ballot during the Financial Year 2022-23 as follows:

1. Approval of Material Related Party Transactions for The Financial Year 2022-23 Pertaining to Financial Transactions With Related Parties.



2. Approval of Material Related Party Transactions for the Financial Year 2022-23 pertaining to payment of Commission and other charges to Augmont Goldtech Private Limited.

Approval of Shareholders was sought vide Ordinary Resolution dated 11<sup>th</sup> May, 2022 for entering into Material Related Party Transactions for the Financial Year 2022-23 pertaining to Financial Transaction with Related Parties, and pertaining to payment of Commission and other charges to Augmont Goldtech Private Limited, both falling under the normal course of business of the Company.

Mr. Mayank Arora (Membership No. 13609), Proprietor of M/s. Mayank Arora & Co. Practicing Company Secretaries, were appointed as the Scrutinizer for carrying out the Postal Ballot voting process through electronic means in a fair and transparent manner.

Procedure adopted for Postal Ballot In compliance with Regulation 44 of the Listing Regulations, Sections 108, 110 and other applicable provisions of the Act read with the Rules issued thereunder and the General Circulars issued in this regard by the Ministry of Corporate Affairs (“MCA”), the Company provided electronic voting facility to all its members.

The Company engaged the services of National Securities Depository Limited (“NSDL”) for the purpose of providing electronic voting facility to all its members.

The Postal Ballot Notice was sent to the members in electronic form at their email addresses registered with the depositories, Company’s Registrar and Share Transfer Agent. The Company also published notice in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India. Voting rights were reckoned on the paid-up value of shares of the Company registered in the names of the shareholders as on the cut-off date.

The Scrutinizer submitted his report to the Company Secretary of the Company, after the completion of scrutiny and the consolidated results of the voting by postal ballot were then announced by the Company Secretary on Saturday, 11<sup>th</sup> June, 2022, as authorised by the Board of Directors of the Company. 99.99% of votes were cast in favour and 0.01% of votes were cast against the said resolution.

The results were displayed at the registered office of the Company and on the Company’s website at [www.arvog.com](http://www.arvog.com) and were available on the website of the Stock Exchanges and NSDL.

The details of the previous postal ballots are available on the website of the Company at <https://www.arvog.com/investors.html>

**Extra-Ordinary General Meeting:**

During the year under review, no Extra-Ordinary General Meeting was held.

**Policy on Archival and Preservation of Documents:**

Pursuant to Regulation 9 of SEBI Listing Regulations, the Company has adopted a Policy on Archival and Preservation of Documents.



### **MEANS OF COMMUNICATION:**

The Company promptly discloses information on material corporate developments and other events as required under the Listing Regulations. Such timely disclosures indicate the good corporate governance practices of the Company. For this purpose, it provides multiple channels of communications through dissemination of information on the online portal of the Stock Exchanges, Press Releases, the Annual Reports and by placing relevant information on its website.

#### **i) Publication of Financial Results:**

The Company publishes its annual, half-yearly and quarterly financial results in Financial Express and Pratahkal which are national and local newspapers, respectively.

#### **ii) Website and News Releases:**

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' i.e. 'Disclosure under Regulation 46 of the Listing Regulations' on the Company's website gives information on various announcements made by the Company, Annual Report, Quarterly/Half-yearly/Nine-months and Annual financial results along with the applicable policies of the Company.

Quarterly Compliance Reports on Corporate Governance and other relevant information of interest to the Investors are also placed under the Investors Section on the Company's website.

#### **iii) Stock Exchange:**

The Board of Directors has approved a Policy for determining materiality of events for the purpose of making disclosure to the Stock Exchanges. The Board of Directors, CFO and the Company Secretary are empowered to decide on the materiality of information for the purpose of making disclosures to the Stock Exchanges.

The Company makes timely disclosures of necessary information to BSE Limited (BSE) where equity shares of the Company are listed, in terms of the Listing Regulations and other applicable rules and regulations issued by the SEBI. The financials results of the Company are submitted to the Stock Exchanges immediately upon approval of the Board of Directors at the meeting and the meeting of the Board of Directors thereafter continues till its scheduled time, in order to minimise the time taken for dissemination of Unpublished Price Sensitive Information. The Policy for determining materiality of events is available at <https://www.arvog.com/investors.html>

#### **iv) BSE Corporate Compliance & the Listing Centre:**

BSE Listing are web-based application designed by BSE, respectively, for corporates to make submissions. All periodical compliance filings, inter alia, shareholding pattern, corporate governance report, corporate announcements, amongst others, are filed electronically in accordance with the Listing Regulations. Further, in compliance with the provisions of the Listing Regulations, all the disclosures made to the Stock Exchanges are in a format that allows users to find relevant information easily through a searching tool.

**v) Reminders to Investors:**

Reminders are, inter alia, sent to shareholders for registering their PAN, KYC & Nomination detail and transfer of shares thereto.

**GENERAL SHAREHOLDER INFORMATION:**

<b>1.</b>	Corporate Identification Number	L65990MH1984PLC032403
<b>2.</b>	Registered Office	202/A, 02nd Floor, Trade World, D-Wing, Kamala Mills Compound, S. B. Marg, Lower Parel West, Mumbai, Maharashtra, 400013
<b>3.</b>	Annual General Meeting	
	Day & Date	Friday, 29 <sup>th</sup> September, 2023
	Time	02:00 p.m.
	Venue	39 <sup>th</sup> Annual General Meeting (“AGM”) would be held through Video Conferencing (‘VC’) / Other Audio-Visual Means (‘OAVM’)
<b>4.</b>	Financial Year	1 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2023
<b>5.</b>	Details of Stock Exchange	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.
<b>6.</b>	Annual Listing Fees	The Company has duly paid the Annual Listing Fees to BSE Ltd.
<b>7.</b>	BSE Scrip code	508954
<b>8.</b>	ISIN	INE734I01027
<b>9.</b>	Registrar and Share Transfer Agent	Link Intime India Pvt. Ltd. C101, 247 Park, LBS Marg, Vikhroli (W), Mumbai – 400083. Tel No. 022 49186270 Fax No. 022 49186060 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
<b>10.</b>	Share Transfer System	Transfer of securities in physical form are prohibited by SEBI with effect from April 1, 2019.  All physical transmission, transposition, issue of duplicate share certificates, etc. as well as requests for dematerialisation/re-materialisation of shares are processed by Link Intime India Pvt. Ltd.
<b>11.</b>	Contact details	Tel No: 022 – 4244 1200 Email: <a href="mailto:finkurvefinancial@gmail.com">finkurvefinancial@gmail.com</a> / <a href="mailto:sunny.parekh@arvog.com">sunny.parekh@arvog.com</a>
<b>12.</b>	Credit Rating	The details of credit rating obtained by the Company is included in Board’s Report forming part of the Annual Report of the Company.

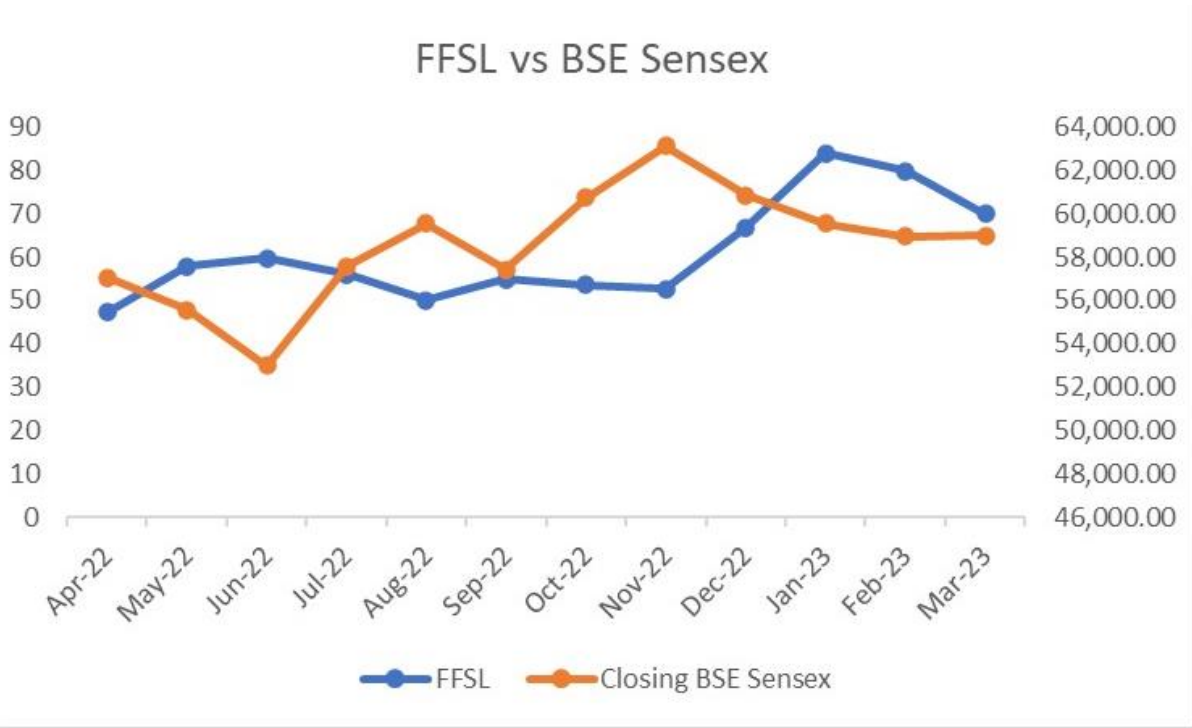
**13. Market Price Data of the Company:****11.1 High, low during each month in last financial year:**

<b><u>Month</u></b>	<b><u>Values as per BSE</u></b>			<b><u>Closing BSE</u></b>
	<b><u>High</u></b>	<b><u>Low</u></b>	<b><u>Closing</u></b>	<b><u>Sensex</u></b>
April 2022	61.85	40.50	47.25	57,060.87
May 2022	58.45	42.45	57.80	55,566.41
June 2022	85.00	54.05	59.70	53,018.94
July 2022	67.30	55.10	56.00	57,570.25
August 2022	63.45	49.75	50.05	59,537.07
September 2022	60.00	49.45	54.80	57,426.92
October 2022	59.90	47.10	53.65	60,746.59
November 2022	55.50	49.10	52.70	63,099.65
December 2022	74.70	50.60	66.80	60,840.74
January 2023	94.70	64.80	83.80	59,549.90
February 2023	95.00	68.05	79.70	58,962.12
March 2023	82.70	65.20	70.00	58,991.52

*\*Source of Data: [www.bseindia.com](http://www.bseindia.com)*

**11.2 Monthly performance as compared to BSE Sensex:**

Finkurve Financial Services Limited ('FFSL') stock performance Vs BSE Sensex, indexed to 100 on April 2022 as per the respective closing values.



**14. Distribution of Shareholding**

**12.1 Shareholding pattern across categories:**

	Categories	Number of Shares	% of Shares
<b>A</b>	Promoter & Promoter Group	69268200	54.60
	<b>Sub Total</b>	<b>69268200</b>	<b>54.60</b>
<b>B</b>	<b>Non-Promoter</b>		
	Indian Bodies Corporates	1073122	0.85
	Overseas Bodies Corporate	7414040	5.84
	Individual Shareholders holding nominal share capital upto 1 lakh	103074	0.08
	Individual Shareholders holding nominal share capital in excess of 1 lakh	46517279	36.67
	HUFs	1673206	1.32
	Non-Resident Indians	758027	0.60
	Clearing Members	6250	0.00
	Trusts	20000	0.02
	Limited Liability Partnership	25000	0.02
	<b>Sub Total</b>	<b>57589998</b>	<b>45.40</b>
<b>C</b>	<b>Grand Total (A+B)</b>	<b>126858198</b>	<b>100</b>

**12.2 Shareholding pattern across different sizes:**

Range of Shareholding	Number of Members	% of Members	Number of Shares held	% of Shares held
upto 500	1077	77.76	49871	0.04
501-1000	57	4.12	46306	0.04
1001-10000	86	6.21	319347	0.25
10001-50000	89	6.43	2515122	1.98
50001-100000	32	2.31	2118577	1.67
100001-1000000	29	2.09	10411347	8.21
1000001-5000000	10	0.72	17879040	14.09
5000000 & Above	5	0.36	93518588	73.72
<b>Total</b>	<b>1385</b>	<b>100</b>	<b>126858198</b>	<b>100</b>

**15. Dematerialising/ Re-materialising of Shares**

During the financial year 2022-23, no shares were dematerialised or rematerialized. The bifurcation of the shares held in physical and electronic mode is as follows:

Particulars	As on 31 <sup>st</sup> March, 2023		As on 31 <sup>st</sup> March, 2022	
	No. of shares	% of shares	No. of shares	% of shares
Held in CDSL	110782249	87.33	110302138	86.95
Held in NSDL	13730949	10.82	14176060	11.17
<b>Total shares held in electronic form (I)</b>	<b>124513198</b>	<b>98.15</b>	<b>124478198</b>	<b>98.12</b>
<b>Shares held in Physical form (II)</b>	<b>2345000</b>	<b>1.85</b>	<b>2380000</b>	<b>1.88</b>
<b>Total shares (I+II)</b>	<b>126858198</b>	<b>100</b>	<b>126858198</b>	<b>100</b>

**OUTSTANDING GLOBAL DEPOSITORY RECEIPTS (GDRS) OR AMERICAN DEPOSITORY RECEIPTS (ADRS) OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:**

The Company does not have any outstanding GDRs/ ADRs/ Warrants or any Convertible instruments as on date.

**SUSPENSE ESCROW DEMAT ACCOUNT:**

SEBI has vide Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated January 25, 2022 directed listed entities to issue securities in dematerialized form only while processing various investor service requests. Pursuant to the said Circular, SEBI had issued "Guidelines with respect to Procedural Aspects of Suspense Escrow Demat Account" vide its Letter No. SEBI/ HO/MIRSD/PoD-1/OW/P/2022/64923 dated December 30, 2022, to move securities, pertaining to Letter of Confirmation cases, to newly opened Suspense Escrow Demat Account latest by January 31, 2023. The Company has complied with the said requirements.





**COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES**

The Company had no exposure to Commodity Price risk and Foreign Exchange Risk and Hedging activities during the FY 2022-23.

**EVALUATION OF THE BOARD'S PERFORMANCE:**

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its committees and individual directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

**DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received a declaration made by the Independent Directors of the Company that they have fulfilled the criteria given under Section 149(6) of the Companies Act, 2013 and other applicable provisions.

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS FROM PRACTISING COMPANY SECRETARY:**

A certificate issued by M/s. Mayank Arora & Co., Company Secretaries, pursuant to Regulation 34(3) read with Clause 10 (i) of Paragraph C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority for the period as on 31st March, 2023 is attached at the end of the Corporate Governance Report.

**DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF THE SCHEDULE II OF THE SEBI LISTING REGULATIONS:**

Compliance with discretionary requirements :

All mandatory requirements of the SEBI Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations are as under:

→ Maintenance of Chairman's office: The Non-Executive Chairman has a separate cabin at the Company's registered office from where all the obligations and responsibilities of the Chairman towards the Company are duly discharged. The related expenses are borne by the Company.



→ Shareholder Rights: Annual financial performance of the Company is sent to all the Members whose e-mail IDs are registered with the Company / Depositories. A physical copy of Annual financial performance of the Company is couriered to the Shareholders whose email ids are not registered with the Registrar and Transfer Agent of the Company and also to such Shareholders (with registered email id's) who have specifically requested for it. The results are also available on the Company's website at [www.arvog.com](http://www.arvog.com)

→ Modified opinion in Audit Report: During the year under review, there was no modified opinion in the Auditors' Report on the Company's Financial Statements. The Company continues to adopt best practices to ensure a regime of unmodified audit opinions in its financial statements.

→ Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee of the Company, to ensure independence of the Internal Audit function.

→ Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: The Company has separate posts of Chairperson and Chief Executive Officer of the Company.

## **OTHER DISCLOSURES:**

### **1. Related Party Transactions:**

There are no transactions of materially significant nature that have been entered into by the Company with the promoters, directors, their relatives and the management and in any Company in which they are interested, that may have potential conflict with the interest of the Company. The transactions entered into by the Company with related parties in the normal course of business. The Members may refer to the Notes to Accounts for details of Related Party Transactions. The Board of Directors of the Company on the recommendation of the Audit Committee has adopted a policy to regulate transactions between the Company and its Related Parties in compliance with the applicable provisions of the Companies Act, 2013 the Rules there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has approved a policy for Related Party Transactions which has been uploaded on the Company's website at [www.arvog.com/reports-policies/](http://www.arvog.com/reports-policies/).

### **2. Details of non-compliance by the Company, penalties, structures:**

The Company had uploaded the Financial Results on BSE Listing Center within stipulated timeline as per Companies- SOP. However, it was later observed that the page containing the Consolidated Cash Flow statement in the Financial Statements of the Company uploaded on the BSE Listing Center was erroneously missed. In order to correct the flaw, the Company chose to upload amended Financial Statement for the quarter and Year ended 31st March, 2022 with the inclusion of the Consolidated Cash Flow Statements. In addition to that, the Company has paid the fine of Rs. 5,900/- in response to the correspondence it received from the BSE Listing Centre.

### **3. Whistle Blower Policy and Vigil Mechanism:**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations, the details of the same are mentioned in the Directors' Report. No person has been denied access to the Audit



Committee. The said policy is also available on the Company's website at <https://www.arvog.com/investors.html>

**4. Policies:**

The policy for determining 'material' subsidiaries, the policy on Related Party Transactions and other policies are available on the Company's website at [www.arvog.com/reports-policies/](http://www.arvog.com/reports-policies/).

**5. Utilization of funds raised through Preferential Allotment:**

The Company did not raise any funds by way of issue of securities during the year under review.

**6. Disclosure in relation to Sexual Harassment of women at workplace:**

The Company did not receive any complaint in relation to sexual harassment during the year. The Company has in place a policy for prevention of sexual harassment which is available on the Company's website at <https://www.arvog.com/investors.html>

**7. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':**

The details of Loans and advances made by the Company to firms / companies in which the Directors are interested stated in the respective schedule of the Financial Statements of the Company.



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant To Regulation 34(3) And Schedule V Para C Clause (10)(I) Of The Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015*

To,  
The Members of  
**Finkurve Financial Services Limited,**  
**202/A, 2<sup>nd</sup> Floor, Trade World, D-Wing,**  
**Kamala Mills Compound, S. B. Marg,**  
**Lower Parel West**  
**Mumbai - 400013**

In my opinion and to the best of my information, verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) and according to our examination of the relevant records and information provided by **FINKURVE FINANCIAL SERVICES LIMITED** ('the Company') and based on representation made by the Management of the Company for the period from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023 for the purpose of issuing a Certificate as per Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the LODR Regulations') read with Part C of Schedule V of the LODR Regulations, I hereby certify that **NONE** of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority for the period as on 31st March, 2023.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Mayank Arora & Co.,**  
**Company Secretaries**  
**(ICSI Unique Code P2023MII094900)**

Sd/-

**Mayank Arora**  
**(Partner)**  
**C.P. No.: 13609**  
**M. No.: F10378**  
**PR No. 679/2020**  
**UDIN: F010378E000485701**

**Date: 14/06/2023**  
**Place: Mumbai**



## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Board of Directors  
**FINKURVE FINANCIAL SERVICES LIMITED**  
202/A, 02nd Floor, Trade World,  
D-Wing, Kamala Mills Compound,  
S. B. Marg, Lower Parel (West),  
Mumbai - 400013

I have examined all the relevant records of **FINKURVE FINANCIAL SERVICES LIMITED** ('the Company') for the purpose of certifying compliance with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 of Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the Financial Year ended March 31, 2023

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

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the said Listing Regulations except to the following:

- a. Pursuant to Regulation 17 (1) (c) of SEBI (LODR) Regulations, 2015, the Company was required to have six (06) Directors on Board whereas due to the resignation of one of the Independent Director, the Company had only five (05) Directors on Board between 9<sup>th</sup> March, 2022 and 7<sup>th</sup> June, 2022. However, the Company appointed Mr. Dharmesh Trivedi as the Non - Executive Independent Director w.e.f. 7th June, 2022
- b. Pursuant Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015, the listed entity shall submit annual audited financial results for the financial year, within sixty days from the end of the financial year along with the audit report. , The Company has filed its Financial Results for the year ended 31st March, 2022 on 30<sup>th</sup> May, 2022 i.e., within stipulated timeline. However, it was later observed that the page containing the Consolidated Cash Flow Statement in Financial Statements of the Company uploaded on the BSE Listing Centre was erroneously missed. In order to rectify the same, the Company had uploaded revised Financial Results for the year ended 31st March, 2022 with the inclusion of the Consolidated Cash flow Statement on 31<sup>st</sup> May, 2022. The BSE Limited had levied a penalty of Rs. 5,900/- vide invoice dated 14th July, 2022 for



*violation of Regulation 33 and the Company has made the payment of the same within the stipulated time.*

- c. Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015, the listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the financial results. The Board meeting of the Company was held on 30th May, 2022 and concluded at 08.15 p.m. and the outcome of the same was filed on the same date at 08.38 p.m i.e., within the stipulated time. However, it was later observed that the page containing the Consolidated Cash Flow Statement in Financial Results of the Company for the quarter and financial year ended 31st March, 2022 uploaded on the BSE Listing Centre was erroneously missed. Hence the revised outcome of the Board meeting was filed on 31st May, 2022 at 12.27 p.m.*

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

**For Mayank Arora & Co.,  
Company Secretaries  
(ICSI Unique Code P2023MII094900)**

**Sd/-  
Mayank Arora  
(Partner)  
C.P. No.: 13609  
M. No.: F10378  
PR No. 679/2020  
UDIN: F010378E000485699**

**Date: 14/06/2023  
Place: Mumbai**



**Annexure IV**  
**Secretarial Audit Report**  
**FORM NO. MR-3**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

To,  
**THE MEMBERS,**  
**FINKURVE FINANCIAL SERVICES LIMITED**  
202/A, 02nd Floor, Trade World,  
D-Wing, Kamala Mills Compound,  
S. B. Marg, Lower Parel (West),  
Mumbai – 400 013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **FINKURVE FINANCIAL SERVICES LIMITED** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on my verification of the Company’s Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the financial year ended 31<sup>st</sup> March, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. FINKURVE FINANCIAL SERVICES LIMITED** (“the Company”) for the financial year ended on 31<sup>st</sup> March, 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Reserve Bank of India Act, 1934;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment; **(not applicable to the Company during the Audit period)**;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-



- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(not applicable to the Company during the Audit period)**
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the Company during the Audit period)**
- f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 **(not applicable to the Company during the Audit period)** and
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(not applicable to the Company during the Audit period);** and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(not applicable to the Company during the Audit period);**

(vii) Other Laws applicable to the Company as per the representations made by the Company are listed in **Annexure I** and forms an integral part of this report.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts we have relied on the Reports given by the Statutory Auditors of the Company.

We have also examined compliance with the applicable clause of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India; and
- b. The (Listing Obligation and Disclosure Requirements) Regulations, 2015

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following Observations:





1. Pursuant to Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015, the company was required to have six (06) directors on Board whereas due to the resignation of one of the Independent Director, the Company had only five (05) directors on Board between 09<sup>th</sup> March, 2022 and 07<sup>th</sup> June, 2022.

*The company has appointed Mr. Dharmesh Trivedi as the Non - Executive Independent Director w.e.f. 07<sup>th</sup> June, 2022 in compliance with Regulation 25(6) of the SEBI (LODR), 2015.*

2. Pursuant to Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015, the company has filed revised financial results for the year ended 31<sup>st</sup> March, 2022 because the page containing the Consolidated Cash Flow Statement in Financial Statements of the Company uploaded on the BSE Listing Centre was erroneously missed hence the BSE Ltd. had levied a penalty of Rs. 5,900 vide invoice dated 14<sup>th</sup> July, 2022 for violation of Regulation 33 and the company has made the payment of the same within the stipulated time.
3. Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015, the Board meeting of the company was held on 30<sup>th</sup> May, 2022 and concluded at 08.15 p.m. and the outcome of the same was filed on the same date at 08.38 p.m. however, it was later observed that the page containing the Consolidated Cash Flow Statement in Financial Statements of the Company for the quarter and financial year ended 31<sup>st</sup> March, 2022 uploaded on the BSE Listing Centre was erroneously missed, hence the revised outcome of the Board meeting was filed on 31<sup>st</sup> May, 2022 at 12.27 p.m.

**We further report that:**

The Board of Directors of the Company was duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors for the period under review. The changes in the composition of the Board of Directors, that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there was no instance of:

- i. Public/Right/Debt/Sweat Equity
- ii. Buyback of securities



iii. Foreign Technical Collaboration

This report is to be read with my letter of even date which is annexed as **Annexure II** and form an integral part of this report.

**For Mayank Arora & Co.  
Company Secretaries**

**Sd/-  
Mayank Arora  
Partner  
C.P. No. 13609  
PR No: 679/2020  
UDIN: F010378E000736477**

**Date: 03<sup>rd</sup> August, 2023  
Place: Mumbai**



**Annexure I**

**Other Laws applicable to the Company**

**(A) Commercial Laws**

- (i) Indian Contract Act
- (ii) Limitation Act
- (iii) Arbitration and Conciliation Act
- (iv) Negotiable Instruments Act
- (v) Information Technology Act
- (vi) The Competition Act

**(B) Others**

- a) Bombay/Indian Stamp Act
- b) Registration Act



**Annexure II**

To,  
**THE MEMBERS,**  
**FINKURVE FIANCIAL SERVICES LIMITED**  
202/A, 2nd Floor, Trade World,  
D-Wing, Kamala Mills Compound,  
S. B. Marg, Lower Parel West  
Mumbai - 400013

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. We have reported, in our audit report, only that non-compliance, especially in respect of filing of applicable forms/documents, which, in our opinion, are material and having major bearing on financials of the Company.

**For Mayank Arora & Co.**  
**Company Secretaries**

Sd/-  
**Mayank Arora**  
**Partner**  
**C.P. No. 13609**  
**PR No: 679/2020**  
**UDIN: F010378E000736477**

**Date: 03<sup>rd</sup> August, 2023**  
**Place: Mumbai**



**Annexure V**

**The Annual Report on CSR Activities for Financial Year ended 31<sup>st</sup> March, 2023**

1. Brief outline on CSR Policy of the Company.

“CIVILIZATION” in true sense means coming and working together for each other with the idea of benefiting the other. However, to keep pace with the changing environment the “civilization” seems to lose its true meaning. One should realize that the synergy is gained by coming together and not by staying isolated. The organizations must understand the need of the hour that the Government cannot alone uplift the society as a whole and thus every organization must extend their hands for this noble cause.

The organization functions in the society, it is a part of it and it receives resources, man power, revenue, etc. from the society and it inherently becomes the responsibility of the organization to return to the society by giving what the society wants so that it can become a better place for the entire human race.

CSR is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of Finkurve Financial Services Limited to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

2. Composition of CSR Committee:

<b>Sr No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Number of meetings of CSR Committee attended during the year</b>
1.	Mr. Ketan Kothari	Chairman, Non-Executive Director	2 of 2
2.	Mr. Nishant Ranka	Member, Independent Director	2 of 2
3.	Mrs. Riddhi Tilwani	Member, Independent Director	2 of 2

During the year under review, the CSR committee met twice on 30<sup>th</sup> May, 2022 and 08<sup>th</sup> August, 2022.

3. Composition of CSR committee, CSR Policy and CSR projects are disclosed on the website of the Company: [www.arvog.com](http://www.arvog.com)

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: 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: ₹ 2.66 Lacs
6. Average net profit of the Company as per section 135(5): ₹ 1269.90 Lacs
7. a. Two percent of average net profit of the company as per section 135(5): ₹ 25.40 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: ₹2.66 Lacs  
 d. Total CSR obligation for the financial year (7a+7b-7c): ₹22.74 Lacs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in Rs.)				
	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.
₹ 23.00 Lacs	Not Applicable		--	--	--

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

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

Sr. 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.
1.	Health Care	Healthcare	Yes	Mumbai		3,00,000	No	M/s. Josh Foundation
2.	Health Care, Education & Women Empowerment	Healthcare	Yes	Mumbai		11,00,000	No	Ms/. Kalawati devi Memorial Charitable Society
3.	Animal Protection Organisation	Animal Welfare	Yes	Mumbai		9,00,000	No	M/s. Sherry and Diya Foundation
<b>Total</b>						<b>23,00,000</b>		



- (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): ₹23.00 Lacs
- (g) Excess amount for set off, if any: ₹ 0.26 Lacs
1. (a) Details of Unspent CSR amount for the preceding three financial years: Nil
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil
2. 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): Not Applicable
3. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The Chairman further informed the Committee that the Company was required to spend an amount of ₹ 22,74,000/- during the year towards CSR activities considering the set off of availed for the excess amount spent in the preceding financial year, and has successfully spent ₹ 23,00,000/- towards healthcare and animal welfare services. In accordance with the provisions of Section 135(5) of the Companies Act, 2013, the Company shall be entitled to claim set-off of the amount spent in excess i.e. ₹ 26,000/-, of what is required under Section 135(5) for succeeding three Financial Years.

**Sd/-**  
**Mr. Ketan Kothari**  
**Chairman CSR Committee**

**Date: 30<sup>th</sup> August, 2023**

**Annexure VI****MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management of the Company is pleased to present this Management Discussion and Analysis Report in compliance with Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

**1. INDUSTRY STRUCTURE AND DEVELOPMENT:**

The global landscape is displaying signs of recuperation in the aftermath of the various challenges encountered over the past few years. Despite these formidable trials, India has emerged as a notable stronghold in the realm of economic expansion, all within the overarching context of a worldwide deceleration. Recent pronouncements by The World Bank have underscored India's superior aptitude to effectively steer through international economic adversities and manage the cascading impacts of the global milieu, setting it apart from its peers among major emerging economies. The observed upswing in demand during the festive season further contributes to our grounds for optimism.

Real GDP or GDP for the year 2023-24 is estimated to grow at a rate of 6.5%, making India one of the fastest-growing economies in the world. The growth is expected to be achieved on the back of robust credit growth, lower commodity prices, and an increase in government spending and capital expenditure prior to the upcoming general elections.

Non-Banking Financial Corporations (NBFCs) have emerged as a paramount source of financial support for a broad spectrum of the population. This encompasses small and medium-scale enterprises, as well as individuals who have traditionally remained financially underserved. These NBFCs have adeptly addressed the diverse financial needs of borrowers, characterized by their extensive geographical reach, nuanced comprehension of financial requirements, and remarkable promptness in processing. As a result, non-bank lenders have played a pivotal role in advancing financial inclusion, thereby propelling the growth trajectory of countless micro, small, and medium enterprises (MSMEs), along with self-employed individuals. In conjunction with their escalating role in consumer finance, the expansion of crucial economic sectors like housing, consumer goods, and transportation has gained a substantial boost from the contributions of non-bank lenders.

In anticipation of the upcoming budget, non-banking finance companies (NBFCs) specializing in gold loans are advocating for the attainment of 'priority' sector classification for eligible gold loans. This encompassing eligibility entails microloans, loans directed towards farmers, and loans for micro businesses. The plea for such recognition stems from the fact that leveraging household jewellery for gold loans has emerged as a pivotal financing avenue for various sectors, including MSMEs, small businesses, individuals, and women borrowers. The gold loan segment has notably experienced consistent growth in demand and disbursal. This can be attributed to a shift in perception surrounding the act of pledging gold, which has contributed to fostering a positive market atmosphere and instilling confidence in consumers regarding economic resurgence.





NBFC's in India have also been rooting for a robust co-lending framework. Such a framework would serve to incentivize robust collaboration between gold loan entities and banking institutions, with the primary objective of collectively addressing the existing gaps in credit access. This collaborative approach would undoubtedly bolster the capacity to cater to unmet credit needs more effectively and comprehensively.

## **2. OPPORTUNITIES AND THREATS:**

The unprecedented rise in interest rates has had a detrimental impact on the world economy. High inflation, borrowing costs and lower growth rates have only increased the magnitude of the difficulties faced by various countries slowing the economic growth worldwide.

Amidst the challenges, NBFCs in India will need to adopt strategic measures that encompass innovation, risk management, regulatory compliance, and adaptability to changing market dynamics.

### **Opportunities:**

- **Digital Transformation:** The ongoing digital revolution offers a chance for NBFCs to enhance operational efficiency, customer experience, and accessibility through digital platforms, contributing to increased market penetration.
- **Financial Inclusion:** There remains a significant untapped market of financially underserved individuals and small businesses. NBFCs can seize the opportunity to cater to their unique needs and drive financial inclusion.
- **Rural and Semi-Urban Expansion:** Extending operations to rural and semi-urban areas can lead to substantial growth opportunities, as these regions often lack adequate access to formal financial services.

### **Threats:**

- **Liquidity Challenges:** The availability of liquidity and the cost of funds are critical for NBFCs. Sudden liquidity crunches can impact their lending capacity and financial stability.
- **Credit Risk and Asset Quality:** Economic uncertainties or changes in borrower behavior can lead to a rise in non-performing assets, potentially affecting profitability and sustainability.
- **Interest Rate Fluctuations:** Volatile interest rates can impact borrowing costs and interest rate spreads, potentially affecting NBFCs' profitability and loan demand.

## **3. SEGMENT-WISE OR PRODUCT WISE PERFORMANCE:**

The Company operates in only single segment. Hence segment wise performance is not applicable.



#### **4. OUTLOOK AND FUTURE PROSPECTS:**

The growth projection has been revised upwards, with assessments from the ratings agency indicating a robust expansion in the retail assets under management of NBFCs. The anticipated growth for the fiscal year 2024 now stands at an impressive 18–20%, surpassing the earlier estimate of 12–14%. Among specific segments, housing finance companies are anticipated to register growth within the range of 12–14%, while the NBFC infrastructure sector is poised for a steady advancement at 10–12%.

The growth trajectory of net interest margins and additional income is predicted to moderate due to an elevation in the cost of funds. As with several banking entities, operating expenses are also expected to escalate as issuers embark on expansion endeavours during the fiscal period. Of notable significance, the unsecured loan category has emerged as a principal driver for the overall augmentation of NBFCs. This phenomenon can be largely attributed to the surge in digitalization, effective cross-selling strategies, and a notable upsurge in the proportion of personal loans. The sector has demonstrated an impressive compound annual growth rate of 33% over the past five years.

While the outlook for NBFCs in this fiscal appeared sanguine owing to the gradual subsiding of Covid-19 pandemic effects, there exist four critical areas of observation. These encompass data protection measures, the potential risks associated with borrower over-leveraging, the state of unseasoned loan portfolios, and the ongoing evolution of the regulatory framework.

#### **5. RISKS & CONCERNS:**

The NBFC sector faced a notable compliance challenge in 2022, with the RBI issuing more than 27 specific regulatory updates. Even a single-state NBFC needs to adhere to around 621 compliances, including over 35 registrations and approvals. These encompass various aspects like record-keeping, returns, and filings under laws such as the Prevention of Money Laundering Act and RBI Guidelines on Fair Practices Code. Depending on size, NBFCs must manage numerous acts and rules, adding complexity, especially given the fluid regulatory environment. Major compliance challenges include the new PCA framework, revised regulations, poor license tracking, intricate requirements, lack of awareness, and manual, paper-based processes.

Facing challenges in upholding compliance standards, an overwhelming 94 percent of compliance officers within NBFCs express a lack of confidence in possessing the essential visibility and control over their organization's compliance program.

#### **6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The extant Internal Control Systems within the organization are sufficiently robust to ensure the diligent monitoring and effective regulation of all activities, mitigating any potential instances of asset misuse or misappropriation. Furthermore, these systems diligently authorize, accurately record, and impeccably report transactions.

It is noteworthy that these internal control mechanisms undergo continuous vigilance by the Audit Committee of the Company, underscoring the commitment to maintaining the highest standards



of operational integrity. This ongoing scrutiny also fosters a culture of perpetual enhancement, as these internal control systems are consistently refined to uphold their efficacy.

**7. HUMAN RESOURCES:**

The company considers its employees as highly valuable assets. It consistently reviews and refines policies to attract and retain technical and managerial staff, fostering a favourable work environment.

**8. CAUTIONARY STATEMENT:**

The Management Discussion and Analysis Report may contain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. The actual results may differ materially from those expressed in the statement. Important factors could influence the Company's operations such as government policies, local, political and economic development, risk inherent to the Company's growth and such other factors.

**9. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The Financial as well as Operational performance of the Company has increased considerably during FY 2022-23 as compared to the FY 2021-22 due to availability of working capital.

**For and on behalf of the Board of Directors**

**Place: Mumbai  
Date: 30<sup>th</sup> August, 2023**

**Sd/-  
Ketan Kothari  
Chairman  
DIN: 00230725**



**MD/ CFO CERTIFICATION**

**To,  
The Board of Directors,  
Finkurve Financial Services Limited**

We, Narendra Jain, Executive Director and Aakash Jain, Chief Financial Officer of Finkurve Financial Services Limited (“the Company”), to the best of our knowledge and belief, hereby certify that:

- a. We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2023 and based on our knowledge and belief, state that:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2023, which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and for evaluating the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies
- d. We have indicated to the Auditors and the Audit Committee:
  - i) That there were no significant changes in internal control over financial reporting during the year;
  - ii) that there were no significant changes in accounting policies during the year which need to be disclosed in the notes to the financial statements; and
  - iii) that there have been no material instances of significant fraud during the year and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors  
Finkurve Financial Services Limited**

**Sd/-  
Narendra Jain  
Executive Director**

**Sd/-  
Aakash Jain  
Chief Financial Officer**



**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT PURSUANT TO SCHEDULE V(D) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

**To,  
The Members,  
Finkurve Financial Services Limited**

I, **Narendra Jain**, Executive Director of the Company, do hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct adopted by the Board of Directors and Senior Management of the Company. The same has been made available on the website of the Company i.e., [www.arvog.com](http://www.arvog.com).

**For and on behalf of the Board of Directors  
Finkurve Financial Services Limited**

**Place: Mumbai  
Date:30<sup>th</sup> August, 2023**

**Sd/-  
Narendra Jain  
Executive Director  
DIN: 08788557**

**DISCLOSURE UNDER PARA F OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015**

**To,  
The Members,  
Finkurve Financial Services Limited**

In accordance with Para F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we hereby confirm that, there are no shares in the Demat Suspense Account or Unclaimed Suspense Account.

**For and on behalf of the Board of Directors  
Finkurve Financial Services Limited**

**Place: Mumbai  
Date:30<sup>th</sup> August, 2023**

**Sd/-  
Narendra Jain  
Executive Director  
DIN: 08788557**

**DISCLOSURES WITH RESPECT TO EMPLOYEE STOCK OPTION SCHEMES OF THE COMPANY PURSUANT TO REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 AS ON MARCH 31, 2023**

There has been no material change in the Employee Stock Option Schemes ('ESOP Schemes') of the Company and same are in compliance with the Companies Act, 2013 read with rules thereunder and the SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 and other SEBI Regulations, if any.

Disclosures required under Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are as under:

**A. Relevant disclosures in terms of accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.**

For details, shareholders may refer to the Audited Financial Statement which forms part of the Annual Report Financial Year 2022-23.

**B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time.**

For details, shareholders may refer to the Audited Financial Statement which forms part of the Annual Report Financial Year 2022-23.

**C. Details related to ESOS****1. Finkurve ESOP Scheme 2018**

i. Description including the general terms and conditions of ESOP Scheme 2015 is as follows:

<b>Sl. No.</b>	<b>Particulars</b>	<b>FFSL ESOP Scheme 2018</b>
a)	Date of shareholders' approval	29 <sup>th</sup> September, 2018
b)	Total number of options approved under ESOS	50,00,000
c)	Vesting requirements	Vesting will commence after Twelve (12) months from the date of Grant of such Option but not later than Seventy-Two (72) months from the date of Grant of such options.
d)	Exercise price or pricing formula	The Exercise Price per option shall not be less than face value of equity



		share and shall not exceed Market Price of the equity share of the company as on Date of Grant of options which may be decided by the Nomination and Remuneration Committee.
e)	Maximum term of options granted	5 (Five) Years
f)	Source of shares (Primary, secondary or combination)	Primary
g)	Variation in terms of options	No variations have been made in terms of options during FY23

ii. Method used to account for ESOS (Intrinsic or fair value): Fair Value

iii. Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed. : The Company has used fair market value method for calculation of compensation cost, using the Black Scholes Option Pricing Model

iv. Option movement during the year (For each ESOS):

Sr No.	Particulars	Finkurve ESOP - 2018
1.	Number of options outstanding at the beginning of the period	404664
2.	Number of options granted during the year	0
3.	Number of options forfeited / lapsed during the year	106114
4.	Number of options vested during the year	298550
5.	Number of options exercised during the year	0
6.	Number of shares arising as a result of exercise of options	0
7.	Money realized by exercise of options (INR), if scheme is implemented directly by the company	NIL
8.	Loan repaid by the Trust during the year from exercise price received	Not Applicable
9.	Number of options outstanding at the end of the year	298550
10.	Number of options exercisable at the end of the year	134348



v. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.

- Weighted-average exercise price: 0
- Weighted-average fair value of options granted during the year: Not Applicable

vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -

a. Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sl. No.	Name of the Senior Managerial Personnel	Designation	Number of Options granted during the year	Exercise Price of Options granted
1.	Sunny Parekh	Company Secretary & Compliance Officer	0	Not Applicable
2.	Aakash Jain	Chief Financial Officer	0	Not Applicable
3.	Sagar Nishar	Business Head	0	Not Applicable

b. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year: Nil

c. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant: Nil

vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information: **Not Applicable**

a. The weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;

Sl No.	Particulars	2022-23
1.	Weighted average risk-free interest rate	0
2.	Weighted average expected Options life	0
3.	Weighted average expected volatility	0
4.	Weighted average expected dividends per share of face value of Re. 1	0
5.	Weighted average share price	0
6.	Weighted average exercise price	0

b. the method used and the assumptions made to incorporate the effects of expected early exercise; Not Applicable





c. how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; The expected volatility has been calculated entirely based on historic Company's share price.

(d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.



## INDEPENDENT AUDITOR'S REPORT

To The Members of

**Finkurve Financial Services Limited**

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Finkurve Financial Services Limited** ("the Company"), which comprises of Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow 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 financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, its profits (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Key Audit Matters

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



Sr. No.	Key Audit Matter	How was the matter addressed in our audit
1	<p>Accuracy in identification and categorisation of loans and advances receivable from financing activities as performing and non-performing assets and in ensuring appropriate asset classification, existence of security, income recognition, provisioning/write off thereof and completeness of disclosure including compliance in accordance with the applicable extant guidelines issued by Reserve Bank of India (RBI).</p>	<p>We have assessed the systems and processes laid down by the company to appropriately identify and classify the loans and advances receivables from financing activities including those in place to ensure correct classification, income recognition and provisioning/write off including of Non-performing assets as per applicable RBI guidelines.</p> <p>The audit approach included testing the existence and effectiveness of the control environment laid down by the management and conducting of substantive verification on selected sample transactions in accordance with the principles laid down in the Standards on Auditing and other guidance issued by Institute of Chartered Accountants of India.</p> <p>Agreements entered into regarding significant transactions including related to loans have been examined to ensure compliance.</p> <p>Compliance with material disclosure requirements prescribed by RBI guidelines and other statutory requirements has been verified.</p>
2	<p>Impairment of financial assets (expected credit loss) (as described in note 1 (h) of the Ind AS financial statements)</p> <p>Ind AS 109 requires the Company to recognise impairment loss allowance towards its financial assets (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including:</p> <ul style="list-style-type: none"><li>•Unbiased, probability weighted outcome under various scenarios;</li><li>•Time value of money;</li></ul>	<p>•We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109.</p> <p>•We tested the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa.</p> <p>•We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation.</p>



- Availability of reasonable and supportable information without undue costs.

- Applying these principles involves significant estimation in various aspects, such as:

- Grouping of borrowers based on homogeneity by using appropriate statistical techniques;

- Staging of loans and estimation of behavioural life;

- Determining macro-economic factors impacting credit quality of receivables;

- Estimation of losses for loan products with no/minimal historical defaults.

Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter

- Tested the ECL model, including assumptions and underlying Computation

- Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults.

- Audited disclosures included in the Ind AS financial statements in respect of expected credit losses.

### **Information Other than the Financial Statements and Auditor's report thereon**

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Company's annual report but does not include the financial statement and our auditor's report thereon which we obtained prior to the date of this auditor's report, and Annual Report, which is expected to be made available to us after that date.

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

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

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

### **Responsibilities of Management and those charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income),



changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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

In preparing the financial statements, the 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 the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure “A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. [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 and records.
  - (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) On the basis of the written representation received from the directors as on 31 March, 2023 taken on records by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 from being appointed as a Director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;
- [B] With respect to the matters to be included in the Auditor's report in accordance with the 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, we report that:
- i. There were no pending litigations which would impact the financial position of the Company (refer note no 30 of the financial statements).
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



- (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (I) and (ii) of Rule 11(e), as provided under [B] (iv) (a) and (b) above, contain any material misstatement.
- v. The Board of Directors of the Company have not proposed dividend for the current year and in the previous year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year.

**For P. D. Saraf & Co.**

Chartered Accountants

(Firm Registration No. 109241W)

Sd/-

**(Madhusudan Saraf)**

Partner

M. No. 41747

UDIN: 23041747BGWHMP8462

Place: Mumbai

Date: 20<sup>th</sup> May, 2023





**Annexure A to Independent Auditor's Report**

Referred to as Annexure 'A' in paragraph (1) of Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of **Finkurve Financial Services Limited** on the financial statement for the year ended on 31 March, 2023, we report that :

- (i) (a)(A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE") and relevant details of right-of-use assets.
  - (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The PPE have been physically verified by the management during the year under a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) The company does not have immovable property hence; verification of title deed of any such immovable properties is not applicable.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) and intangible assets or both 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, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988 as amended in 2016) and rules made thereunder.
- (ii) (a) The Company is in the business of providing loans and does not have any physical inventory hence; the provisions of the clause 3(ii)(a) of the Order is not applicable to it.
  - (b) According to the information and explanations given to us, during the year, the Company has availed sanctioned working capital limit in excess of Rs. 5 Crores by the banks. The limits are sanctioned on the security of pledge of gold ornaments, Jewellery etc which are pledge with the company by the gold loan borrowers. As informed to us by the management, due to the nature of facilities sanctioned by the banks {being "Gold Power (Repledge)", "OD against pledge of gold ornaments", "CUB Sona-Other"}, Company is not required to submit monthly or quarterly stock or book debts or other statements to the banks and hence, the provisions of the clause 3(ii)(b) of the Order is not applicable to it.



- (iii) (a) The Company's principal business activity is to give loan hence, clause 3(iii)(a) of the Order is not applicable to it.
- (b) The Company, being a Non-Systematically Important, Non-Deposit Taking Non-Banking Financial Company ('NBFC') is registered under the provisions of Reserve Bank of India Act, 1934. In our opinion and according to the information and explanations given to us, the Company have not provided any guarantee or given any security during the year. Further, investments made and the terms and conditions of the grant of all loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the Company's interest.
- (c) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal, except in the cases of loans repayable on demand, and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in the course of its periodic regulatory reporting. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
- (d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. The gross amount of amounts overdue over 90 days as at 31 March 2023 is Rs. 479.61 Lakhs and after providing for provisions in accordance with the provisions and rules as stated, net amount of such overdue loans is Rs. 239.68 lakhs. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
- (e) Since the Company's principal business is to give loans, the provision of clause 3(iii)(e) of the Order is not applicable to it.
- (f) The Company being a NBFC, during the course of its business activity of granting of loans, has granted loans or advances in the nature of loans that are either repayable on demand or without specifying any terms or period of repayment. The aggregate amounts of total loan or advances in the nature of loans, loan or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to promoters, related parties and other parties are as under:



Sr. No.	Particulars	Amount (INR in Lakhs)	% of Total Loans
A.	Total Loans or advances in the nature of loans (gross amount) (refer note no 3 of financial statement)	22,412.89	-
B.	Total Loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment (gross amount)	5,581.11	24.90%
C.	Loans to Promoters out of B above	Nil	-
D.	Loans to Related Parties out of B above	2,856.31	12.74%
E.	Loans to Other Parties out of B above	2,724.80	12.16%

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. In our opinion and according to the information and explanations given to us, the company have not provided any guarantee or given security during the year.
- (v) In our opinion and according to the information given to us, the company has not accepted deposits and hence, compliance with the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under with regard to the deposits accepted is not applicable.
- (vi) According to the information and explanation given to us, the central government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Act for the business activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) In our opinion, the company is regular in depositing applicable undisputed statutory dues relating to amounts deducted/accrued in the books of account in respect of statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, service tax, cess and any other material statutory dues, as applicable to it with the appropriate authorities during the year.

According to information and explanation given to us, no any undisputed amounts of such taxes were in arrears as at 31 March, 2023 for a period of more than six months from the date they became payable. The provisions relating to duty of custom, duty of excise, value added tax and sales tax are not applicable to the Company.

- (b) According to the information and explanation given to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income tax, service tax, cess which have not been deposited with appropriate authority on account of any dispute. The provisions relating to duty of custom, duty of excise, value added tax and sales tax are not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



- (ix) a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, joint ventures or associates and hence, reporting under clause (3)(ix)(e) of the Order regarding loan taken by Company to meet the obligations of subsidiary, joint venture and associates is not applicable.
- (f) The Company does not have any subsidiary, joint ventures or associates and hence, reporting under clause (3)(ix)(f) of the Order regarding raising of loan on the pledge of securities held in its subsidiaries, joint ventures or associate companies is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer during the year. However, the Company had taken rupee external commercial borrowing (ECB) in preceding year and such ECB, after complying with the guidelines prescribed by the Reserve Bank of India, have been converted into rupee denominated non-convertible debentures (NCD) during the year. The ECB was taken to meet the working capital requirements and was applied for the business activity of on lending / working capital requirements.
- (b) The Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year under review and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year by the Statutory Auditors and upto the date of this report.



- (c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company; hence clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business. The Company needs to further enhance the coverage / scope of the internal audit in certain areas.
- (b) We have taken into consideration, the reports of the Internal Auditors received by the Company during the year and provided to us while determining the nature, timing and extent of audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with its directors or the persons connected with them hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is required to be registered as NBFC under section 45-IA of the Reserve Bank of India Act 1934 and it has obtained certificate of registration dated 9<sup>th</sup> March, 1998.
- (b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. The Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.
- (c) The Company is not a Core Investment Company (CIC) and hence reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) As per information provided to us in course of our audit, the Group (as defined under Master Direction DNBR.PD.008/03.10.119/2016-17 - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016) to which the Company belongs does not have CIC's as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.



- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

**For P. D. Saraf & Co.**

Chartered Accountants

(Firm Registration No. 109241W)

Sd/-

**(Madhusudan Saraf)**

Partner

M. No. 41747

UDIN: 23041747BGWHMP8462

Place: Mumbai

Date: 20<sup>th</sup> May, 2023



### **Annexure B to Independent Auditor's Report**

Referred to as Annexure 'B' in paragraph 2[A](f) of Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of Finkurve **Financial Services Limited** on the financial statement for the year ended on 31 March, 2023.

#### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. We have audited the internal financial controls over with reference to financial statements of **Finkurve Financial Services Limited** ("the Company") as on 31 March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended and as on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with the 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.
4. 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.
5. 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**

6. 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**

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

### **Opinion**

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For P. D. Saraf & Co.**

Chartered Accountants

(Firm Registration No. 109241W)

Sd/-

**(Madhusudan Saraf)**

Partner

M. No. 41747

UDIN: 23041747BGWHMP8462

Place: Mumbai

Date: 20<sup>th</sup> May, 2023





**FINKURVE FINANCIAL SERVICES LIMITED**  
**Balance Sheet as at 31 March 2023**  
 (All amounts in INR in Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
<b>I. ASSETS</b>			
<b>(1) Financial assets</b>			
(a) Cash and cash equivalents	2	446.33	263.11
(b) Loans	3	22,061.85	17,447.47
(c) Investments	4	410.39	508.50
(d) Other financial assets	5	276.28	69.67
<b>Total financial assets</b>		<b>23,194.84</b>	<b>18,288.75</b>
<b>(2) Non-financial assets</b>			
(a) Current tax assets (net)	6	78.23	75.49
(b) Deferred tax assets (net)	27 (c)	66.80	147.03
(c) Property, plant and equipment	7	106.61	38.08
(d) Right of use assets	32	10.28	22.51
(e) Other intangible assets	8	0.61	1.65
(f) Other non-financial assets	9	3.83	41.59
<b>Total non-financial assets</b>		<b>266.37</b>	<b>326.34</b>
<b>TOTAL ASSETS</b>		<b>23,461.20</b>	<b>18,615.09</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>(1) Financial liabilities</b>			
(a) Payables			
(i) Trade payables	10		
(i) Total outstanding dues of micro enterprises and small enterprises		15.89	9.19
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		366.51	141.86
(b) Debt securities	11	767.53	-
(c) Borrowings (Other than debts securities)	12	4,379.44	2,333.17
(d) Lease liabilities	32	16.34	32.92
(e) Other financial liabilities	13	544.72	215.76
<b>Total financial liabilities</b>		<b>6,090.44</b>	<b>2,732.89</b>
<b>(2) Non-financial liabilities</b>			
(a) Current tax liabilities (net)	14	52.93	-
(b) Provisions	15	7.54	11.13
(c) Other non-financial liabilities	16	60.43	66.23
<b>Total non-financial liabilities</b>		<b>120.91</b>	<b>77.35</b>
<b>Total liabilities</b>		<b>6,211.34</b>	<b>2,810.24</b>
<b>(3) Equity</b>			
(a) Equity share capital	17	1,268.58	1,268.58
(b) Other equity	18	15,981.28	14,536.26
<b>Total equity</b>		<b>17,249.86</b>	<b>15,804.84</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>23,461.20</b>	<b>18,615.09</b>

Significant accounting policies and other explanatory information 1 to 63

As per our report of even date attached

For P. D. Saraf & Co

Chartered Accountants

Firm Registration No : 109241W

Sd/-

**Madhusudan Saraf**

Partner

Membership No.: 41747

Place: Mumbai

Date: 20th May 2023

For and on behalf of the Board of Directors of

**Finkurve Financial Services Limited**

CIN : L65990MH1984PLC032403

Sd/-

**Ketan Kothari**

Director

DIN: 00230725

Sd/-

**Aakash Jain**

Chief Financial

Officer

Sd/-

**Narendra Jain**

Director

DIN: 08788557

Sd/-

**Sunny Parekh**

Company Secretary

M.No. ACS32611



**FINKURVE FINANCIAL SERVICES LIMITED**  
**Statement of Profit & Loss for the year ended 31 March 2023**  
**(All amounts in INR in Lakhs, unless otherwise stated)**

Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
<b>Revenue from operations</b>	19		
(i) Interest income		3,793.18	1,902.73
(ii) Fees and commission income		1,241.88	361.23
(iii) Net gain on fair value change		7.98	4.11
<b>(I) Total Revenue from operations</b>		<b>5,043.04</b>	<b>2,268.07</b>
(II) Other income	20	19.74	1.73
<b>(III) Total income (I + II)</b>		<b>5,062.78</b>	<b>2,269.80</b>
<b>Expenses</b>			
(i) Finance costs	21	494.78	331.38
(ii) Fees and commission expenses		1,953.44	595.86
(iii) Net loss on fair value changes	22	111.22	38.62
(iv) (Reversal of impairment) / impairment on financial instruments	23	(79.74)	186.58
(v) Employee benefits expenses	24	199.54	213.97
(vi) Depreciation, amortisation and impairment	25	42.93	28.78
(vii) Other expenses	26	380.99	264.12
<b>(IV) Total expenses</b>		<b>3,103.17</b>	<b>1,659.32</b>
<b>(V) Profit before exceptional items and tax (III - IV)</b>		<b>1,959.60</b>	<b>610.48</b>
<b>(VI) Exceptional items</b>			
Net gain on sale of Investments in subsidiary carried at cost		-	2,095.22
<b>(VII) Profit before tax (V + VI)</b>		<b>1,959.60</b>	<b>2,705.70</b>
<b>(VIII) Tax expense</b>	27		
(i) Current tax		450.00	533.00
(ii) Deferred tax		78.59	10.13
(iii) Tax adjustment for earlier years		(1.31)	1.69
		<b>527.28</b>	<b>544.82</b>
<b>(IX) Profit for the year from continuing operations (VII - VIII)</b>		<b>1,432.32</b>	<b>2,160.88</b>
<b>(X) Profit for the year</b>		<b>1,432.32</b>	<b>2,160.88</b>
<b>(XI) Other comprehensive income</b>			
A. Items that will not be reclassified to profit or loss - Income / (Expenses)			
(i) Remeasurement of the defined benefit plan		6.51	(2.73)
(ii) Income tax on remeasurement of the defined benefit plan		(1.64)	0.69
<b>Other comprehensive income for the year</b>		<b>4.88</b>	<b>(2.05)</b>
<b>(XII) Total comprehensive income for the year (X + XI)</b>		<b>1,437.20</b>	<b>2,158.84</b>
<b>(XIII) Earnings per equity share : (Face value of INR 1 per equity share)</b>	28		
Basic (INR)		1.13	1.70
Diluted (INR)		1.13	1.70

**Significant accounting policies and other explanatory information**

**1 to 63**

**As per our report of even date attached**

**For P. D. Saraf & Co**

Chartered Accountants

Firm Registration No : 109241W

Sd/-

**Madhusudan Saraf**

Partner

Membership No.: 41747

Place: Mumbai

Date: 20th May 2023

For and on behalf of the Board of Directors of  
**Finkurve Financial Services Limited**

CIN : L65990MH1984PLC032403

Sd/-

**Ketan Kothari**

Director

DIN: 00230725

Sd/-

**Narendra Jain**

Director

DIN: 08788557

Sd/-

**Aakash Jain**

Chief Financial

Officer

Sd/-

**Sunny Parekh**

Company Secretary

M.No. ACS32611



FINKURVE FINANCIAL SERVICES LIMITED

Statement of Cash flow for the year ended 31 March 2023

(All amounts in INR in Lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>A. Cash flow from operating activities</b>		
Profit before tax	1,959.60	2,705.70
<b>Adjustments for:</b>		
Depreciation	30.71	16.55
Amortisation of Right of Use	12.23	12.23
Share based payments to employees	7.82	51.40
Bad Debts	343.25	-
Gratuity to employees	2.93	3.92
Finance cost	491.56	326.31
Interest on lease liabilities	3.22	5.07
(Reversal of Impairment) / Impairment on financial instruments	(422.99)	186.58
Fair value of Financial assets - Investments (unrealised)	111.22	38.62
Fair value of Financial assets - Investments (realised)	(7.98)	(4.11)
Profit on sale of Investments in subsidiary carried at cost	-	(2,095.22)
Profit on sale of Fixed Assets	(13.07)	-
Unwinding of Interest on security deposit	(0.52)	(0.46)
<b>Operating profit before working capital changes</b>	<b>2,517.98</b>	<b>1,246.59</b>
<b>Adjustments for changes in working capital :</b>		
Decrease/(Increase) in Loans given	(4,534.65)	2,197.31
Decrease/(Increase) in other financial assets	(206.08)	(157.91)
Decrease/(Increase) in other non-financial assets	37.75	(2.24)
Increase/(Decrease) in payables	231.35	116.34
Increase/(Decrease) in other financial Liabilities	328.97	122.37
Increase/(Decrease) in other non-financial Liabilities	(5.79)	14.40
<b>Cash generated from operations</b>	<b>(1,630.46)</b>	<b>3,536.86</b>
Direct Taxes paid (net of refunds)	(398.51)	(679.01)
<b>Net Cash generated from/ (used in) operating activities (A)</b>	<b>(2,028.96)</b>	<b>2,857.85</b>
<b>B. Cash flow from investment activities</b>		
Purchase of Investments	(635.68)	(2,021.57)
Proceeds from sale of Investments	630.55	4,832.11
Purchase of property, plants and equipments (net)	(85.13)	(45.97)
<b>Net cash generated from / (used in) investment activities (B)</b>	<b>(90.27)</b>	<b>2,764.58</b>
<b>C. Cash flow from financing activities</b>		
Proceeds/(Repayment) from/of borrowings (debts securities)	767.53	-
Proceeds/(Repayment) from/of borrowings (other than debts securities) (Net)	2,046.27	(5,206.39)
Payment of lease liabilities	(19.80)	(21.05)
Interest Paid on Borrowings	(491.56)	(326.31)
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>2,302.44</b>	<b>(5,553.76)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>183.21</b>	<b>68.67</b>
Cash and cash equivalents at beginning of the year	263.11	194.44
<b>Cash and cash equivalents at end of the year</b>	<b>446.33</b>	<b>263.11</b>



Components of cash and cash equivalents	As at 31 March 2023	As at 31 March 2022
<b>Cash and cash equivalents at the end of the year</b>		
i) Cash on hand	1.39	1.27
ii) Balances with banks (of the nature of cash and cash equivalents)	444.94	261.85
	<b>446.33</b>	<b>263.11</b>

**Significant accounting policies and other explanatory information**

**1 to 63**

**Notes:**

1) The above Statement of Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

2) During the year, the Company has incurred an amount of Rs. 23.00 lakhs in cash (31 March 2022: Rs. 10.74 lakhs) towards corporate social responsibility (CSR) expenditure (Refer note 29).

**As per our report of even date attached**

**For P. D. Saraf & Co**

Chartered Accountants

Firm Registration No : 109241W

For and on behalf of the Board of Directors of

**Finkurve Financial Services Limited**

CIN : L65990MH1984PLC032403

Sd/-

**Madhusudan Saraf**

Partner

Membership No.: 41747

Sd/-

**Ketan Kothari**

Director

DIN: 00230725

Sd/-

**Narendra Jain**

Director

DIN: 08788557

Place: Mumbai

Date: 20th May 2023

Sd/-

**Aakash Jain**

Chief Financial  
Officer

Sd/-

**Sunny Parekh**

Company Secretary  
M.No. ACS32611



**FINKURVE FINANCIAL SERVICES LIMITED**

**Statement of Changes in Equity for the year ended 31 March 2023**

(All amounts in INR in Lakhs, unless otherwise stated)

**A. Equity share capital**

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
<b>Issued, Subscribed and fully paid up:</b>				
Balance as at the beginning of the year	126,858,198	1,268.58	126,858,198	1,268.58
Changes in equity share capital due to prior period error	-	-	-	-
<b>Restated balance</b>	126,858,198	1,268.58	126,858,198	1,268.58
Changes in equity share capital during the year	-	-	-	-
<b>Balance as at the end of the year</b>	<b>126,858,198</b>	<b>1,268.58</b>	<b>126,858,198</b>	<b>1,268.58</b>

**B. Other Equity**

Particulars	Reserves and Surplus					Other Comprehensive income	Total
	Securities premium	General reserve	Statutory reserve as per section 45-IC of the RBI Act, 1934	Retained Earning	Share Based Payment Reserve		
<b>Balance as at 01 April, 2021</b>	<b>11,092.78</b>	<b>0.78</b>	<b>254.30</b>	<b>978.16</b>	-	-	<b>12,326.02</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
<b>Restated balance as at 01 April, 2021</b>	<b>11,092.78</b>	<b>0.78</b>	<b>254.30</b>	<b>978.16</b>	-	-	<b>12,326.02</b>
Profit for the year	-	-	-	2,160.88	-	-	2,160.88
Other comprehensive income for the year	-	-	-	-	-	(2.05)	(2.05)
<b>Total comprehensive income for the year</b>	-	-	-	<b>2,160.88</b>	-	<b>(2.05)</b>	<b>2,158.84</b>
Share Based Payment expenses	-	-	-	-	51.40	-	51.40
Transfer to statutory reserve	-	-	432.18	(432.18)	-	-	-
<b>Balance as at 31 March, 2022</b>	<b>11,092.78</b>	<b>0.78</b>	<b>686.48</b>	<b>2,706.86</b>	<b>51.40</b>	<b>(2.05)</b>	<b>14,536.26</b>
Balance as at 01 April, 2022	11,092.78	0.78	686.48	2,706.86	51.40	(2.05)	14,536.26
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
<b>Restated balance as at 01 April, 2022</b>	<b>11,092.78</b>	<b>0.78</b>	<b>686.48</b>	<b>2,706.86</b>	<b>51.40</b>	<b>(2.05)</b>	<b>14,536.26</b>
Profit for the year	-	-	-	1,432.32	-	-	1,432.32
Other comprehensive income for the year	-	-	-	-	-	4.88	4.88
<b>Total comprehensive income for the year</b>	-	-	-	<b>1,432.32</b>	-	<b>4.88</b>	<b>1,437.20</b>
Share Based Payment expenses	-	-	-	-	7.82	-	7.82
Transfer to statutory reserve	-	-	286.46	(286.46)	-	-	-
<b>Balance as at 31 March, 2023</b>	<b>11,092.78</b>	<b>0.78</b>	<b>972.94</b>	<b>3,852.72</b>	<b>59.22</b>	<b>2.83</b>	<b>15,981.28</b>

Significant accounting policies and other explanatory information

1 to 63

As per our report of even date attached

**For P. D. Saraf & Co**  
Chartered Accountants  
Firm Registration No : 109241W

For and on behalf of the Board of Directors of  
**Finkurve Financial Services Limited**  
CIN : L65990MH1984PLC032403

Sd/-  
**Madhusudan Saraf**  
Partner  
Membership No.: 41747

Sd/-  
**Ketan Kothari**  
Director  
DIN: 00230725

Sd/-  
**Narendra Jain**  
Director  
DIN: 08788557

Place: Mumbai  
Date: 20th May 2023

Sd/-  
**Aakash Jain**  
Chief Financial Officer

Sd/-  
**Sunny Parekh**  
Company Secretary  
M.No. ACS32611



**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Financial Statements for the year ended 31 March 2023**

**(All amounts in INR in Lakhs, unless otherwise stated)**

**1 Corporate Information and Significant Accounting Policies**

**A. Corporate Informations:**

Finkurve Financial Services Limited ('the Company'), formerly known as Sanjay Leasing Limited is public company domiciled in India and is incorporated under the provisions of Companies Act, 1956 in the year 1984. The company is registered as Non - Deposit Accepting Non - Banking Financial Company (NBFC) as defined under section 45-IA of the Reserve Bank of India Act, 1934 and was issued registration certificate by Reserve Bank of India on 9th March 1998. Since then, the company is carrying on the business activity of NBFC. The Equity shares of the company are listed on Bombay Stock Exchange Limited (BSE).

**B. Summary of Significant Accounting Policies**

**(a) Statement of compliance and basis of preparation and presentation of financial statements**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules as amended and notified under section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other provision 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 hitherto in use. The Balance sheet and Statement of Profit & Loss are prepared and presented in accordance with the format prescribed in the Division III to Schedule III to the Act applicable for Non - Banking Finance Companies (NBFC).

**(b) Functional and presentation currency**

The financial statements are presented in Indian Rupees [INR or Rs], the functional currency of the Company.

**(c) Basis of Measurement**

The financial statements of the Company are prepared on the accrual basis of accounting and historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

(i) Certain financial assets and liabilities are measured at Fair value (Refer note no. (h) and (i) below)

**(d) Use of Estimates and Judgements**

The preparation of the financial statements requires the Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

**Defined employee benefit assets and liabilities**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.



**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Financial Statements for the year ended 31 March 2023**

**(All amounts in INR in Lakhs, unless otherwise stated)**

**Fair value measurement**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**Share based payment transactions**

The fair value of employee stock options is measured using the Black-Scholes model. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historical volatility), expected life of the instrument (based on expected exercise behaviour), expected dividends, and the risk free interest rate (based on government bonds).

**Estimation of uncertainties relating to the global health pandemic from COVID-19:**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipments, investments, receivables, and other financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. There is no material adverse impact of COVID - 19 pandemic on the Company and its operations/profitability during the year ended 31 March 2023 and also during the financial year ended 31 March 2022.

**(e) Property, plant and equipment (PPE)**

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure and subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of profit and loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

**(f) Intangible assets**

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as incurred.

**(g) Depreciation and Amortisation**

**Tangible assets**

Depreciation has been provided on Written Down Value basis and in accordance with, Method and useful life prescribed in Schedule II to the Companies Act, 2013.



The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **Intangible assets**

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite-life intangible assets, the assessment of indefinite-life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

#### **(h) Financial assets - Initial recognition:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments.

#### **Initial Recognition and Measurement – Financial Assets and Financial Liabilities**

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

#### **Classification and Subsequent Measurement : Financial Assets**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following :

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

#### **Amortised Cost:**

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

- (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Fair Value Through Other Comprehensive Income (FVTOCI):**

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Fair Value Through Other Comprehensive Income (FVTOCI):**

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.





**Fair Value Through Profit or Loss (FVTPL) :**

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Debt Instruments:**

Investment in Debt instruments are generally accounted for as at fair value through the statement of profit and loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income. Such classification is determined on an instrument-by-instrument basis. Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to statement of profit and loss.

Interests on these investments in debt instruments are recognised in Statement of profit and loss when the Company's obligation to pay the Interest is established, the Interest does not represent a paying of part of cost of the investment and the amount of interest can be measured reliably. Interest on Debentures recognised in Statement of profit and loss are included in the 'Interest Income' line item.

**Equity Instruments:**

Investment in equity instruments are generally accounted for as at fair value through the statement of profit and loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income. Such classification is determined on an instrument-by-instrument basis. Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to statement of profit and loss.

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Dividend income' line item.

**Impairment**

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Company's Loans and trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognises impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of profit and loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.



### **De-recognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### **Write-off**

Loans and debt securities are written-off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a de-recognition event. The Company may apply enforcement activities to financial assets written-off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

## **(I) Financial Liabilities**

### **Initial Recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

### **Subsequent measurement**

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of profit and loss.

Debts securities and other borrowings:

After initial recognition, interest bearing debts securities and other borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognised in Statement of profit and loss when the liabilities are derecognised as well as through EIR amortisation process.

Financial Guarantee Contracts:

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

### **De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of profit and loss.

### **Offsetting of financial instruments**

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



**(j) Fair Value Measurement**

The Company measures financial instruments, such as, derivatives, investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

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

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

**(k) Cash & Cash Equivalents**

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

**(l) Foreign exchange transactions & translations**

Initial Recognition Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of profit and loss of the year.

**Measurement of Foreign Currency Items at the Balance Sheet Date**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of profit and loss.

**(m) Revenue Recognition:**

**Effective Interest rate method**

Interest income is recognised in Statement of profit and loss using effective interest rate method for all financial instruments at amortised cost, debt instrument measured at FVOCI and debt instrument designated at FVTPL. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

Calculation of effective interest includes transaction cost and fees that are an integral part of the contract. Transaction cost include incremental cost that are directly attributable to the acquisition of financial asset.

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



#### **Interest**

The Company calculates interest income related to financing business by applying the Effective Interest Rate Method (EIR) to the gross carrying amount of financial asset other than credit-impaired assets.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

#### **Subvention Income**

Subvention income received at the inception of the loan contracts which is directly attributable to individual loan contracts in respect of education loan is recognised in the Statement of profit and loss using the effective interest method over the tenor of such loan contracts measured at amortised cost.

#### **Fees and commission income**

Fee based income and other financial charges are recognised when they become measurable and when it is probable to expect their ultimate collection.

Commission and brokerage income earned for the services rendered are recognised as and when they are due.

#### **Dividend**

Dividend Income is recognised when right to receive the same is established and shown as part of investment and dividend income.

#### **Rental Income**

Rental Income is recognised in the statement of profit and loss as per contractual rentals unless another systematic basis is more representative of the time pattern.

#### **Net gain or loss on fair value change**

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

#### **Gain on sale of investment/Redemption of Mutual funds**

On disposal of an Investment, the difference between the carrying amount and net disposal proceeds is charged or credited to the profit and loss statement.

#### **(n) Finance costs**

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortised cost. Financial instruments include bank borrowing, intercorporate loans, external commercial borrowing and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

Effective from 1 April 2019, on application of Ind AS 116 (Leases), interest expense on lease liabilities computed by applying the Company's weighted average incremental borrowing rate has been included under finance costs.

#### **(o) Fees and commission expenses**

Fees and commission expenses represents sum paid / payable to Fintech partners for sourcing of Retail lending business and other support services provided by them.

#### **(p) Investment in subsidiaries**

Investments in equity shares of subsidiaries are recorded at cost and reviewed for impairment at each reporting date. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of profit and loss.



**(q) Taxes on Income**

Income tax comprises current and deferred tax. Income tax expense is recognised in the statement of profit and loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets are not recognised where it is more likely that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**(r) Borrowing Cost:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

**(s) Earnings per shares**

Basic earnings per shares are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**(t) Securities issue expenses**

Expenses incurred in connection with fresh issue of Share capital are adjusted against Securities premium reserve.

**(u) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

**(v) Leases**

The Company's lease asset classes primarily consist of leases for building for offices. The Company assesses whether a contract is or 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:



- (a) the contract involves the use of an identified asset
- (b) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (c) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") 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 leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability 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, if any. 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.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**(w) Employee Benefits:**

The Company has provided following post-employment plans:

- (a) Defined benefit plans such as gratuity and
- (b) Defined contribution plans such as Provident fund

**a) Defined-benefit plan:**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the Statement of the profit and loss.

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial (gains)/losses
- (b) Return on plan assets, excluding amount recognised in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction



with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

**b) Defined-contribution plan:**

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

**c) Employee stock options :**

Equity-settled share-based payments to employees are recognised as an expense at the fair value of equity stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the graded vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Company revises its estimate of number of equity shares expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of profit and loss such that cumulative expenses reflect the revision estimate, with a corresponding adjustments to the employee stock option reserve.

**(x) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in financial statements.

**(y) Goods and services tax input credit**

Goods and services tax input credit asset is recognised in the books of accounts in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits.

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or charged to revenue separately, as applicable. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**(z) Cash flow Statement**

Cash flows are reported under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Company.

Cash flows are reported under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Company.



**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Financial Statements for the year ended 31 March 2023**

(All amounts in INR in Lakhs, unless otherwise stated)

**2 Cash and cash equivalents**

	As at 31 March 2023	As at 31 March 2022
Cash on hand	1.39	1.27
<b>Balances with banks (of the nature of cash and cash equivalents)</b>		
- In current accounts	443.63	261.85
- In cash credit accounts (refer note no. 12 for detail of security, terms of facility and rate of interest)	1.31	-
	<b>446.33</b>	<b>263.11</b>

**3 Loans (at amortised cost) :**

	As at 31 March 2023	As at 31 March 2022
<b>a) Loans repayable on demand</b>		
Term Loans	2,724.80	3,003.70
Others- to related parties (refer note no. 33 and 53)	16,831.78	11,005.36
Total (Gross)	2,856.31	4,212.44
Less: Expected credit losses	22,412.89	18,221.49
<b>Total (net)</b>	<b>(351.04)</b>	<b>(774.03)</b>
	<b>22,061.85</b>	<b>17,447.47</b>
<b>b) Secured by tangible assets</b>		
Unsecured	15,405.88	10,824.79
Total (Gross)	7,007.00	7,396.70
Less: Expected credit losses	22,412.89	18,221.49
<b>Total (net)</b>	<b>(351.04)</b>	<b>(774.03)</b>
	<b>22,061.85</b>	<b>17,447.47</b>
<b>c) Loans outside India</b>	-	-
<b>Loans in India</b>		
Public sector	-	-
Other		
Retail	11,868.61	6,971.40
Corporates	10,544.27	11,250.09
Total (Gross)	22,412.89	18,221.49
Less: Expected credit losses	(351.04)	(774.03)
<b>Total (net)</b>	<b>22,061.85</b>	<b>17,447.47</b>

**Loss Allowance**

	As at 31 March 2023	As at 31 March 2022
<b>Opening Balance</b>	774.03	587.44
Add: Loss allowance (reversed) / recognised during the year (net)	(79.74)	186.58
Less: Amount written off	(343.25)	-
<b>Closing Balance</b>	<b>351.04</b>	<b>774.03</b>

**Note: There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL**





**4 Investments**

**Equity Instruments, Quoted, fully paid up**

**Fair Valued through Profit & Loss**

	As at 31 March 2023		As at 31 March 2022	
	Nos	Amount	Nos	Amount
Indian Oil Corporation Limited	10	0.01	10	0.01
NTPC Limited	25	0.04	25	0.03
		<b>0.06</b>		<b>0.05</b>

**Others**

**Equity shares, unquoted, carried at fair value through Profit and Loss (fully paid up)**

SumHR Software Private Limited		-	1	0.10
Blu-Smart Mobility Private Limited (Formerly known as Gensol Mobility Private Limited)	2,439	10.00	2,439	26.84
Gajju Technologies Private Limited		-	212	146.07
Visionary Financepeer Private Limited		-	212	3.18
Bliss Dairy Fresh Private Limited	150,000	20.06	150,000	19.61
NetAmbit Valuefirst Services Private Limited	758	0.08	758	0.08
Elysium Labs Private Limited	36	-	36	-
Beauty By Bie Private Limited	27	-	27	25.00
Vyapaar Vistar Tech Private Limited	625	0.06	625	10.00
Credit Wise Capital Private Limited	69,348	15.00	69,348	15.00
Tride Innovative Technologies Private Limited	222	19.98		-
Genius Learning Labs Private Limited	10	-	10	0.00
CLXNS Technologies Private Limited	346	48.96	-	-
		<b>114.13</b>		<b>245.88</b>

**Preference shares (Unquoted, fully paid up)**

**[Carried at fair value through Profit & Loss]**

**Compulsory convertible preference shares (CCPS)**

0.001%, CCPS of Dhruva Space Private Limited of Rs 10/- each	70	30.43	55	10.03
0.001%, CCPS of Cleardekho Eyewear Private Limited of Rs 10/- each	597	25.01	597	25.01
15%, CCPS of Advetaya Business Consultant Private Limited of Rs 10/- each	12,852	-	12,852	-
0% CCPS of SumHR Software Private Limited of Rs 100/- each		-	208	19.89
0.001%, CCPS of Genius Learning Labs Private Limited of Rs. 100/- each	31	-	31	9.90
0.001%, CCPS of Flat White Capital Private Limited of Rs. 100/- each	177	40.08	177	40.08
0.001%, CCPS of Foxtort Beverages Private Limited of Rs. 10/- each	18	-	18	4.98
0.001%, CCPS of Lattu Media Private Limited of Rs. 1/- each	30	-	30	-
0.001%, CCPS of Blynk Marketing Private Limited of Rs. 100/- each	25,000	-	25,000	25.00
0.010% CCPS of Blu Smart Mobility Private Limited of Rs. 100/- each	1,746	19.21	370	4.07
0.001% CCPS of Cocoslabs Innovative Solutions Private Limited of Rs. 100/- each	10,000	5.00	10,000	10.00
0.001% CCPS of Dviate Systems Private Limited of Rs. 100/- each		-	113	10.01
0.001% CCPS of Forbidden Foods Private Limited of Rs. 100/- each	1,143	-	1,143	5.00
0.001% CCPS of Indigenous Energy Storage Technologies Private Limited of Rs. 100/- each	81	24.61	50	7.59
0.001% CCPS of On my Own Technologies Private Limited of Rs. 100/- each	182	30.16	-	-
0.001% CCPS of Homeville Consulting Private Limited of Rs. 100/- each	36	36.00	-	-
		<b>210.50</b>		<b>171.58</b>

**Venture fund**

**[Carried at fair value through Profit & Loss]**

Equity Shares of Getvantage Tech Private Limited through VCats Management Services Trust III	334	-	334	-
		-		-

**Alternate Investment Fund (AIF)**

**[Carried at fair value through Profit & Loss]**

Dimension NXG Private Limited	20	10.00	20	20.00
Blu Smart Mobility Private Limited	57	5.70		-
Buyofuel Buyofuel India Private Limited	100	10.00		-
Strata Property Management Private Limited	25,000	25.00		-
		<b>50.70</b>		<b>20.00</b>



**Debentures**

**(Carried at fair value through Profit & Loss (fully paid up))**

**Compulsory convertible debentures (CCD)**

8% CCD of Fintech Products and Solutions (India) Private Limited of Rs. 10/- each	250,000	25.00	250,000	25.00
0.001% CCD of Homeville Consulting Private Limited of Rs. 10/- each		-	36	36.00
0.001% CCD of Dhruva Space Private Limited of Rs 10/- each		-	100,000	10.00
0.001% CCD of Patilkaki Ecom Ventures Private Limited of Rs 10/- each	10,000	10.00		-
		<b>35.00</b>		<b>71.00</b>
		<b>410.39</b>		<b>508.50</b>

**Gross Value of Investments :**

- in India		<b>410.39</b>	<b>508.50</b>
- outside India		-	-
Aggregate amount of quoted investments		<b>0.06</b>	<b>0.05</b>
Aggregate amount of unquoted investments		<b>410.33</b>	<b>508.45</b>
Aggregate amount of impairment in value of investments		-	-

**5 Other Financial Assets**

	As at 31 March 2023	As at 31 March 2022
Security Deposits	4.69	4.17
Term deposits with bank (having maturity more than 12 months) (Pledge with Yes Bank Limited as lien against overdraft facility taken)	203.06	-
Loans to Staff	4.59	4.76
Other financial assets	63.94	60.74
	<b>276.28</b>	<b>69.67</b>

**6 Current tax assets (net)**

	As at 31 March 2023	As at 31 March 2022
Advance income tax	78.23	75.49
[Net of provision for income tax Rs. Nil (31 March 2022 Rs. 859.60 Lakhs)]	<b>78.23</b>	<b>75.49</b>

**9 Other Non Financial Assets**

	As at 31 March 2023	As at 31 March 2022
Goods and Service Tax Credit (input) receivable	-	19.47
Prepaid expenses	3.83	3.30
Capital advance	-	18.82
	<b>3.83</b>	<b>41.59</b>



**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Financial Statements for the year ended 31 March 2023**

(All amounts in INR in Lakhs, unless otherwise stated)

**7 Property, plant and equipment**

Particulars	Motor Vehicles	Computers	Furniture and Fixtures	Office Equipment	Total
<b>Gross block</b>					
Balance as at 31 March 2021	1.59	9.99	0.31	3.71	15.60
Additions	43.27	2.70	-	-	45.97
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>44.86</b>	<b>12.69</b>	<b>0.31</b>	<b>3.71</b>	<b>61.57</b>
Additions	117.87	4.99	-	5.57	128.43
Disposals	(43.27)	-	-	-	(43.27)
<b>Balance as at 31 March 2023</b>	<b>119.46</b>	<b>17.68</b>	<b>0.31</b>	<b>9.29</b>	<b>146.73</b>
<b>Accumulated depreciation</b>					
Balance as at 31 March 2021	0.80	7.44	0.18	1.34	9.76
Charge for the year	10.68	2.59	0.03	0.43	13.73
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>11.48</b>	<b>10.03</b>	<b>0.21</b>	<b>1.77</b>	<b>23.49</b>
Charge for the year	23.59	3.33	0.02	2.72	29.67
Disposals	(13.04)	-	-	-	(13.04)
<b>Balance as at 31 March 2023</b>	<b>22.02</b>	<b>13.37</b>	<b>0.24</b>	<b>4.49</b>	<b>40.12</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>33.38</b>	<b>2.66</b>	<b>0.09</b>	<b>1.95</b>	<b>38.08</b>
<b>Net carrying amount as at 31 March 2023</b>	<b>97.44</b>	<b>4.31</b>	<b>0.07</b>	<b>4.80</b>	<b>106.61</b>

**Notes:**

1. There are no contractual commitments for the acquisition of property, plant and equipment.
2. The Company does not have / own any immovable property as at 31 March, 2023.
3. The Company has not revalued any of its property, plant and equipment during the year ended 31 March 2023 and 31 March 2022 hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

**8 Other Intangible assets**

Particulars	Software
<b>Gross block</b>	
Balance as at 31 March 2021	6.41
Additions	-
Disposals	-
<b>Balance as at 31 March 2022</b>	<b>6.41</b>
Additions	-
Disposals	-
<b>Balance as at 31 March 2023</b>	<b>6.41</b>
<b>Accumulated depreciation</b>	
Balance as at 31 March 2021	1.93
Charge for the year	2.83
Disposals	-
<b>Balance as at 31 March 2022</b>	<b>4.76</b>
Charge for the year	1.04
Disposals	-
<b>Balance as at 31 March 2023</b>	<b>5.80</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>1.65</b>
<b>Net carrying amount as at 31 March 2023</b>	<b>0.61</b>

The Company has not revalued any of its intangible asset during the year ended 31 March 2023 and 31 March 2022 hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.



10 Payables

	As at 31 March 2023	As at 31 March 2022
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises *	15.89	9.19
- Total outstanding dues of creditors other than micro enterprises and small enterprises	366.51	141.86
	<b>382.40</b>	<b>151.05</b>

Trade Payable ageing  
As at 31 March 2023

Particulars	Not Due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	7.46	8.43	-	-	15.89
Others	-	365.56	0.95	-	-	366.51
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
<b>Total</b>	-	<b>373.02</b>	<b>9.38</b>	-	-	<b>382.40</b>

As at 31 March 2022

Particulars	Not Due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	8.44	0.75	-	-	9.19
Others	-	141.54	0.17	0.16	-	141.86
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
<b>Total</b>	-	<b>149.98</b>	<b>0.91</b>	<b>0.16</b>	-	<b>151.05</b>

\* Disclosure under the Micro, Small and Medium Enterprises Development Act 2006

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below :

Particulars	As at 31 March 2023	As at 31 March 2022
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	15.89	9.19
ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

11 Debt Securities

	As at 31 March 2023	As at 31 March 2022
<b>At amortised cost</b>		
<b>Secured</b>		
Redeemable non-convertible debentures ('NCD')		
10%, 75,000 Redeemable NCD of Rs. 1,000 Each - privately placed	750.00	-
Interest accrued on above NCD	17.53	-
	<b>767.53</b>	-
- Debt Securities in India	-	-
- Debt Securities outside India	750.00	-

- There are no debt securities measured at FVTPL or designated at FVTPL.
- The Company had taken rupee External Commercial Borrowing (ECB) for a fixed tenure of 10 years which was Repayable after 10 years from the date of taking of ECB i.e. 13th August 2021. During the year, such rupee ECB, after complying with the guidelines prescribed by the Reserve Bank of India, have been converted into rupee denominated redeemable non-convertible debentures (NCD) and are redeemable after 10 years of taking of ECB, i.e. after 13th August 2031. The ECB was taken to meet the working capital requirements and was applied for the business activity of on-lending / working capital requirements.
- The company have not defaulted in repayment of interest to its lenders.
- The redeemable NCD are secured against outstanding book debts and receivables.



12 Borrowings (other than debts securities)

	As at 31 March 2023	As at 31 March 2022
<b>At amortised cost</b>		
<b>Secured</b>		
Term Loan from bank	43.69	-
External commercial borrowing *	-	750.00
Loan repayable on demand from banks (cash credit from banks)	898.93	439.97
Interest accrued	-	28.48
	<b>942.61</b>	<b>1,218.45</b>
<b>Unsecured - from bodies corporates</b>		
Term Loan		
- from other than related parties	500.00	500.00
Loans repayable on demand		
- from related parties	1,464.74	93.68
- from other than related parties	1,225.00	350.00
Interest accrued	247.08	171.04
	<b>3,436.83</b>	<b>1,114.72</b>
<b>Total</b>	<b>4,379.44</b>	<b>2,333.17</b>
<b>Borrowings</b>		
- in India	4,379.44	1,583.17
- outside India	-	750.00

There are no borrowings measured at FVTPL or designated at FVTPL.

The company have not defaulted in repayment of principal or interest to its lenders.

As per terms of Loan from banks, company is not required to file quarterly or monthly returns or statements.

The Company has utilised the funds raised from banks and other parties for the specific purpose for which they were borrowed.

A. **Term loan from bank - secured**

As at 31 March 2023

Terms of repayment

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months	7.90%	The term loan from HDFC Bank Ltd is availed and utilised for purchase of motor car and is repayable in equated monthly installments ending on 5th September 2026.	-
48-60 months			-
36-48 months			7.00
24-36 months			13.20
12-24 months			12.20
upto 12 months			11.28
<b>Total</b>			<b>43.69</b>

Nature of security

Secured by way of hypothecation of motor car purchased.

Outstanding as at 31 March 2022

Nil

B. **External Commercial Borrowings (ECB) - secured**

Outstanding as at 31 March 2023

Nil

\* ECB-INR Loan converted into rupee denominated redeemable non convertible debentures on and w.e.f. 19th May 2022 (see note no 11).

As at 31 March 2022

Terms of repayment

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
over 60 months	10.00%	The ECB is taken in Indian Rupees for a fixed tenure of 10 years and is Repayable after 10 years from the date of Loan i.e. 13th August 2021.	750.00
48-60 months	-		-
36-48 months	-		-
24-36 months	-		-
12-24 months	-		-
upto 12 months	-		-
<b>Total</b>			<b>750.00</b>

C. **Loan repayable on demand from bank - secured**

Terms of Loan

From South Indian Bank:

1. The bank overdraft / cash credit facility is having Sanction limit of Rs. 750 lakhs (as at 31 March 2022 - Rs. 500 Lakhs) and Current Outstanding of Rs. 340.45 lakhs (as at 31 March 2022 Rs.439.97 lakhs).
2. Security : Repledge of gold ornaments pledged by Obligors and personal guarantee of one of the director of Company.
3. Rate of interest is 10.50% p.a. to 9.75% p.a.



**From City Union Bank:**

1. The bank overdraft / cash credit facility is having Sanction limit of Rs. 500 lakhs (as at 31 march 2022 - NIL) and Current Outstanding of Rs. 404.55 Lakhs (as at 31 March 2022 - NIL).
2. Security : Lien over the jeweller and properties, money or other asset in the control or custody of Bank and personal guarantee of one of the director of Company.
3. Rate of interest is 9.75% p.a.

**From Yes Bank:**

1. The overdraft facility is having Sanction limit of Rs. 200 lakhs (as at 31 march 2022 - NIL) and Current Outstanding of Rs. 153.93 lakhs (as at 31 March 2022 - NIL).
2. Security : Lien over fixed deposit of Rs. 200 lakhs held with the bank.
3. Rate of interest is 7.75% p.a.

**From CSB Bank:**

1. The bank overdraft / cash credit facility is having Sanction limit of Rs. 500 lakhs (as at 31 march 2022 - NIL) and Currently having debit balance of Rs. 1.30 lakhs (as at 31 March 2022 - NIL) hence, shown under cash and cash equivalent.
2. Security : Pledge of gold ornaments, gold coins (upto 50 gms) including specially minted gold coins sold by banks and branded gold items and personal guarantee of one of the director of Company.
3. Rate of interest is 9.75% p.a. to 9.90% p.a.

**D. Term Loan - from body corporates - unsecured  
- from other than related parties**

**As at 31 March 2023**

**Terms of repayment**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
More than 12 months	-		-
up to 12 months	12.00%	The tenure of loan is for 6 month and is repayable after 6 month from the date of loan i.e. from 3rd March 2022 with the option to extend the repayment period. The loan have been extended and is due on 3rd September 2023.	500.00

**As at 31 March 2022**

**Terms of repayment**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
More than 12 months	-		-
up to 12 months	12.00%	The tenure of loan is for 6 month and is repayable after 6 month from the date of loan i.e. 3rd March 2022.	500.00

**E. Loans repayable on demand - from bodies corporates - unsecured**

**As at 31 March 2023**

**Terms of Loan**

Particulars	Rate of Interest	Amount
From related parties	10%	1,464.74
From other than related parties	10.00% to 14.50%	1,225.00
<b>Total</b>		<b>2,689.74</b>

**As at 31 March 2022**

**Terms of Loan**

Particulars	Rate of Interest	Amount
From related parties	10%	93.68
From other than related parties	14.50%	350.00
<b>Total</b>		<b>443.68</b>

**13 Other Financial liabilities**

	As at 31 March 2023	As at 31 March 2022
Deposits received against loan agreements	212.06	53.87
Provision for expenses	170.45	56.12
Other liabilities	162.22	105.76
	<b>544.72</b>	<b>215.76</b>



**14 Current tax liabilities (net)**

Tax Provision (net of taxes paid)  
[Net of advance tax Rs. 397.07 lakhs ( 31 March 2022 Rs. Nil)]

As at 31 March 2023	As at 31 March 2022
52.93	-
<b>52.93</b>	<b>-</b>

**15 Provisions**

**For employee benefits**  
- Gratuity

As at 31 March 2023	As at 31 March 2022
7.54	11.13
<b>7.54</b>	<b>11.13</b>

**16 Other non-financial Liabilities**

Statutory dues payable

As at 31 March 2023	As at 31 March 2022
60.43	66.23
<b>60.43</b>	<b>66.23</b>

**17 Equity share capital**

**Authorised share capital**

13,00,00,000 (As at 31 March 2022 - 13,00,00,000) equity share of Rs. 1/- each

As at 31 March 2023	As at 31 March 2022
1,300.00	1,300.00
<b>1,300.00</b>	<b>1,300.00</b>

**Issued share capital**

12,68,58,198 (As at 31 March 2022 - 12,68,58,198) equity share of Rs. 1/- each

1,268.58	1,268.58
<b>1,268.58</b>	<b>1,268.58</b>

**Subscribed share capital**

12,68,58,198 (As at 31 March 2022 - 12,68,58,198) equity share of Rs. 1/- each

1,268.58	1,268.58
<b>1,268.58</b>	<b>1,268.58</b>

**Paid up share capital**

12,68,58,198 (As at 31 March 2022 - 12,68,58,198) equity share of Rs. 1/- each

1,268.58	1,268.58
<b>1,268.58</b>	<b>1,268.58</b>

**Total Equity**

<b>1,268.58</b>	<b>1,268.58</b>
-----------------	-----------------

**a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year**

**Particulars**

**As at 31 March 2021**

Issued during the year

**As at 31 March 2022**

Issued during the year

**As at 31 March 2023**

Number of shares	Amount
126,858,198	1,268.58
-	-
126,858,198	1,268.58
-	-
126,858,198	1,268.58

**b. Rights, preferences and restrictions attached to each class of shares:**

The Company has only one class of shares referred to as equity shares having a par value of INR 1 each. Every holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining asset of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



c. Details of shareholders holding more than 5% equity shares in the Company

Details of shareholding	As at 31 March 2023		As at 31 March 2022	
	Name of the shareholder	Number of Shares	% of Holding	Number of Shares
Kalawati Kothari	6,992,600	5.51%	6,992,600	5.51%
Ketan Kothari	53,451,230	42.13%	53,451,230	42.13%
Mohinidevi Kothari	6,545,600	5.16%	6,545,600	5.16%
Rishabh Jewellers	8,108,108	6.39%	8,108,108	6.39%
Muthoot Bankers	18,421,050	14.52%	18,421,050	14.52%
Nexfact Limited	7,414,040	5.84%	7,414,040	5.84%

d. Shareholding of Promoters

Promoters name	Shares held by promoters at the end of the year			% Change during the year
	Year ended	Number of Shares	% of Holding	
Ketan Kothari	Shares as at 31 March 2023	53,451,230	42.13%	0.00%
	Shares as at 31 March 2022	53,451,230	42.13%	0.00%
Devkumari Kothari	Shares as at 31 March 2023	71,270	0.06%	0.00%
	Shares as at 31 March 2022	71,270	0.06%	0.00%
Kalawati Kothari	Shares as at 31 March 2023	6,992,600	5.51%	0.00%
	Shares as at 31 March 2022	6,992,600	5.51%	0.00%
Mohinidevi Kothari	Shares as at 31 March 2023	6,545,600	5.16%	0.00%
	Shares as at 31 March 2022	6,545,600	5.16%	0.00%
Bhavna Ashwin Bafna	Shares as at 31 March 2023	401,500	0.32%	0.00%
	Shares as at 31 March 2022	401,500	0.32%	0.00%
Namita Ketan Kothari	Shares as at 31 March 2023	1,806,000	1.42%	0.00%
	Shares as at 31 March 2022	1,806,000	1.42%	0.00%

e. The Company does not have any holding or ultimate holding company.

f. During the period of five years immediately preceding the balance sheet date, the Company has not issued any shares without payment being received in cash or by way of bonus shares or shares bought back.

g. The Company have not declared dividend in the current year and preceding year.

**h. Shares reserved for issue under Employee Stock Option Scheme:**

The Company has reserved 2,98,550 equity shares (31 March 2022: 404,664) for issue under the Employee Stock Option Scheme 2018.

**18 Other equity**

	As at 31 March 2023	As at 31 March 2022
Securities premium reserve	11,092.78	11,092.78
General reserve	0.78	0.78
Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)	972.94	686.48
Retained earnings	3,852.72	2,706.86
Share based payment reserve	59.22	51.40
Other comprehensive income	2.83	(2.05)
	<b>15,981.28</b>	<b>14,536.26</b>





**Nature and purpose of other equity :**

**(a) Securities premium reserve**

The amount received in excess of face value of the equity shares is recognised in Securities premium reserve. In case of equity settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

**(b) General reserve**

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

**(c) Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)**

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation.

**The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:**

(1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

(2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty one days from the date of such withdrawal:

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty one days by such further period as it thinks fit or condone any delay in making such report.

(3) Notwithstanding anything contained in sub-section (1), the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

**(d) Retained earnings**

Retained earnings or accumulated surplus represents total of all profits retained since company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

**(e) Share based payment reserve**

Share based payment reserve represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees and unvested stock options in the Statement of profit and loss in respect of equity-settled share options granted to the eligible employees of the Company in pursuance of the Employee Stock Option Plan.

**(f) Other comprehensive income**

Other comprehensive income consist of FVOCI financial assets and financial liabilities and remeasurement of defined benefit assets and liability.



**19 Revenue from Operations**

	Year ended 31 March 2023	Year ended 31 March 2022
Interest income - on loans measured at amortised cost	3,793.18	1,902.73
Fees and commission income - service charges and other fee on loans	1,241.88	361.23
<b>Net gain on fair value changes</b>		
- Fair value of financial assets - investments (realised)	7.98	4.11
- Fair value of financial assets - investments (unrealised)	-	-
	<b>5,043.04</b>	<b>2,268.07</b>

**20 Other Income**

	Year ended 31 March 2023	Year ended 31 March 2022
Interest on deposit with bank	6.14	0.84
Unwinding of interest on security deposit	0.52	0.46
Miscellaneous income	13.07	0.43
	<b>19.74</b>	<b>1.73</b>

**21 Finance costs**

	Year ended 31 March 2023	Year ended 31 March 2022
<b>On Financial liabilities measured at amortised cost</b>		
<b>Interest on borrowings (other than debt securities)</b>		
- Loans from others	348.41	267.14
- Loan from bank	63.73	8.84
- External commercial borrowings	9.86	47.47
<b>Interest on debt securities</b>		
- Debentures	65.14	-
<b>Other finance cost</b>		
- Interest on lease liabilities	3.22	5.07
- other borrowing cost	4.42	2.87
	<b>494.78</b>	<b>331.38</b>

**22 Net loss on fair value changes**

	Year ended 31 March 2023	Year ended 31 March 2022
Fair value of financial assets - investments (unrealised)	111.22	38.62
	<b>111.22</b>	<b>38.62</b>

**23 (Reversal of impairment) / impairment on financial instruments**

	Year ended 31 March 2023	Year ended 31 March 2022
<b>On financial instruments measured at amortised cost</b>		
Loans	(422.99)	186.58
Bad debts written off	343.25	-
	<b>(79.74)</b>	<b>186.58</b>

**24 Employee benefits expenses**

	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and other allowances and bonus	154.52	120.59
Directors remuneration	27.00	27.00
Contribution to provident funds	3.13	2.99
Share based payments to employees	7.82	51.40
Staff welfare expenses	4.14	8.08
Gratuity expenses (refer note 34)	2.93	3.92
	<b>199.54</b>	<b>213.97</b>



**25 Depreciation, amortisation and impairment**

	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on property plant & equipment	29.67	13.73
Amortisation of intangible assets	1.04	2.83
Depreciation on right of use assets (refer note 32)	12.23	12.23
	<b>42.93</b>	<b>28.78</b>

**26 Other Expenses**

	Year ended 31 March 2023	Year ended 31 March 2022
Stock exchange, depository & RTA charges	4.02	4.21
Repairs and maintenance - other	7.15	6.07
Legal and professional charges	75.57	87.90
<b>Payment to Auditors</b>		
Statutory audit fees	1.50	1.50
Certification fees	-	0.20
Business promotion	28.18	28.11
GST paid on input services	166.61	57.53
Telephone and communication	1.05	1.07
Advertisement and publishing	2.70	3.11
Fees and subscription	9.95	23.75
Travelling expenses	20.22	7.40
Insurance	3.54	1.73
Donations	5.16	6.44
Director's Sitting Fees	1.60	1.50
Corporate social responsibility (CSR) expenses (refer note 29)	23.00	10.74
Rent, rates and taxes	5.79	1.48
Miscellaneous expenses	24.96	21.38
	<b>380.99</b>	<b>264.12</b>

**27 Income tax expenses**

The components of income tax expense for the financial year are as under:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>(a) Tax expense recognised in the Statement of Profit and Loss</b>		
Current tax	450.00	533.00
Deferred tax relating to origination and reversal of temporary differences	78.59	10.13
Tax pertaining to earlier years	(1.31)	1.69
	<b>527.28</b>	<b>544.82</b>



**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Financial Statements for the year ended 31 March 2023**

(All amounts in INR in Lakhs, unless otherwise stated)

**(b) Reconciliation of the total tax charge:**

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the financial years is as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Profit before tax</b>	1,959.60	2,705.70
<b>Enacted tax rate</b>	25.168%	25.168%
<b>Current tax expenses on profit before tax expenses at the enacted income tax rate in India</b>	493.19	680.97
<b>Reconciliations</b>		
Tax pertaining to earlier years	(1.31)	1.69
Income subject to tax at special rate	(2.42)	(29.06)
Effect of tax on income enjoying tax concession	-	(125.56)
<b>Non Deductible expenses</b>		
- Corporate social responsibility expenditure	5.79	2.70
- Tax pertaining to income not taxable / loss & expenses not deductible	5.06	1.66
Others	26.97	12.41
<b>Total tax expenses</b>	<b>527.28</b>	<b>544.82</b>

**(c) Deferred Tax**

The following table shows movement in deferred tax recorded in balance sheet and changes recorded in the income tax expenses :

Particulars	As at 31 March 2022	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to OCI	As at 31 March 2023
- on Right of use and Lease liabilities	(2.62)	(1.09)	-	(1.52)
- on WDV of Property, plant & Equipment as per books and income tax	1.80	1.12	-	0.68
- on unabsorbed losses	-	-	-	-
- on expected credit losses	152.85	106.46	-	46.39
- on fair valuation of financial asset	(9.23)	(27.86)	-	18.63
- on Provision for post retirement benefits	2.80	(0.74)	1.64	1.90
- Others	1.42	0.71	-	0.71
	<b>147.03</b>	<b>78.59</b>	<b>1.64</b>	<b>66.80</b>

Particulars	As at 01 April 2021	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to OCI	As at 31 March 2022
- on Right of use and Lease liabilities	(3.56)	(0.95)	-	(2.62)
- on WDV of Property, plant & Equipment as per books and income tax	0.56	(1.24)	-	1.80
- on unabsorbed losses	27.52	27.52	-	-
- on expected credit losses	147.85	(5.00)	-	152.85
- on fair valuation of financial asset	(19.15)	(9.92)	-	(9.23)
- on Provision for post retirement benefits	1.13	(0.99)	(0.69)	2.80
- Others	2.13	0.71	-	1.42
	<b>156.47</b>	<b>10.13</b>	<b>(0.69)</b>	<b>147.03</b>



**28 Earning Per Share (EPS)**

	Year ended 31 March 2023	Year ended 31 March 2022
<b>Net Profit attributable to equity share holders (in INR in lakhs)</b>	1,432.32	2,160.88
<b>Computation of weighted average number of equity shares :</b>		
Weighted average number of equity shares outstanding during the year for computing basic EPS	126,858,198	126,858,198
Add: Option granted to employees	33,148	42,627
Weighted average number of equity shares outstanding during the year for computing diluted EPS	126,891,346	126,900,825
<b>Earnings per equity share (Face value of INR 1 per equity share):</b>		
Basic earnings per share - in rupees	1.13	1.70
Diluted earnings per share - in rupees	1.13	1.70
<b>Anti-Dilutive shares</b>	-	11,391

**29 Corporate Social Responsibility (CSR) :**

a) The CSR activities of the Company shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time.

b) During the year ended 31 March 2023, the Company has incurred an expenditure of Rs. 23.00 lakhs (31 March 2022: Rs. 10.74 lakhs) towards CSR activities which includes contribution / donations made to the trusts which are engaged in activities prescribed under section 135 of the Companies Act, 2013 read with Schedule VII to the said Act

c) Amount required to be spent and amount spent towards CSR activities by the Company

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Amount required to be spent as per section 135 of the Act</b>		
(i) Unspent amount as at the beginning of the year	(2.66)	0.03
(ii) Amount required to be spent during the year based on average of preceding three year profits	25.40	8.05
<b>Total amount required to be spent</b>	<b>22.74</b>	<b>8.08</b>
<b>Amount spent during the year on :</b>		
(i) Construction/acquisition of assets	-	-
(ii) on purpose other than above	23.00	10.74
<b>Balance / (excess) amount to be spent / spent as per section 135 of the Act</b>	<b>(0.26)</b>	<b>(2.66)</b>

The Company has made CSR Contribution of Rs. 9 lakhs to related party "Sherry and Diya Foundation" in which, one of the director is trustee (31 March 2022 : Rs. Nil) (refer note no 33).

**30 Contingent Liabilities (to the extent not provided for)**

The Company does not have any claim to be acknowledged as debts as on 31 March 2023 (as at 31 March 2022 Rs. Nil).

**31 Capital Commitments**

The Company does not have any Capital Commitments as on 31 March 2023 (as at 31 March 2022 Rs. Nil).

**32 Leases**

The Company's lease asset classes primarily consist of leases of buildings or part thereof taken on lease for offices premises.

**The Company uses following practical expedient, when applying Ind AS 116 to leases :**

(1) The Company didn't recognised Right of Use and Lease liabilities for lease for which the lease terms ends within 12 months on the date of initial transition and low value assets.

(2) The Company excluded initial direct cost from measurement of the Right of Use assets at the date of initial application.



(3) The Company uses hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

**Following are the changes in the carrying value of right of use assets for the year ended 31 March 2023:**

Particulars	Amount
<b>Right of Use Asset - Office Premises</b>	
<b>Cost</b>	
Balance as at 01 April 2021	53.86
Additions	1.25
Deletions	-
<b>Balance as at 31 March 2022</b>	<b>55.11</b>
Additions	-
Deletions	-
<b>Balance as at 31 March 2023</b>	<b>55.11</b>
<b>Accumulated Depreciation</b>	
Balance as at 01 April 2021	20.37
Depreciation charged for the year	12.23
Deletions	-
<b>Balance as at 31 March 2022</b>	<b>32.60</b>
Depreciation charged for the year	12.23
Deletions	-
<b>Balance as at 31 March 2023</b>	<b>44.83</b>
<b>Carrying amount</b>	
Balance as at 31 March 2022	22.51
Balance as at 31 March 2023	10.28

**Following is the movement in lease liabilities during the year ended 31 March 2023:**

Particulars	Amount
Balance as at 01 April 2021	47.65
Additions	1.25
Interest accrued during the year	5.07
Deletions	-
Payment of lease liabilities	21.05
<b>Balance as at 31 March 2022</b>	<b>32.92</b>
Additions	-
Interest accrued during the year	3.22
Deletions	-
Payment of lease liabilities	19.80
<b>Balance as at 31 March 2023</b>	<b>16.34</b>

The Company has not revalued any of its Right-of-use assets during the years ended 31 March 2023 and 31 March 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

**Break-up of the contractual maturities of lease liabilities on an undiscounted basis :**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Less than 1 year	17.55	19.80
1 to 2 years	-	17.55
2 to 3 years	-	-
3 to 4 years	-	-
4 to 5 years	-	-
More than 5 years	-	-
<b>Total</b>	<b>17.55</b>	<b>37.35</b>
Weighted average effective interest rate (%)	9.00%	9.00%



**Short-term leases expenses incurred :**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Amounts recognised in the Statement of Profit and Loss</b>		
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	12.23	12.23
Interest expense (included in finance costs)	3.22	5.07
Expense relating to short-term leases (included in other expenses)	-	0.45
<b>The total cash outflow for leases during the year</b>	<b>15.45</b>	<b>17.75</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**33 Related party disclosures**

**A List of related parties and relationships with whom transaction have taken place and relationships of control**

Nature of relationship	Name of the party
Promoters	Mr. Ketan Kothari Mrs. Devkumari Kothari Mrs. Kalawati Kothari Mrs. Mohinidevi Kothari
Subsidiary	Arvog Forex Private Limited (till 10.02.2022)
Key Management Personnel (KMP)	Mr. Ketan Kothari, Promoter & Director Mrs. Riddhi Tilwani, Director Mr. Nishant Ranka, Director Mr. Narendra Jain, Director Mr. Priyank Kothari (w.e.f. 17.05.2021) Mr. Dharmesh Trivedi (w.e.f. 07.06.2022) Mr. Rakesh Mehta, Director (17.05.2021 to 09.03.2022) Mr. Aakash Jain, Chief Financial Officer Mr. Sunny Parekh, Company Secretary Mr. Amit Shroff, Chief Executive Officer (w.e.f. 13.12.2022)
Relatives of Key Management Personnel (where there are transactions)	Mr. Vivek Kothari Mr. Bhawarlal Kothari Mr. Manekchand Kothari Mrs. Ratandevi Bafna Mrs. Bhavna Bafna
Enterprise over which promoters or Key Managerial Personnel are able to exercise influence (entities with whom the Company has transactions)	Aranath Real Estate Private Limited (Formerly Known as Renaissance Fincon Private Limited) Augmont Enterprises Private Limited Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Private Limited) Badami Investment HR Commercial Private Limited Haven Infoline Private Limited Kevin & Mike Consultancy Krish Dreams Home Private Limited Nashville Infra Services Limited (Formerly Known as Supama Infra Services Limited)  Pratvick Hospitality LLP Riddisiddhi Bullions Limited RSBL Builders LLP Sherry and Diya Foundation



FINKURVE FINANCIAL SERVICES LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts in INR in Lakhs, unless otherwise stated)

(a) Transaction with Related Party

Nature of Transaction	Year ended 31 March 2023		Year ended 31 March 2022			
	Key Management Personnel (KMP)	Enterprise owned or controlled by KMP or Relatives	Promoters	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives
<b>INCOME</b>						
<b>Interest Received</b>	-	672.25	-	-	-	763.81
Aranath Real Estate Private Limited (Formerly Known as Renaissance Fincon Private Limited)	-	120.99	-	-	-	313.90
Augmont Enterprises Private Limited	-	219.23	-	-	-	48.32
Augmont Goldtech Private Limited (Formerly Known as Augmont Precious Metals Private Limited)	-	0.36	-	-	-	0.14
Badami Investment	-	239.54	-	-	-	285.18
HR Commercials Private Limited	-	3.90	-	-	-	-
Haven Infoline Private Limited	-	-	-	-	-	18.23
Kevin & Mike Consultancy	-	13.65	-	-	-	28.26
Krish Dreams Home Private Limited	-	74.58	-	-	-	68.39
Nashville Infra Services Limited (Formerly Known as Supama Infra Services Limited)	-	-	-	-	-	1.39
<b>EXPENSES</b>						
<b>Remuneration &amp; Sitting Fees (Excl GST)</b>	28.60	-	-	46.50	-	-
Narendra Jain	27.00	-	-	27.00	-	-
Priyank Kothari	-	-	-	18.00	-	-
Nishant Ranka	0.50	-	-	0.50	-	-
Riddhi Tilwani	0.50	-	-	0.50	-	-
Rakesh Mehta	-	-	-	0.50	-	-
Dharmesh Trivedi	0.60	-	-	-	-	-
<b>Salary Paid</b>	45.34	-	-	27.20	-	-
Aakash Jain	18.00	-	-	12.90	-	-
Sunny Parekh	16.87	-	-	14.30	-	-
Amit Shroff	10.47	-	-	-	-	-
<b>Professional fees paid</b>	15.00	-	-	-	-	-
Priyank Kothari	15.00	-	-	-	-	-
<b>Rent Paid</b>	-	16.80	-	-	-	16.80
RSBL Builders LLP	-	16.80	-	-	-	16.80
<b>Interest Paid</b>	-	74.49	-	-	-	150.45
Augmont Enterprises Private Limited	-	-	-	-	-	145.05
Aranath Real Estate Private Limited (Formerly Known as Renaissance Fincon Private Limited)	-	7.96	-	-	-	-
HR Commercials Private Limited	-	66.53	-	-	-	4.66
Riddisiddhi Bullions Limited	-	-	-	-	-	0.74
<b>Purchase of Investments - Subsidiary</b>	-	-	29.26	-	188.98	-
Ketan Kothari	-	-	3.50	-	-	-
Mohinidevi Kothari	-	-	25.76	-	-	-
Vivek Kothari	-	-	-	-	89.90	-
Bhwarlal Kothari	-	-	-	-	58.21	-
Manekchand Kothari	-	-	-	-	40.14	-
Ratandevi Bafna	-	-	-	-	0.37	-
Bhavna Bafna	-	-	-	-	0.37	-
<b>CSR Contribution made</b>	-	9.00	-	-	-	-
Sherry and Diya Foundation	-	9.00	-	-	-	-
<b>Loan Given during the year- unsecured-Short Term</b>	-	23,875.31	-	-	-	22,898.24
Aranath Real Estate Private Limited (Formerly Known as Renaissance Fincon Private Limited)	-	8,451.84	-	-	-	17,486.65
Augmont Goldtech Private Limited (Formerly Known as Augmont Precious Metals Private Limited)	-	400.00	-	-	-	476.00
Augmont Enterprises Private Limited	-	13,457.00	-	-	-	-
Badami Investment	-	1,278.34	-	-	-	4,753.39
HR Commercial Private Limited	-	262.64	-	-	-	-
Haven Infoline Private Limited	-	-	-	-	-	57.00
Kevin & Mike Consultancy	-	-	-	-	-	41.50
Krish Dreams Home Private Limited	-	25.50	-	-	-	83.70
<b>Loan Received Back</b>	-	25,120.79	-	-	-	31,290.61
Aranath Real Estate Private Limited (Formerly Known as Renaissance Fincon Private Limited)	-	8,785.19	-	-	-	24,764.59
Augmont Goldtech Private Limited (Formerly Known as Augmont Precious Metals Private Limited)	-	400.00	-	-	-	476.00
Augmont Enterprises Private Limited	-	12,022.12	-	-	-	-
Badami Investment	-	3,314.55	-	-	-	5,440.20
Haven Infoline Private Limited	-	-	-	-	-	498.18
HR Commercial Private Limited	-	262.64	-	-	-	6.32
Kevin & Mike Consultancy	-	272.90	-	-	-	-
Krish Dreams Home Private Limited	-	63.40	-	-	-	9.32
Nashville Infra Services Limited (Formerly Known as Supama Infra Services Limited)	-	-	-	-	-	96.00
<b>Loan taken during the year- unsecured-Short Term</b>	-	1,587.86	-	-	-	19,421.50
Augmont Enterprises Private Limited	-	-	-	-	-	19,307.81
HR Commercials Private Limited	-	1,587.86	-	-	-	93.68
Riddisiddhi Bullions Limited	-	-	-	-	-	20.00
<b>Loan Paid - Refunded</b>	-	216.80	-	-	-	24,501.09
Augmont Enterprises Private Limited	-	-	-	-	-	24,441.87
HR Commercials Private Limited	-	216.80	-	-	-	-
Riddisiddhi Bullions Limited	-	-	-	-	-	59.22





**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Financial Statements for the year ended 31 March 2023**

**(All amounts in INR in Lakhs, unless otherwise stated)**

**(b) Outstanding as the the balance sheet date**

Nature of Transaction	As at 31 March 2023		As at 31 March 2022	
	Key Management Personnel (KMP)	Enterprise owned or controlled by KMP or Relatives	Key Management Personnel (KMP)	Enterprise owned or controlled by KMP or Relatives
<b>Loan Given - Short Term - Outstanding (including accrued interest)</b>	-	<b>2,856.31</b>	-	<b>4,212.44</b>
Augmont Goldtech Private Limited (Formerly Known as Augmont Precious Metals Private Limited)	-	-	-	0.13
Augmont Enterprises Private Limited	-	1,530.28	-	50.97
Aranth Real Estate Private Limited (Formerly Known as Renaissance Fincon Private Limited)	-	79.08	-	388.35
Badami Investment	-	602.12	-	2,667.79
Kevin & Mike Consultancy	-	-	-	299.72
Krish Dreams Home Private Limited	-	644.83	-	728.21
Pratvik Hospitality LLP	-	-	-	77.27
<b>Loan Received - Outstanding (including accrued interest)</b>	-	<b>1,497.73</b>	-	<b>134.90</b>
Augmont Goldtech Private Limited (Formerly Known as Augmont Precious Metals Private Limited)	-	-	-	35.54
HR Commercials Private Limited	-	1,497.73	-	99.36
<b>Other financials liabilities</b>	<b>5.68</b>	-		<b>0.14</b>
Narendra Jain	1.32	-	4.28	-
Priyank Kothari	-	-	1.46	-
Rakesh Mehta	-	-	0.45	-
Aakash Jain	1.32	-	1.03	-
Sunny Parekh	1.00	-	0.84	-
Amit Shroff	2.04	-	-	-
Nashville Infra Services Limited (Formerly Known as Supama Infra Services Limited)	-	-	-	0.14

Note:

1. Related parties are as identified by the Company and relied upon by the Auditors.
2. No amount pertaining to Related Parties have been provided for as doubtful debts / written back.
3. There were no guarantee given or security provided during the year to the related parties.
4. Terms and conditions of transaction with related parties: the transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates.

**34 EMPLOYEE BENEFITS**

**1) Defined contribution plan :**

The Company makes Provident fund contribution which are defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company have recognised Rs. 3.13 lakhs (31 March 2022: Rs. 2.99 lakhs) for Provident fund contributions in the Statement of profit and loss. The contributions payable to the plan by the Company is at rates specified in the rules of the scheme.



**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Financial Statements for the year ended 31 March 2023**

(All amounts in INR in Lakhs, unless otherwise stated)

**ii) Defined benefit gratuity plan :**

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The disclosure in respect of the defined Gratuity Plan are given below:

	Year ended 31 March 2023	Year ended 31 March 2022
<b>a. Amounts recognised in the Statement of Profit &amp; Loss</b>		
Current service cost	2.12	3.62
Past service cost	-	-
Interest cost/(income)	0.80	0.30
<b>Total amount recognised in Statement of Profit &amp; Loss</b>	<b>2.93</b>	<b>3.92</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>b. Amount recognised in Other Comprehensive income</b>		
Return on plan assets excluding amounts included in net finance income/(cost)	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(0.27)	(1.08)
Experience (gains) / losses	(6.25)	3.82
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(6.51)</b>	<b>2.73</b>
	As at 31 March 2023	As at 31 March 2022
<b>c. Changes in the defined benefit obligation</b>		
<b>Opening defined benefit obligation</b>	11.13	4.47
Current service cost	2.12	3.62
Past service cost	-	-
Interest Cost/(Income)	0.80	0.30
included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(0.27)	(1.08)
Actuarial (gain)/loss arising from experience adjustments	(6.25)	3.82
Employer contributions	-	-
Benefit payments	-	-
<b>Closing defined benefit obligation</b>	<b>7.54</b>	<b>11.13</b>
	As at 31 March 2023	As at 31 March 2022
<b>d. Change in the fair value of plan assets during the year</b>		
<b>Opening Fair value of plan assets</b>	-	-
Interest Cost/(Income)	-	-
Expected return of plan assets excluding amounts included in net finance income/cost	-	-
Employer contributions	-	-
Adjustment due to change in opening balance of Plan assets	-	-
Actual Benefit payments	-	-
<b>Closing Fair value of plan assets</b>	<b>-</b>	<b>-</b>



**e. Net defined benefit obligation**

	As at 31 March 2023	As at 31 March 2022
Defined benefit obligation	7.54	11.13
Fair value of plan assets	-	-
Surplus/(Deficit)	7.54	11.13
Current portion of the above	0.08	0.13
Non Current portion of the above	7.46	11.00

**f. Assumptions**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

**Financial Assumptions**

	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate	7.41%	7.23%
Salary Escalation Rate	5.00%	5.00%

**g. Sensitivity**

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	6.22	9.22
Salary Escalation Rate	1.00%	9.28	6.16

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

**h. The defined benefit obligations shall mature after year end 31 March 2023 as follows:**

Expected payments for future years	As at 31 March 2023	As at 31 March 2022
Within the next 12 months	0.08	0.13
Between 1 and 2 years	0.10	0.14
Between 2 and 3 years	0.14	0.18
Between 3 and 4 years	0.16	0.24
Between 4 and 5 years	0.17	0.26
Thereafter	1.00	10.18

**iii) Employee share based payment plans:**

During the year ended 31 March, 2022, the Company implemented Finkurve Employee Stock Option Plan 2018 ("2018 Plan"). The plan was approved by the shareholders in the Company's 34th AGM held on 29 September, 2018. The 2018 Plan have resulted into creation of ESOP pool of 50 lakhs options resulting into 50 lakhs equity shares of Rs 1 each. Further, the stock options to any single employee under the Plan shall not exceed 1% of fully diluted equity Shares of the Company during the tenure of the Plan, subject to compliance with Applicable Law.

The options granted under 2018 Plan have a maximum vesting period of 4 years from the end of grant date and is exercisable within 5 years of last vesting date. The options granted are based on the performance of the employees during the year of the grant and their continuing to remain in service. The process for determining the eligibility of employees for the grant of stock options under the 2018 Plan shall be determined by the Nomination and Remuneration Committee (Administrator of the 2018 Plan) in consultation with Board and based on employee's grade, performance rating and such other criteria as may be considered appropriate. The employees shall be entitled to receive one equity share of the Company on exercise of each stock option, subject to performance of the employees and continuation of employment over the vesting period and other terms of the plan. The Board of Directors or the Nomination and Remuneration Committee shall decide the Exercise Price and the discount rate at the time of granting the Options on the basis of per share Market rate of the shares of the Company as defined under 2018 Plan.



**a) Details of stock options granted:**

Particulars	Grant 1	Grant 2	Grant 3
Grant Date	04-01-2021	06-30-2021	08-24-2021
Last vesting date	03-31-2025	06-29-2025	08-23-2025
Market price at the time of grant of option (INR)	43.90	64.40	52.00
Exercise Price (INR)	27.00	27.00	27.00
<b>Options outstanding at the beginning of the year</b>	284,300	56,614	63,750
Options granted during the year	-	-	-
Options exercised during the year	-	-	-
Options forfeited during the year	-	-	-
Options lapsed during the year	49,500	56,614	-
<b>Balance as at year end</b>	234,800	-	63,750
<b>Vesting of option (in % of total) at period end</b>			
1st - after the end of 12 month from Grant date	25%	25%	25%
2nd - after the end of 24 month from Grant date	20%	20%	20%
3rd - after the end of 36 month from Grant date	20%	20%	20%
4th - after the end of 48 month from Grant date	35%	35%	35%
<b>Exercisable till the period end (5 years from last vesting date)</b>	03-31-2030	6-29-2030	08-23-2030

**b) Fair Value of Stock Options granted:**

Fair Value of Stock Options was calculated using the Black Scholes Model. The key assumptions used for calculating the option fair value are as below:

Particulars	Risk free interest rate	Expected volatility	Dividend yield	Issue price at Grant Date (INR) (*)	Exercise price (INR)
<b>Grant 1 - 1st April 2021</b>					
1st Vesting - 25% of total	3.93%	70.71%	0.00%	48.00	27.00
2nd Vesting - 20% of total	4.54%	71.04%	0.00%	51.68	27.00
3rd Vesting - 20% of total	4.93%	71.64%	0.00%	54.61	27.00
4th Vesting - 35% of total	5.59%	72.45%	0.00%	57.18	27.00
<b>Grant 2 - 30th June 2021</b>					
1st Vesting - 25% of total	4.09%	69.90%	0.00%	66.72	27.00
2nd Vesting - 20% of total	4.59%	70.50%	0.00%	70.05	27.00
3rd Vesting - 20% of total	4.89%	71.65%	0.00%	73.08	27.00
4th Vesting - 35% of total	5.65%	71.80%	0.00%	75.78	27.00
<b>Grant 3 - 24th August 2021</b>					
1st Vesting - 25% of total	4.17%	71.04%	0.00%	55.22	27.00
2nd Vesting - 20% of total	4.48%	70.94%	0.00%	58.71	27.00
3rd Vesting - 20% of total	4.93%	71.99%	0.00%	61.79	27.00
4th Vesting - 35% of total	5.41%	71.87%	0.00%	64.24	27.00

During the year, the Company has recognised an expense of Rs. 7.82 lakhs (31 March, 2022 - Rs. 51.40 lakhs)

(\*) Issue price includes the strike price, i.e. amount to be paid by employee and call price, i.e. the cost recognised and to be recognised in the Statement of Profit and Loss over the vesting period calculated under Black Scholes Model.



**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Financial Statements for the year ended 31 March 2023**

(All amounts in INR in Lakhs, unless otherwise stated)

**35 Segment Information**

The Company primarily operates in Financing and other activities. Further, all activities are carried out within India. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM), there are no other operating segments which are identified as such and need to be reported.

**36 Maturity analysis of assets and liabilities**

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

Particulars	As at 31 March 2023			As at 31 March 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>						
<b>Financial Assets</b>						
Cash and cash equivalents	446.33	-	446.33	263.11	-	263.11
Loans	20,446.01	1,615.84	22,061.85	14,495.55	2,951.91	17,447.47
Investments	0.06	410.33	410.39	0.05	508.45	508.50
Other financial assets	66.06	210.22	276.28	65.50	4.17	69.67
<b>Non Financial Assets</b>						
Current tax assets (net)	78.23	-	78.23	75.49	-	75.49
Deferred tax assets (net)	-	66.80	66.80	-	147.03	147.03
Property, plant and equipment	-	106.61	106.61	-	38.08	38.08
Right of use assets	-	10.28	10.28	-	22.51	22.51
Other intangible assets	-	0.61	0.61	-	1.65	1.65
Other non financial assets	3.83	-	3.83	41.59	-	41.59
<b>Total Assets</b>	<b>21,040.52</b>	<b>2,420.69</b>	<b>23,461.20</b>	<b>14,941.29</b>	<b>3,673.80</b>	<b>18,615.09</b>
<b>Liabilities</b>						
<b>Financial liabilities</b>						
Payables						
- Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	15.89	-	15.89	9.19	-	9.19
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	366.51	-	366.51	141.86	-	141.86
Debt securities	17.53	750.00	767.53	-	-	-
Borrowings (Other than debts securities)	4,347.03	32.41	4,379.44	1,583.17	750.00	2,333.17
Lease liabilities	16.34	-	16.34	16.58	16.34	32.92
Other financial liabilities	544.72	-	544.72	215.76	-	215.76
<b>Non financial liabilities</b>						
Current tax liabilities (net)	52.93	-	52.93	-	-	-
Provisions	0.08	7.46	7.54	0.13	11.00	11.13
Other non-financial liabilities	60.43	-	60.43	66.23	-	66.23
<b>Total liabilities</b>	<b>5,421.47</b>	<b>789.87</b>	<b>6,211.34</b>	<b>2,032.90</b>	<b>777.34</b>	<b>2,810.24</b>

**37 Fair values**

**(a) Financial instruments by category:**

Particulars	As at 31 March 2023			
	Amortised cost	At fair value through profit or loss	Total carrying value	Total Fair value
<b>Financial assets</b>				
Cash and bank balances	446.33	-	446.33	446.33
Trade receivables	-	-	-	-
Loans	22,061.85	-	22,061.85	22,061.85
Investments	-	410.39	410.39	410.39
Other financial assets	276.28	-	276.28	276.28
	<b>22,784.45</b>	<b>410.39</b>	<b>23,194.84</b>	<b>23,194.84</b>
<b>Financial liabilities</b>				
Trade payables	382.40	-	382.40	382.40
Debt securities	767.53	-	767.53	767.53
Borrowings (other than debt securities)	4,379.44	-	4,379.44	4,379.44
Lease liabilities	16.34	-	16.34	16.34
Other financial liabilities	544.72	-	544.72	544.72
	<b>6,090.44</b>	<b>-</b>	<b>6,090.44</b>	<b>6,090.44</b>



**FINKURVE FINANCIAL SERVICES LIMITED**

**Notes forming part of the Financial Statements for the year ended 31 March 2023**

(All amounts in INR in Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022			
	Amortised cost	At fair value through profit or loss	Total carrying value	Total fair value
<b>Financial assets</b>				
Cash and bank balances	263.11	-	263.11	263.11
Trade receivables	-	-	-	-
Loans	17,447.47	-	17,447.47	17,447.47
Investments	-	508.50	508.50	508.50
Other financial assets	69.67	-	69.67	69.67
	<b>17,780.25</b>	<b>508.50</b>	<b>18,288.75</b>	<b>18,288.75</b>
<b>Financial liabilities</b>				
Trade payables	151.05	-	151.05	151.05
Borrowings (other than debt securities)	2,333.17	-	2,333.17	2,333.17
Lease Liabilities	32.92	-	32.92	32.92
Other financial liabilities	215.76	-	215.76	215.76
	<b>2,732.89</b>	<b>-</b>	<b>2,732.89</b>	<b>2,732.89</b>

**(b) Fair value hierarchy and method of valuation:**

The Company categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

Level 3 - Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants. The management of the Company assessed that loans given, cash and cash equivalents, trade receivables, trade payables, other current financial liabilities, current loans and other financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following table provides the fair value measurement hierarchy of the assets and liabilities of the Company :-

**Quantitative disclosures fair value measurement hierarchy for assets/liabilities as at year end:**

Particulars	As at 31 March 2023				
	Carrying value	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at FVTPL</b>					
Investments in equity shares	114.19	0.06	-	114.13	<b>114.19</b>
Investment in preference shares	210.50	-	-	210.50	<b>210.50</b>
Investment in AIF	50.70	-	-	50.70	<b>50.70</b>
Investment in debentures	35.00	-	-	35.00	<b>35.00</b>
Investment in mutual funds	-	-	-	-	-

Particulars	As at 31 March 2022				
	Carrying value	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at FVTPL</b>					
Investments in equity shares	245.92	0.05	-	245.88	<b>245.92</b>
Investment in preference shares	171.58	-	-	171.58	<b>171.58</b>
Investment in AIF	20.00	-	-	20.00	<b>20.00</b>
Investment in debentures	71.00	-	-	71.00	<b>71.00</b>
Investment in mutual funds	-	-	-	-	-



**(c) Fair value measurements using significant unobservable inputs (level 3)**

	As at <u>31 March 2023</u>	As at <u>31 March 2022</u>
<b>Opening Balance</b>	508.45	394.38
Acquisition during the year	192.69	152.67
Gain/(Losses) recognised in statement of profit or loss	(111.22)	(38.60)
Disposal during the year	(179.59)	-
<b>Closing Balance</b>	<b>410.33</b>	<b>508.45</b>

**(d) Significant unobservable input(s) for Level 3 hierarchy**

The fair value of financial instruments that are not traded in active market is determined by using valuation techniques. The Company uses judgement to select from variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Significant inputs considered in valuation are Terminal Growth rate, Weighted average cost of capital and computation of Net asset value in case of certain investments.

**Relationship of unobservable inputs to fair value and sensitivity**

Increase or decrease in multiple will result in increase or decrease in valuation.

**38 Financial risk management objectives and policies**

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's Board of Directors has appropriate financial risk governance framework for the Company. The Board of Directors govern the Company's financial risk activities by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises 3 types of risk: interest rate risk and currency risk. Financial instruments affected by market risk includes loans, Investment in units of mutual fund, and borrowings.

**Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk primarily from borrowings. The Company monitors the changes in interest rates and actively regarding finances its debt obligations and/or re-evaluate the investment position to achieve an optimal interest rate exposure.

The Company's borrowings are majorly is at fixed interest rates and accordingly, the company is not exposed to any significant interest rate risk.

**Foreign currency risk and sensitivity**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company does not have any foreign currency exposure, accordingly it is not exposed to the foreign currency risks.

**Investment price risk**

The Company's exposure in Investment in equity share & mutual funds - Quoted as at 31 March 2023 is INR 0.06 lakhs (31 March 2022 Rs. 0.05 lakhs) and as a result the impact of any price change will not have a material effect on the profit or loss of the Company.

**Credit Risk**

The Company is exposed to credit risk from their operating activities (primarily Loans given), The Company manage the credit risk by continuously monitoring the creditworthiness of customers. The Company has used a practical expedient by computing the expected credit loss allowance for external trade receivables based on a provision matrix. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Expected credit loss on loans given is Rs. 351.04 lakhs (31 March 2022 - Rs. 774.02 lakhs).

**Liquidity Risk**

Liquidity risk refers to insufficiency of funds to meet the financial obligations. The Company manages liquidity risk by borrowings, fund infusion by issue of equity shares/ preference shares, continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include principal cash flows. The contractual maturity is based on the earliest date on which the company may be required to pay.



As at 31 March 2023	Less than 12 months	1 to 5 years	> 5 years	Total
Trades payables	382.40	-	-	382.40
Debt securities	17.53	-	750.00	767.53
Borrowings (other than debt securities)	4,347.03	32.41	-	4,379.44
Lease Liability	16.34	-	-	16.34
Other Financial Liability	544.72	-	-	544.72
As at 31 March 2022	Less than 12 months	1 to 5 years	> 5 years	Total
Trades payables	151.05	-	-	151.05
Borrowings (other than debt securities)	1,583.17	-	750.00	2,333.17
Lease Liability	16.58	16.34	-	32.92
Other Financial Liability	215.76	-	-	215.76

**39 Capital management**

**Risk management**

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using a capital adequacy ratio as prescribed by Reserve Bank of India.

**40 Transactions in the nature of change in ownership in other entities**

Pursuance to the resolution passed by the Board of Directors, during the year 2021-22, the Company have acquired balance 1,47,000 (one lakh fourty seven thousand) i.e. 16.80% equity shares of Arvog Forex Private Limited (formerly known as Supama Forex Private Limited), a material subsidiary company resulting into Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) became 100% subsidiary of company.

Subsequently, pursuance to the special resolution passed by the members of the company in annual general meeting held on 20 September 2021, the Board of Directors have entered into agreement with Revolut Payments India Private Limited for disinvestments and sale of 8,75,000 (eight lakh seventy five thousands) i.e. 100% equity shares of Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) held by the Company. The transaction have been completed during the year 2021-22 and on this sale transaction, the Company recognised a pre-tax profit of Rs. 2,095.22 lakhs on a standalone basis. Such profit is disclosed under exceptional item in the Statement of profit and loss for the year ended 31 March 2023 which was disclosed under the revenue in the statement of profit and loss for the year ended 31 March 2022.

Consequent to above, Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) ceases to be subsidiary of the Company with effective from 11 February 2022.

**41 Recent accounting and other pronouncements :**

**A) New Standards issued or amendments to the existing standard but not yet effective :**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below :

(a) Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

(b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

(c) Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

**B) other recent pronouncements :**

On August 10, 2022, the Reserve Bank of India (RBI) had issued Press Release "Recommendations of the Working Group on Digital Lending – Implementation" and have issued detailed guidelines vide circular no RBI/2022-23/111 DOR.CRE.REC.66/21.07.001/2022-23 dated September 2, 2022, requiring the company to follow the norms of Digital Lending. Accordingly, the Company, considering such guidelines and subsequently issued FAQ's have adopted the recommendations and made required changes in process and policies.





42 Reconciliation of movement of liabilities to cash flows arising from financing activities

Particulars	As at 31 March 2022	Cash Flows	Other	As at 31 March 2023
Debt securities	-	767.53	-	767.53
Borrowings (other than debt securities)	2,333.17	2,046.27	-	4,379.44
Lease liabilities	32.92	(19.80)	3.22	16.34
<b>Total liabilities from financing activities</b>	<b>2,366.09</b>	<b>2,794.00</b>	<b>3.22</b>	<b>5,163.31</b>

Particulars	As at 01 April 2021	Cash Flows	Other	As at 31 March 2022
Debt securities	-	-	-	-
Borrowings (other than debt securities)	7,539.56	(5,206.39)	(0.00)	2,333.17
Lease liabilities	47.65	(21.05)	6.33	32.92
<b>Total liabilities from financing activities</b>	<b>7,587.21</b>	<b>(5,227.45)</b>	<b>6.33</b>	<b>2,366.09</b>

43 Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Non-Banking Financial Company – Non -Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 :

Particulars	As at 31 March 2023		As at 31 March 2022	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue

LIABILITIES SIDE:

1 Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :

(a) Debentures : Secured	767.53	-	-	-
: Unsecured	-	-	-	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	548.27	-	504.29	-
(d) Inter-corporate loans and borrowing	2,932.24	-	610.43	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposit	-	-	-	-
(g) Other Loans (specify nature)	-	-	-	-
- Bank overdraft against Gold re-pledge - secured	898.93	-	439.97	-
- External commercial borrowings - secured	-	-	778.48	-

2 Break-up of 1(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid) :

(a) In the form of Un-Secured Debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

Particulars	As at 31 March 2023	As at 31 March 2022
	Amount Outstanding	Amount Outstanding

ASSETS SIDE:

3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :

(a) Secured	15,405.88	10,824.79
(b) Unsecured	7,007.00	7,396.70



**4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities :**

**(i) Lease assets including lease rentals under sundry debtors:**

(a) Financial lease	-	-
(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 asset financing activities :**

(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

**5 Breakup of Investments**

**Current Investments :**

**1. Quoted :**

(i) Shares : (a) Equity	0.03	0.03
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

**2. Unquoted :**

(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

**Long Term investments :**

**1. Quoted :**

(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

**2. Unquoted : 63**

(i) Shares : (a) Equity	180.94	167.96
(b) Preference	295.49	206.68
(ii) Debentures and Bonds	35.00	71.00
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others - Units of Venture Capital Funds	5.12	5.12
- Units of AIF	60.70	20.00



6 Borrower group-wise classification of assets financed as in (3) and (4) above :

Category	As at 31 March 2023			As at 31 March 2022		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	2,836.93	2,836.93	-	4,172.88	4,172.88
2. Other than related parties	15,274.93	3,949.99	19,224.92	10,315.86	2,958.72	13,274.58
<b>Total</b>	<b>15,274.93</b>	<b>6,786.92</b>	<b>22,061.85</b>	<b>10,315.86</b>	<b>7,131.61</b>	<b>17,447.47</b>

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

Category	As at 31 March 2023		As at 31 March 2022	
	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	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	410.39	410.39	508.50	508.50
<b>Total</b>	<b>410.39</b>	<b>410.39</b>	<b>508.50</b>	<b>508.50</b>

8 Other information

(i) Gross Non-Performing Assets

	Amount	Amount
(a) Related parties	-	-
(b) Other than related parties	479.61	2,195.37

(ii) Net Non-Performing Assets

(a) Related parties	-	-
(b) Other than related parties	239.68	1,511.39

(iii) Assets acquired in satisfaction of debt

	-	-
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44 Note on Covid

The significant increase in economic activities post easing of lockdown by the state governments due to Covid-19 had resulted in improvement in business operations of the Company. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

45 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended 31 March 2023 and 31 March 2022. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.



**46 Event after reporting date**

There have been no events after the reporting date.

**47 Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31 March 2023 and 31 March 2022.

**48 Utilisation of Borrowed funds and share premium**

The Company, as part of its normal business, grants loans and advances, makes investment and obtains borrowings from bank and other entities. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

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

**49 Compliance with approved Scheme(s) of Arrangements**

There is no any scheme of Arrangement or Amalgamation initiated or approved by the Board of Directors and / or Shareholders of the Company or competent authority during the year ended 31 March 2023 and 31 March 2022 or in earlier years.

**50 Undisclosed income**

There are no transactions which have not been recorded in the books of accounts.

**51** The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

**52 Title deeds of Immovable Properties not held in name of the Company**

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) during the financial year ended 31 March 2023 and 31 March 2022.

**53 Information about the Loans and Advances in the nature of loans to related parties**

Type of Borrower	As at 31 March 2023		As at 31 March 2022	
	Amount Outstanding	% of Total Loans	Amount Outstanding	% of Total Loans
Promoters	-	0.00%	-	0.00%
Directors	-	0.00%	-	0.00%
Key Managerial Person	-	0.00%	-	0.00%
Related Parties	2,856.31	12.74%	4,212.44	23.12%

**54 Analytical Ratios**

Particulars	As at 31 March 2023			As at 31 March 2022	% Variance	Reasons for variance (if above 25%)
	Numerator	Denominator	Ratio	Ratio		
Capital to risk-weighted assets ratio (CRAR)	16,324.08	21,803.22	74.87%	84.20%	-11.08%	Not Applicable
Tier I CRAR	16,212.98	21,803.22	74.36%	83.62%	-11.07%	Not Applicable
Tier II CRAR	111.11	21,803.22	0.51%	0.58%	-12.34%	Not Applicable
Liquidity Coverage Ratio (LCR)	(*)	(*)	(*)	(*)	(*)	(*)

(\*) The company have not accepted any deposit and do not have any obligation resulting into cash outflow in next 30 days hence, LCR is not applicable.



**55 Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual currency during the current or preceding financial year.

**56 Details of Benami Property Held**

No proceedings have been initiated during the financial year or pending as at the end of the financial year against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**57 Wilful Defaulter**

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the current or preceding financial year.

**58 Relationship with Struck off Companies**

The Company have not entered into any transaction during the current or previous financial year with the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and there is no outstanding receivable from / payable to such companies as at the end of year.

**59 Liquidity risk**

Public Disclosure on Liquidity Risk for the year ended 31 March 2023 pursuant to RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102 / 03.10.001 / 2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies :

**(i) Funding concentration based on significant counterparty (both deposits and borrowings)**

Particulars	Number of significant counterparties	Amount	% of Total deposits (*)	% of Total liabilities
As at 31 March 2023	2	2,265.26	-	36.47%
As at 31 March 2022	4	2,233.81	-	79.49%

(\*) As the company have not accepted any deposits, % of total deposits is not applicable.

**(ii) Top 20 large deposits (amount in INR and % of total deposits)**

As the company have not accepted any deposits, same is not applicable.

**(iii) Top 10 borrowings (amount in INR and % of total borrowings)**

Name of Borrower	As at 31 March 2023		As at 31 March 2022	
	Amount	% of Total borrowings	Amount	% of Total borrowings
Rupee External commercial borrowing	-	0.00%	778.48	33.37%
Rupee, redeemable non-convertible debentures (secured)	767.53	14.91%	-	0.00%
Borrowing from bank	942.61	18.31%	439.97	18.86%
Other Intercorporate borrowing	3,436.83	66.77%	1,114.72	47.78%

**(iv) Funding concentration based on significant instrument/product**

Name of the instrument/product	As at 31 March 2023		As at 31 March 2022	
	Amount	% of Total liabilities	Amount	% of Total liabilities
Redeemable non-convertible debentures (secured and unsecured)	767.53	12.36%	-	0.00%
External commercial bond	-	0.00%	-	0.00%
Term loan from banks	-	0.00%	-	0.00%
Cash credit from banks	898.93	14.47%	439.97	15.66%
Term loan from financial institution / corporates	-	0.00%	-	0.00%
External commercial borrowing - INR	-	0.00%	778.48	27.70%
Other loans - Securitisation liabilities	-	0.00%	-	0.00%
Deposits	-	0.00%	-	0.00%
Subordinated debts	-	0.00%	-	0.00%
Other corporate borrowings	3,436.83	55.33%	1,114.72	39.67%



(v) Stock ratios:

Name of the instrument/product	As at 31 March 2023			As at 31 March 2022		
	% of Total public funds	% of Total liabilities	% of Total assets	% of Total public funds	% of Total liabilities	% of Total assets
Commercial papers	-	-	-	-	-	-
Non-convertible debentures (original maturity of less than one year)	-	-	-	-	-	-
Other short-term liabilities	103.13%	85.46%	22.62%	77.81%	64.60%	9.75%

vi) Institutional set-up for liquidity risk management

The ultimate responsibility for liquidity risk management rests with the Board of directors, which has established Asset and Liability Management Committee (ALCO) for the management of the Company's short, medium and long- term funding and liquidity management requirements. The ALCO meets regularly to review the liquidity position based on future cash flows. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Company also maintains adequate liquid assets, banking facilities and reserve borrowing facilities to hedge against unexpected requirements.

In order to achieve above, the Company also has an Investment Policy to ensure that safety, liquidity and return on the surplus funds are given appropriate weightages and are placed in that order of priority. The Investment Committee frames the strategy, sets the operational parameters and framework within the limits as may be set by the Board for investment. The Committee approaches the Board for revising the limit as and when required. The policy is also reviewed periodically in the background of developments in the money markets and the Investment Committee depending on the external factors proactively to reduce the risk in the investments. A well-defined front and back office mechanism is in place to ensure a system of checks and balances.

Definition of terms as used in the table above:

- 1) 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-D's total liabilities and 10% for other non-deposit taking NBFCs as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC .No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.
- 2) 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, as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC .No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.
- 3) Total Liabilities has been computed as sum of all liabilities (Total of Balance Sheet less Total Equity).
- 4) Public funds include funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue, as defined in Master Direction - Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Direction, 2016.
- 5) Other short-term liabilities include all short-term borrowings other than Commercial papers (if any) and Nonconvertible debentures with original maturity less than one year (if any).
- 6) The amount stated in this disclosure is based on the audited financial statements.

Further Guidelines prescribed by Reserve Bank of India vide above circular on Maintenance of Liquidity Coverage Ratio (LCR) is applicable for all non-deposit taking NBFCs with asset size of Rs. 5,000 crore and above, and all deposit taking NBFCs irrespective of their asset size. As the Company is Non-Systematically Important, Non-Deposit Accepting NBFC, such guidelines are not applicable to Company.



**60 Disclosure of % of gold loan to total assets :**

Particulars	As at 31 March 2023	As at 31 March 2022
Gold Loan (gross)	8,819.49	5,192.29
Total Assets	23,461.20	18,615.09
% of gold loan to total assets	37.59%	27.89%

**61 Disclosure of Penalties imposed by RBI and other regulators**

**Details of Penalties levied by various regulators:**

No penalties have been levied by any regulator on the Company for the year ended 31 March 2023 and 31 March 2022.

**62** The financial statements were approved for issue by the Board of Directors on 20 May 2023.

**63** The previous year's figures have been recast / regrouped / rearranged wherever considered necessary to conform to the current year presentation.

**As per our report of even date attached**

**For P. D. Saraf & Co**

Chartered Accountants

Firm Registration No : 109241W

Sd/-

**Madhusudan Saraf**

Partner

Membership No.: 41747

Place: Mumbai

Date: 20th May 2023

For and on behalf of the Board of Directors of

**Finkurve Financial Services Limited**

CIN : L65990MH1984PLC032403

Sd/-

**Ketan Kothari**

Director

DIN: 00230725

Sd/-

**Aakash Jain**

Chief Financial

Officer

Sd/-

**Narendra Jain**

Director

DIN: 08788557

Sd/-

**Sunny Parekh**

Company Secretary

M.No. ACS32611

