

Date: 26th August, 2021

To,
The Manager – CRD,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Scrip Code: 508954

Subject: Submission of Annual Report for the financial year 2020-21

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith copy of Annual Report for the financial year 2020-2021.

Kindly take the above in your record.

Thanking You,

Yours Faithfully,

For Finkurve Financial Services Limited

Sunny Parekh
Company Secretary & Compliance Officer
Membership Number: ACS 32611

Encl.: As above

Arvog
FINANCE

Finkurve Financial Services Limited
CIN : L65990MH1984PLC032403

Registered Office: 202/A, 02nd Floor, Trade World, D - Wing, Kamala Mills Compound, S.B. Marg, Lower Parel (west), Mumbai - 400013, INDIA.
Tel: +91 22 4244 1200 | Email: info@arvog.com / finkurvefinancial@gmail.com | Web: www.arvog.com

2020 - 2021
ANNUAL REPORT



Finkurve Financial Services Limited

BOARD OF DIRECTORS

Mr. Ketan Kothari	-	Chairman
Mr. Narendra Jain	-	Executive Director
Mr. Priyank Kothari	-	Non-Executive Director
Mr. Rakesh Mehta	-	Independent Director
Mr. Nishant Ranka	-	Independent Director
Mrs. Riddhi Tilwani	-	Independent Director
Mr. Sunny Parekh	-	Company Secretary
Mr. Aakash Jain	-	Chief Financial Officer

AUDITORS

M/s. P. D. Saraf & Co
Chartered Accountants,
Mumbai

BANKERS

Axis Bank Limited
Union Bank of India
Kotak Mahindra Bank Limited

REGISTERED OFFICE

202/A,02nd Floor,Trade
World, D-Wing ,Kamala
Mills Compound, S. B.
Marg, Lower Parel West
Mumbai - 400013

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C 101, 247 Park, L.B.S. Marg , Vikhroli West,
Mumbai - 400083

INDEX

PARTICULARS	Page No.
Notice	2
Director's Report	19
• Annexure I – Information pursuant to Section 197 of the Companies Act. 2013	27
• Annexure II – Extract of Annual Return	31
• Annexure III – Report on Corporate Governance	38
• Annexure IV – Secretarial Audit Report	54
• Annexure V - AOC-I	58
• Annexure VI - Annual Report on CSR activities	59
Management Discussion and Analysis Report	62
MD/CFO Certification	64
Auditor's Report on Standalone Financial Statements of the Company	66
Standalone Financial Statements of the Company	76
Auditor's Report on Consolidated Financial Statements of the Company	110
Consolidated Financial Statements of the Company.	119

NOTICE

Notice is hereby given that the 37th Annual General Meeting ('AGM') of the Members of Finkurve Financial Services Limited will be held on Monday, 20th day of September, 2021 at 2.00 P. M. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Consolidated and Standalone Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Ketan Kothari (DIN: [00230725](#)), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **To appoint Mr. Rakesh Govindchand Mehta (DIN: 00002676), as Non-Executive Independent Director of the Company**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Rakesh Govindchand Mehta (DIN: 00002676), who was appointed as an Additional Director of the Company with effect from 17th May, 2021 to hold the office of Independent Director upto the date of the ensuing Annual General Meeting of the Company and who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a term of Five (05) consecutive years with effect from 17th May, 2021 till 16th May, 2026 on the Board of the Company.

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.”

4. **To appoint Mr. Priyank Rakesh Kothari (DIN: 07676104), as Non-Executive Non-Independent Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Priyank Rakesh Kothari (DIN: 07676104) who was appointed as an Additional Director of the Company with effect from 17th May, 2021 to hold the office of Additional Director upto the date of the ensuing Annual General Meeting of the Company and who is eligible for appointment, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive, Non-Independent Director of the Company and whose period of office will be liable to retirement by rotation.”

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.”

5. **To increase Authorised Share Capital and Alteration of Memorandum of Association:**

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

“**RESOLVED THAT** in accordance with Section 61 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(s) thereof for the time being in force, and subject to such permissions, sanctions and approvals as may be required in this regard, 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 be deemed to include any Committees of the Board), to increase the existing Authorised Share Capital from Rs. 13,00,00,000 (Rupees Thirteen Crores) [divided into 13,00,00,000 Equity Shares of Re. 1/- each] to Rs. 45,00,00,000 (Rupees Forty Five Crores) [divided into 45,00,00,000 Equity Shares of Re. 1/- each] and consequently Clause V of the Memorandum of Association of the Company be altered by substituting the following new Clause V in place of the existing clause thereof:

V. The Authorised Share Capital of the Company is Rs. 45,00,00,000 (Rupees Forty Five Crores) [divided into 45,00,00,000 Equity Shares of Re. 1/- each] with power to increase or reduce or consolidate the capital of the Company or reclassify the shares from shares of one class into shares of other class or classes and attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company and as may be thought expedient.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, things, matters and deeds and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. **To disinvest the shares held by the Company in Arvog Forex Private Limited, Material Subsidiary of the Company:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (a) of Companies Act, 2013, Regulation 24(5) & (6) and all other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), provisions of the Companies Act, 2013 (the “Act”) and Rules made thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, and subject to the necessary approvals, consents, permissions and/or sanctions from the appropriate authorities, if any, and to the extent necessary, consent of the members of the Company be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred hereunder), for divestment of its shareholding held in Arvog Forex Private Limited (Formerly known as Supama Forex Private Limited), a Material Subsidiary of the Company, by way of sale, transfer or disposal of, either partly or wholly or in one or more tranches and on such terms and conditions as the Board, may, in its absolute discretion, deem fit and appropriate in the best interests of the Company.

RESOLVED FURTHER THAT the any Director of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, from time to time for giving effect to the above resolution, including finalizing, varying and settling the terms and conditions of the proposed divestment; to settle and finalize all issues that may arise in this regard, without further referring to the members of the Company; to negotiate and finalize the share purchase agreement and/ or any other transaction documents (including providing such representations, warranties, indemnities and covenants as may be required) and to execute, deliver and perform such agreements, other contracts, deeds, undertakings and other documents and subsequent modifications thereto; to file applications and make representations in respect thereof and seek the requisite approvals from the relevant authorities and third parties, including governmental authorities and lenders; to suitably inform and apply to all the concerned authorities, to settle any questions, difficulty or doubt that may arise in this regard, and to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution.”

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, 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 aggregating up to an amount not exceeding Rs. 150 crores (rupees One Fifty crores only) on a private placement basis, during a period of one 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.”

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

**Place: Mumbai
Date: 24th August, 2021**

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

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. 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.
5. 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.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.arvog.com. The Notice can also be accessed from the website of BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No.17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January, 2021.

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

The remote e-voting period begins on Friday, 17th September, 2021 at 09:00 A.M. and ends on Sunday, 19th September, 2021 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. Monday, 13th September, 2021, 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 13th September, 2021.

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.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL 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 & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. 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 **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 & voting during the meeting.

- Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

- Existing 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 <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
- After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
- If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
- Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

<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 & 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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 helpdesk.evoting@cdslindia.com 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***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) 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.
- c) How to retrieve your ‘initial password’?
 - (i) 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’.
 - (ii) 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:
 - a) 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.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) 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?

1. 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.
2. 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 with a copy marked to 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 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 or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to 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.
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.
3. 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.**
4. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
5. 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 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 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 AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the 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. 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.
4. Shareholders who have questions may send their questions at least ten (10) days in advance mentioning their name demat account number/folio number, email id, mobile number at finkurvefinancial@gmail.com. The same will be replied by the company suitably.

In accordance with the MCA Circulars, all documents referred to in the Notice will be made accessible to the Members for inspection upon a written request sent to the Company at finkurvefinancial@gmail.com before the date of the AGM.

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

Pursuant to the recommendation of the Nomination and Remuneration Committee (‘NRC’), the Board of Directors of the Company at its meeting held on 17th May, 2021, appointed Mr. Rakesh Mehta as an Additional Director of the Company, not liable to retire by rotation, with effect from 17th May, 2021, to hold the office of Independent Director for a term of five consecutive years commencing on 17th May, 2021 and ending on 16th May, 2026, subject to the approval of Members in the ensuing Annual General Meeting.

Mr. Rakesh Mehta meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations and is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Rakesh Mehta for the office of Independent Director of the Company, not liable to retire by rotation.

Brief profile of Mr. Rakesh Mehta and the additional information in respect of pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given in Annexure A to this Notice. A copy of the draft letter of appointment of Mr. Rakesh

Mehta as an Independent Director setting out the terms and conditions of appointment will be available for inspection upto the date of AGM.

The Board considers that Mr. Rakesh Mehta's appointment is independent of the management of the Company and his association would be of immense benefit to the Company. Hence, the Board recommends the ordinary resolution set out at Item No. 3 of this Notice for approval of the Members of the Company.

Except Mr. Rakesh Mehta being the appointee under this resolution, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of this Notice.

Item No. 4

Pursuant to the recommendation of the Nomination and Remuneration Committee ('NRC') and the prior approval received from the Reserve Bank of India, the Board of Directors of the Company at its meeting held on 17th May, 2021, appointed Mr. Priyank Rakesh Kothari as an Additional Non-Executive Director of the Company with effect from 17th May, 2021, subject to the approval of the Members. In accordance with the provisions of Section 161 of the Companies Act, 2013, Mr. Priyank Kothari shall hold office up to the date of the ensuing AGM and shall be eligible for election subject to the approval of the Members at this AGM. In accordance with the provisions of Section 149, 152 and 161 and other applicable provisions of the Companies Act, 2013, approval of the Members is required for appointment of Mr. Priyank Kothari as Non-Executive Director of the Company, liable to retire by rotation with effect from 17th May, 2021. Mr. Priyank Kothari is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Priyank Kothari for the office of Non-Executive Director of the Company.

Brief profile of Mr. Priyank Kothari and the additional information in respect of pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given in Annexure A to this Notice.

Considering the rich experience of Mr. Priyank Kothari, the Nomination & Remuneration Committee along with the Board considers that, the association of Mr. Kothari would be beneficial to the Company and it is desirable to continue to avail his service as Non-Executive Director of the Company. Accordingly, it is proposed to appoint Mr. Priyank Kothari as Non-Executive Non Independent Director of the Company, liable to retire by rotation on the terms and Conditions as mentioned in the resolution above.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

Mr. Priyank Kothari is a part of the extended family for Mr. Ketan Kothari. None of the other Directors or Key Managerial Personnel of the Company or their relatives except Mr. Ketan Kothari and Mr. Priyank Kothari being the appointee, or his relatives, is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Item no. 5

At present, the Authorised Share Capital of the Company is Rs. 13,00,00,000/- divided into 13,00,00,000 Equity Shares of Rs. 1/- each. The Company anticipates that it would be requiring additional funds for the operational requirements of the Company. With a view to accommodate the same, it is considered necessary to increase the authorized share capital of the Company from the present Rs. 13,00,00,000/- (Thirteen Crores Only) to Rs.

45,00,00,000 (Forty Five Crores Only) divided into 45,00,00,000 (Forty NFiveine Crores) Equity Shares of Rs. 1- (Rupees One only) each.

Consequent to the aforesaid increase in authorized share capital the relevant provisions of the Memorandum of Association of the Company would be required to be altered. Hence the above resolutions are proposed for the approval of the members of the Company.

A duly altered draft copy of the Memorandum of Association of the Company is available at the Registered Office of the Company for inspection of the Members.

The Board of Directors of your Company recommends that the Ordinary Resolution under Item No. 5 be passed in the interest of your Company.

None of the Directors, Manager, Key Managerial Personnel of the Company and their relatives is concerned or interested in the above resolution.

Item no. 6

Arvog Forex Private Limited (Formerly known as Supama Forex Private Limited) a Company incorporated in 1996, is engaged in conducting money changing business and also has a License for Import and Export of all the major currency notes in association with Global Foreign Exchange Trading Houses. Arvog Forex Private Limited also holds an Authorized Dealer- Category II License granted by the Reserve Bank of India (“RBI”).

Considering the amount of investment held by the Company in Arvog Forex Private Limited and the fact that Arvog Forex Private Limited contributes more than 20% to the consolidated income of the Company, Arvog Forex Private Limited is considered as Material Subsidiary of the Company as per the provisions of Regulation 16 (1) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The members are informed that the Company intends to disinvest its shareholding in Arvog Forex Private Limited and utilise the amount of investments withdrawn in the expansion of business of the Company.

The proposed disinvestment would result into cessation of membership of the Company in Arvog Forex Private Limited.

As per Regulation 24(5) & (6) of the SEBI Listing Regulations, a listed entity shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease the exercise of control over the subsidiary without passing a special resolution by the members of the Company.

The Board of Directors of your Company recommends that the Special Resolution under Item No. 6 be passed in the interest of your Company.

None of the Directors or any Key Managerial Personnel of the Company other than Mr. Ketan Bhawarlal Kothari and Mrs. Bhavna Bafna (Sister of Mr. Ketan Kothari, Director of Company) is/ are, in anyway, concerned or interested, either directly or indirectly in passing of the resolution set out at Item No. 5 of the Notice, save and except to the extent of their respective interest as shareholders of the Company.

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 Rs. 150 Crores, 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. 3 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. 3 appended to this notice.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

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

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

**Place: Mumbai
Date: 24th August, 2021**

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

ANNEXURE A

Brief Profile Mr. Rakesh Mehta

Mr. Rakesh Mehta, Chartered Accountant, is the Chairman of Mehta Group, which is a reputed capital market intermediary and financial service provider. He and has over 25 years of experience in area of financial services which include Investment Banking, Equity Brokerage, Derivatives, Commodities & Currency Markets, Depository and Distribution of Financial Products. Mr. Mehta has been a member of various committees of BSE Ltd. & Central Depository Services (India) Ltd. He was also a member of Committee on Financial Markets and Investors Protection of Institute of Chartered Accountants on India. His other professional accomplishments include membership of business organizations like IMC, ASSOCHAM, FICCI, CII, AIAI and IBG.

Mr. Mehta has been associated with Jain International Trade Organization in various capacities for over 14 years, which is an apex body of all Jain business organizations in the world. He has also been working towards a number of social causes and is a part of various welfare and charitable organisations. Mr. Mehta is a trustee of Shree Kushal Education Trust, Mehta Foundation, Mumbai Vaish Seva Sansthan and Epilepsy Foundation contributing towards Corporate Social Responsibility.

Brief Profile of Mr. Priyank Kothari

Mr. Priyank Kothari (DIN: 07676104) holds a Bachelor's degree in Commerce and a Master's Degree in Entrepreneurship, Innovation and Enterprise Development. He is a Director in a Jewellery designing and manufacturing company, RSBL Dia Jewels Private Limited, since 2017 and has contributed to the expansion and diversification of the same since then. He has been working with Finkurve Financial Services Limited since 2020 in Operations Team wherein he is handling the gold loan portfolio of the Company along with other retail loans. He has also been working towards the automation of business processes of the Company. Mr. Kothari is also involved in social activities and is a co-founder of Sherry & Diya Foundation, an NGO which work towards the welfare of animals.

Details pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings:

Name of the Director	Mr. Rakesh Mehta	Mr. Priyank Kothari
Date of Birth & Age	01 st August, 1963, 58 years	15 th May, 1994, 24 years
Date of First Appointment	17 th May, 2021	17 th May, 2021
Relationship with Directors and Key Managerial Personnel	None	Mr. Priyank Kothari is a part of the extended family for Mr. Ketan Kothari
Expertise in specific functional area	Capital market intermediary, financial services including Investment Banking, Equity Brokerage, Derivatives, Commodities & Currency Markets, Depository and Distribution of Financial	Loan against gold jewellery and retail/ consumer loans.

	Products; Financial Literacy, Risk Management, Economics & Market conditions.	
Qualification(s)	Chartered Accountant Bachelor in Commerce	Masters in Entrepreneurship, Innovation and Enterprise Development Bachelor in Commerce
Board Membership of other listed Companies	None	None
Chairmanships/Memberships of the Committees of other public limited companies	None	None
Shareholding in the Company	Nil	Nil
Number of Board Meetings Attended during the financial year 2020-21	0 of 0	0 of 0
Terms and Conditions of Appointment	Non-Executive, Independent Director, not liable to retire by rotation	Non-Executive, Non-Independent Director, liable to retire by Rotation

DIRECTOR'S REPORT

To,
The Members,
Finkurve Financial Services Limited

Your directors take the pleasure in presenting their Report and Audited Consolidated and Standalone Financial Statements of the Company along with Auditor's Report thereon for the financial year ended 31st March, 2021.

(As per IND-AS) (Amount in Lakhs.)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Total Revenue	2045.48	1,637.95	2862.60	2,482.95
Less: Total Expenses	1437.37	1,104.36	2221.54	1,956.28
Add: Share of Profit/ (Loss) of Associates	-	-	(9.10)	5.30
Profit/ (Loss) before taxation	608.11	533.58	631.96	531.97
Less: Tax Expense	157.34	130.63	178.41	125.30
Profit/ (Loss) After Tax	450.78	402.96	453.55	406.67
Other Comprehensive Income	-	-	-	-
Total comprehensive income for the year	450.78	402.95	453.55	406.67

1. 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 loan and the Board is in constant search for new business avenues which can be taken with the existing business.

2. BUSINESS PERFORMANCE:

During the year under review, your Company earned a total revenue of Rs. 2045.48 lakhs as against Rs. 1,637.95 lakhs in the previous year. The profit before tax was Rs. 608.11 lakhs as against Rs. 533.58 lakhs in the previous year. The Net profit of Rs. 450.78 lakhs has been carried to the Balance Sheet. Your directors expect a better performance in the coming years

3. SHARE CAPITAL:

The authorized share capital is Rs. 13,00,00,000/- and paid-up share capital is Rs. 12,68,58,198/- of Rs. 1/- each. There has been no change in the authorized and paid-up share capital of the Company during the year under review.

During the year under review, the Company in its meeting of Board of Directors held on 26th February, 2021, has granted 3,31,800 (Three Lac Thirty One Thousand Eight Hundred Only) Employee Stock Options to its eligible employees under the “Finkurve ESOP Plan 2018”

4. DIVIDEND:

Your directors are not recommending any payment on account of dividend.

5. 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.

6. 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.

7. 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.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. Sachin Kothari (DIN: 03155884), resigned as the Whole-time Director of the Company with effect from 30th September, 2020. Further, on the recommendation of the Nomination and Remuneration Committee Mr. Narendra Jain (DIN: 08788557) was appointed as Additional Whole-Time Director with effect from 31st August, 2020 and was appointed as the Whole-time Director of the Company in the Annual General Meeting held on 30th September, 2020 for a term of five years with effect from 31st August, 2020.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ketan Kothari (DIN: 00230725), Director of the Company who retires by rotation and being eligible, offer himself for re-appointment.

However, there has been no change in the composition of the Board of Directors of the Company during the financial year under review.

Key Managerial Personnel:

During the year under review, Mr. Narendra Jain (DIN: 08788557) was appointed as Additional Whole-Time Director with effect from 31st August, 2020 and was appointed as the Whole-time Director of the Company in the Annual General Meeting held on 30th September, 2020 for a term of five years with effect from 31st August, 2020.

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

Sr No.	Name	Designation
1.	Mr. Sunny Parekh	Company Secretary & Compliance Officer
2.	Mr. Aakash Jain	Chief Financial Officer
3.	Mr. Narendra Jain	Wholetime Director

9. 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.

10. 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 – 1" to this report.

11. 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".

12. 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 and on account of completion of tenure of M/s Ladha Singhal & Associates, Chartered Accountants (FRN: 120241W) as Statutory Auditors of the Company, the current Auditors of the Company, P. D. Saraf & Co., Chartered Accountants (having FRN: 109241W) were appointed by the Members at the 36th Annual

General Meeting 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. 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 31st March, 2020.

The report of the Secretarial Auditor is appended as “Annexure – IV”.

SECRETARIAL AUDITORS QUALIFICATION:

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

13. 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.

14. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions done by the Company during the financial year were at Arm's Length and in ordinary course of business. All related party transactions were placed in the meetings of the Audit Committee and the Board of Directors for their necessary review and approval. During the financial year, your Company has not entered into any material transaction (as per Regulation 23 of SEBI LODR, 2015) with any of its related parties which may have potential conflict with the interest of the Company at large. The disclosures pursuant to Accounting Standards on related party transactions have been made in the notes to the Financial Statements. 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.

15. 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.

16. 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.

17. 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.

18. CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the Accounting Standard AS-21, AS-23 and AS-27 of the Companies (Accounting Standards) Rules, 2006 and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audited Consolidated Financial Statements forms part of this Annual Report.

19. SUBSIDIARIES, ASSOCIATES & JOINT VENTURES:

The Company has one Material Subsidiary, i.e., Arvog Forex Private Limited (formerly known as Supama Forex Private Limited) and there are no associate or joint ventures companies within meaning of Section 2(6) of the act.

Brief Details and Highlights of Performance of the Subsidiary:

Arvog Forex Private Limited (Formerly known as Supama Forex Private Limited)

Particulars	2020-21	2019-20
Gross Income	8,38.85	8,63.66
Total Expenses	8,15.01	8,92.30
Profit Before Tax	23.84	(28.63)
Less: Tax Expenses	(21.07)	(5.33)
Net Profit after Tax	2.77	23.30

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached to the financial statements of the Company as "Annexure- V". The statement also provides the details of performance and financial position of the Subsidiary Company.

20. 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.

21. 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.

22. 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 VI of the CSR Rules is annexed to this Report.

23. 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.

24. 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”.

25. LISTING OF SHARES:

The Equity Shares of the Company are listed on BSE Limited. Further, the Company has paid necessary listing fees to BSE as per the Listing Agreement.

26. 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”.

27. 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.

28. OTHER DISCLOSURES:

(i) Disclosure of Accounting treatment:

The Company has followed the treatment laid down under the Indian Accounting Standards (IND AS), in the preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

(ii) Compliance:

The Company has complied with the requisite regulations relating to capital markets. No Penalties/restrictions have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during the last three years.

(iii) 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.

(iv) Disclosure on Sexual Harassment of the Women at Workplace:

The Company has no tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. The Company has also constituted an Internal Complaints Committee to consider and to redress complaints of sexual harassment.

(v) 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.

(vi) 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/.

(vii) 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.

(viii) Risk Management:

The Company has laid down the procedures to inform the members of the Board about the risk assessment and minimization procedures and the Board has also formulated Risk Management Policy to ensure that the critical risks are controlled by the executive management.

The Management Discussion & Analysis Report forms part of the Annual Report.

29. 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

Sd/-

Ketan Kothari
Chairman
DIN: 00230725

Place: Mumbai
Date: 24th August, 2021

Annexure 1

[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 2020-21 is given below:

Sr. No.	Name	Designation	Ratio of median remuneration
1.	Mr. Ketan Kothari	Non- Executive Director	Nil
2.	Mr. Sachin Gheesoolal Kothari*	Whole Time Director	2.48
3.	Mr. Narendra Jain*	Whole Time Director	7.45
4.	Mr. Nishant Tolchand Ranka	Independent Director	Nil
5.	Mrs. Riddhi Kamlesh Tilwani	Independent Director	Nil

*Mr. Sachin Kothari resigned as the Whole-time Director of the Company with effect from 30th September, 2020 and Mr. Narendra Jain was appointed as Whole-time Director of the Company with effect from 31st August, 2020.

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

Sr. No.	Name of Director, Chief Financial Officer & Company Secretary	Designation	% of Increase in remuneration in the financial year
1.	Mr. Ketan Kothari	Non- Executive Director	NA
2.	Mr. Sachin Gheesoolal Kothari*	Whole Time Director	0
3.	Mr. Narendra Jain*	Whole Time Director	0
4.	Mr. Nishant Tolchand Ranka	Independent Director	NA
5.	Mrs. Riddhi Kamlesh Tilwani	Independent Director	NA
6.	Mr. Sunny Parekh	Company Secretary and Compliance Officer	0
7.	Mr. Aakash Jain	Chief Financial Officer	0

*Mr. Sachin Kothari resigned as the Whole-time Director of the Company with effect from 30th September, 2020 and Mr. Narendra Jain was appointed as Whole-time Director of the Company with effect from 31st August, 2020.

- c. The percentage increase / (decrease) in the median remuneration of employees in the Financial Year was (70.56)%
- d. The number of permanent employees on the rolls of Company as on 31st March, 2021 was 23.
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Nil

- 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, 2021.

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	Educational Qualification	Age (in years)	Experience (in years)	Date of Joining	Gross Remuneration	Previous Employment and Designation	The percentage of equity shares held by the employee in the Company	Whether such employee is a relative of any director or manager of the Company
Priyank Kothari	Non-Executive Director	Masters in Entrepreneurship, Innovation and Enterprise Development	24	4	1 April 2020	18,00,000	RSBL Dia Jewels Pvt Ltd (Director)	0	He is a part of the extended family of Mr. Ketan Kothari
Sunny Parekh	Company Secretary & Compliance Officer	Company Secretary	31	9	26-Jul-13	13,00,000	Times of Money Limited (Assistant CS)	0	No
Aakash Jain	Chief Financial Officer	Chartered Accountant	29	7	08-Oct-2019	12,00,000	Pareto Capital (Vice President-Investment Banking)	0	No
Sunny Makhija	Credit Head	M. Com	33	12	26-Dec-87	10,50,000	Satin Creditcare Network Ltd (Manager – Risk)	0	No
Visvesh Iyengar	Head-Marketing and Communications	MMS (Marketing)	33	10	25-May-2018	9,50,000	Himesh Foods Private Limited (Mad Over Donuts)	0	No
Spardha Sharma	Manager-Finance & Accounts	Chartered Accountant	29	5.5	24-Jan-18	8,62,500	Senior Accounts & Taxation at Lasco International	0	No
Sugandhi Ravi Kumar	Chartered Accountant	Chartered Accountant	32	4.5	22-Apr-2019	6,70,000	Senior Associate at Ashok D Shah and	0	No



							Company		
Jay Bhatia	Manager-Analysis & Project	MBA Finance	27	4.8	08-May-18	6,60,000	Research Analyst at Gold Stone Devices Private Limited	0	No
Darshit Jain	Operations Executive	PGDM (Finance)	26	3.6	10-Jul-19	3,62,500	Royal Bank of Scotland India Services Private Limited	0	No
Bincy Johnny	Sr. Executive HR	B. Com	30	5	26-Oct-20	3,62,500	Hector and Streak (Assistant Manager Operations)	0	No

Annexure II

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31/03/2021

[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:

CIN	L65990MH1984PLC032403
Registration	23/03/1984
Name of the Company	Finkurve Financial Services Limited
Category/Sub-Category of the Company	Company having share capital
Address of the registered office and contact details	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 – finkurvefinancial@gmail.com Website – www.arvog.com
Whether listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C101, 247 Park, LBS Marg, Vikhroli (W), Mumbai – 400083. Tel No. 022 49186270 Fax No. 022 49186060 Email: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

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:

Sr No.	Name and Description of main products/ services	NIC Code of the products/ services	% of the total turnover of the Company
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
1.	Name: Arvog Forex Private Limited (Formerly known as Supama Forex Private Limited) Address: A/7, Bharat Nagar, Grant Road, Mumbai 400007	U05999MH1996PT C098004	Subsidiary	83.20%	2(87) of the Companies Act, 2013

*As on 31st March, 2021, the Company holds 83.20% of total shareholding of Arvog Forex Private Limited (Formerly known as Supama Forex Private Limited). However the Company intends to acquire upto 1,46,994 (One Lakh Forty Six Thousand Nine Hundred and Ninety Four) equity shares aggregating to 16.8 % of total paid up share capital of Arvog Forex Private Limited and has intimated the same to BSE vide an intimation dated 26th February, 2021 under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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	
A. Promoters									
(1) Indian									
a) Individual/HUF	70230700	-	70230700	55.36	67060700	-	67060700	52.86	2.5
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	70230700	-	70230700	55.36	67060700	-	67060700	52.86	2.5
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of	70230700	-	70230700	55.36	67060700	-	67060700	52.86	2.5

Promoter (A) = (A)(1)+(A)(2)										
B. PUBLIC SHAREHOLDING										
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):-	-	-	-	-	-	-	-	-	-	-
2. Non-Institutions										
a) Bodies Corporate										
i) Indian	605314	-	605314	0.48	596486	-	596486	0.47	0.01	
ii) Overseas	3729040	-	3729040	2.94	3729040	-	3729040	2.94	-	
b) Individuals										
i) Individual Shareholders holding nominal share capital upto 1 lakh	2333753	2065000	4398753	3.47	2162280	2065000	4227280	3.33	0.14	
ii) Individual Shareholders holding nominal share capital in excess of 1 lakh	45223852	315000	45538852	35.89	45358767	315000	45673767	36.00	0.11	
c) Others (specify)										
HUF	1605538	-	1605538	1.27	1603799	-	1603799	1.26	0.01	
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	-	-
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-	-
iv) NRI / OCBs	750001	-	750001	0.59	788301	-	788301	0.62	0.03	
v) Clearing Members /	-	-	-	-	3178825	-	3178825	2.56	2.56	

Clearing House									
vi) Trusts	-	-	-	-	-	-	-	-	-
vii) Limited Liability Partnership	-	-	-	-	-	-	-	-	-
viii) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
ix) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	54247498	2380000	56627498	44.64	57417498	2380000	59797498	47.14	2.5
Total Public Shareholding (B)=(B)(1)+(B)(2)	54247498	2380000	56627498	44.64	57417498	2380000	59797498	47.14	2.5
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	124478198	2380000	126858198	100	124478198	2380000	126858198	100	-

d. 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	3729040	2.94	6899040	5.44
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. Chetan Mafatlal Bafna	1281000	1.01	0	0.00
9.	Mr. Harakchand Fatehchand Vardhan	1050000	0.83	1050000	0.83
10.	Mrs. Shobha Ramesh Mehta	1022000	0.81	1022000	0.81
11.	Dinesh Harakchand Vardhan HUF	1015000	0.08	1015000	0.08

e. Shareholding of Directors and Key Managerial Personnel as on 31st March, 2021:

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 31st March, 2021.

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposit	Unsecured Loan	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	72,78,70,258.35	Nil	72,78,70,258.35
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	72,78,70,258.35	Nil	72,78,70,258.35
Change in Indebtedness during the financial year				
• Addition (Including Interest)	Nil	2,74,58,95,264.60	Nil	2,74,58,95,264.60
• Reduction (Including TDS)	Nil	2,71,67,38,278.27	Nil	2,71,67,38,278.27
Net Change	Nil	2,91,56,986.33	Nil	2,91,56,986.33
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	69,74,21,890.00	Nil	69,74,21,890.00
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	5,96,05,353.68	Nil	5,96,05,353.68
Total (i+ii+iii)	Nil	75,70,27,244.68	Nil	75,70,27,244.68

VI. 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. Sachin Kothari (WTD)	Mr. Narendra Jain (WTD)
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4,15,100	15,75,000
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	a.) as a % of profit	-	-
5.	b.) others, specify	-	-
	Others, please specify	-	-
	Total	4,15,100	15,75,000
	Total (A)	19,90,100	

*Mr. Sachin Kothari resigned as the Whole-time Director of the Company with effect from 30th September, 2020 and Mr. Narendra Jain was appointed as Whole-time Director of the Company with effect from 31st August, 2020.

B. Remuneration to other Directors:

Sr. No.	Particulars or Remuneration	Name of Directors	
		Mr. Nishant Ranka	Mrs. Riddhi Tilwani
1.	Independent Director		
a.	Fees for attending Board/ Committee Meetings	50,000	50,000
b.	Commission	-	-
c.	Others, please specify	-	-
	Total (1)	50,000	50,000
2.	Other Executive & Non-Executive Directors	Mr. Ketan Kothari	
a.	Fee for attending Board/committee meetings	-	-
b.	Commission	-	-
c.	Others, please specify	-	-
	Total (2)	-	-
	Total (B)=(1+2)	1,00,000	
	Overall Ceiling as per the Act	1% of Net Profit of Company	
	Total Managerial Remuneration	20,90,100	

	(A+B)	
--	-------	--

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	1200,000	1300,000	2500,000
	(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	-	-	-
	Stock Option			
2.	Sweat Equity	-	-	-
3.	Commission as	-	-	-
4.	a. % of profit	-	-	-
	b. Others, specify	-	-	-
	Others, Please specify	-	-	-
5.		-	-	-
	Total	1200,000	1300,000	2500,000

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

For and on behalf of the Board of Directors

Place: Mumbai
 Date: 24th August, 2021

Sd/-
Ketan Kothari
 Chairman
 DIN: 00230725

Annexure III

REPORT ON CORPORATE GOVERNANCE

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 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), Additional 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 31st March, 2021, (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 Kothari	Non-Executive, Non-Independent	6	Nil	Nil	-
2.	Mr. Narendra Jain	Executive, Non-Independent	1	Nil	Nil	-
3.	Mrs. Riddhi Tilwani	Non-Executive, Independent	0	Nil	Nil	-
4.	Mr. Nishant Ranka	Non-Executive, Independent	3	2	Nil	-

**Mr. Priyank Kothari and Mr. Rakesh Mehta were appointed as Non-Executive Director and Non-Executive Independent Director, respectively with effect from 17th May, 2021.*

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 and has done M.A. in Finance & Investments from Nottingham University, UK and joined RiddiSiddhi Bullions Limited (RSBL) in the year 2003. He has been instrumental in the successful technical implementation of the futures trading division as well as RSBL Spot. He has been in the forefront in the launch of India's first structured product in the commodities market - RSBL Optionally Convertible Debentures (OCDs). Also, to address the growing demand of bullion investments, he introduced an innovative product called 'Bullion++' which is primarily targeted to HNIs and provides a dual income advantage. Mr. Ketan Kothari is now spearheading new product development and innovation at Finkurve Financial Services Limited.

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

Mr. Narendra Jain is an Associate Member of Institute of Chartered Accountants of India and holds a Bachelor's degree in Commerce. He has accumulated extensive experience of over 15 years throughout his career in the fields of Forex, Treasury, Bullion, Finance, Secondary Market, Derivatives, Market Making etc. Mr. Jain was associated with ICICI Bank Ltd. for over 6 years during which he launched the Forex Trading Platform (CTS) which saved the Bank's cost by INR 10 Million per annum. He was awarded the most prestigious 'Captain of the 7Cs' award for CTS outsourcing project at GMG Annual Awards function. He served as the Assistant Vice President at the MUFG Bank (previously known as The Bank of Tokyo Mitsubishi UFJ Ltd.) for 2 years and then as the Vice President for 4 years.

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

Mr. Priyank Kothari holds a Bachelor's degree in Commerce and a Master's Degree in Entrepreneurship, Innovation and Enterprise Development. He is a Director in a Jewellery designing and manufacturing company, RSBL Dia Jewels Private Limited, since 2017 and has contributed to the expansion and diversification of the same since then. He has been working with Finkurve Financial Services Limited since 2020 in Operations Team wherein he is handling the gold loan portfolio of the Company along with other retail loans. He has also been working towards the automation of business processes of the Company.

(iv) Mr. Rakesh Mehta (DIN: 00002676):

Mr. Rakesh Mehta, Chartered Accountant, is the Chairman of Mehta Group, which is a reputed capital market intermediary and financial service provider. He has over 25 years of experience in area of financial services which include Investment Banking, Equity Brokerage, Derivatives, Commodities & Currency Markets, Depository and Distribution of Financial Products. Mr. Mehta has been a member of various committees of BSE Ltd. & Central Depository Services (India) Ltd. He was also a member of Committee on Financial Markets and Investors Protection of Institute of Chartered Accountants on India. His other professional accomplishments include membership of business organizations like IMC, ASSOCHAM, FICCI, CII, AIAI and IBG.

(v) 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 7 years in Secretarial and Compliance field.

(vi) Mr. Nishant Ranka (DIN: 06609705):

Mr. Nishant Ranka is a Non-Executive Independent Director of the Company and is a qualified Chartered Accountant from Institute of Chartered Accountants of India. He has an experience of over 16 years in the field of Accountancy and Finance.

Board Meetings

During the year 07 (Seven) Board Meetings were held i.e on 30th July, 2020, 31st August, 2020, 15th September, 2020, 01st October, 2020, 13th November, 2020, 13th February, 2021, 26th February, 2021.

The particulars of attendance of Directors are as under:

Sr. No.	Name of Director	No. of Board Meeting attended	Attendance at AGM held on 30/09/2020
1.	Mr. Ketan Kothari	07 of 07	Yes
2.	Mr. Sachin Kothari*	03 of 07	Yes
3.	Mr. Narendra Jain*	05 of 07	Yes
4.	Mr. Nishant Ranka	07 of 07	Yes
5.	Mrs. Riddhi Tilwani	07 of 07	Yes

*Mr. Sachin Kothari resigned as the Whole-time Director of the Company with effect from 30th September, 2020 and Mr. Narendra Jain was appointed as Whole-time Director of the Company with effect from 31st August, 2020.

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 Kothari Mr. Priyank Kothari Mr. Narendra Jain Mr. Rakesh Mehta Mrs. Riddhi Tilwani Mr. Nishant Ranka
Financial Literacy and Audit	Mr. Ketan Kothari Mr. Priyank Kothari Mr. Narendra Jain Mr. Rakesh Mehta Mrs. Riddhi Tilwani Mr. Nishant Ranka

Banking, Investment, Financial Services	Mr. Ketan Kothari Mr. Priyank Kothari Mr. Narendra Jain Mr. Rakesh Mehta Mrs. Riddhi Tilwani Mr. Nishant Ranka
Risk Management	Mr. Ketan Kothari Mr. Priyank Kothari Mr. Narendra Jain Mr. Rakesh Mehta Mrs. Riddhi Tilwani Mr. Nishant Ranka
Economics & Market conditions	Mr. Ketan Kothari Mr. Priyank Kothari Mr. Narendra Jain Mr. Rakesh Mehta Mrs. Riddhi Tilwani Mr. Nishant Ranka
Governance & Regulatory Knowledge	Mr. Ketan Kothari Mr. Priyank Kothari Mr. Narendra Jain Mr. Rakesh Mehta Mrs. Riddhi Tilwani Mr. Nishant Ranka

Independent Directors:

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. Rakesh Mehta	17/05/2021
2	Mr. Nishant Tolchand Ranka	07/03/2018
3	Mrs. Riddhi Kamlesh Tilwani	01/07/2014

On the basis of the declarations received from each of the Independent Directors, the Board hereby confirms that the Independent Directors of the Company fulfil the conditions specified in the Companies Act, 2013 and Listing Regulations and are independent of the management.

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 13th February, 2021 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 it's 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/

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 Mrs. Riddhi Kamlesh Tilwani on Board w.e.f. 01st July, 2014 who was re-appointed for a second term of 5 years ending 30th June, 2024 at the Annual General Meeting of the Company convened on 30th September, 2019.

Committees of the Board:

As on 31st March, 2021 the Company has Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee. The details of these Committees are set out below.

1. Audit Committee:

Composition:

The Audit Committee comprises with following members as on 31st March, 2021:

Sr. No.	Name of the Member	Designation
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 30th July, 2020, 31st August, 2020, 15th September, 2020, 13th November, 2020 and 13th February, 2021.

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

Sr. No.	Name of the Member	Designation	No. of meetings attended
1.	Mr. Nishant Ranka	Chairman	5 of 5
2.	Mr. Sachin Kothari*	Member	3 of 5
3.	Mr. Narendra Jain*	Member	2 of 5
4.	Mrs. Riddhi Tilwani	Member	5 of 5

**The Committee was reconstituted on 1st October, 2020 whereby Mr. Sachin Kothari ceased to be a member and Mr. Narendra Jain was elected as a member of the Committee.*

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.

2. Nomination & Remuneration Committee:

Composition:

The Nomination and Remuneration Committee comprises with following members as on 31st March, 2021:

Sr. No.	Name of the Member	Designation
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 2 (Two) times on 10th July, 2020 and 26th February, 2021.

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

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

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.

3. 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 31st March, 2021 are given below:

Sr. No.	Name of Director	Sitting Fees (Amount in Rs.)	Annual Remuneration/ Commission (Amount in Rs.)	No. of shares held
1.	Mr. Ketan Kothari	-	-	5,34,51,230
2.	Mr. Nishant Ranka	50,000	-	Nil
3.	Mrs. Riddhi Tilwani	50,000	-	Nil

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.

4. Stakeholder’s Relationship Committee:

Composition:

The Stakeholder Relationship Committee comprises with following members as on 31st March, 2021:

Sr. No.	Name of the Member	Designation
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 3 (Three) times on 30th July, 2020, 13th November, 2020 and 13th February, 2021.

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

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

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

Number of Complaints received from 01/04/2020 to 31/03/2021			
Pending as on 01/04/2020	Received	Redressed	Pending as on 31/03/2021
Nil	Nil	Nil	Nil

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
2017-18	29 th September, 2018	Office No. 202, D – Wing, Trade World, Kamala Mills Compound, Lower Parel (W),	1. Issue of Non – Convertible Debenture

		Mumbai – 400 013 at 02:00 p.m.	Finkurve ESOP Plan 2018 (ESOP 2018)
2018-19	30 th September, 2019	Office No. 202, D – Wing, Trade World, Kamala Mills Compound, Lower Parel (W), Mumbai – 400 013 at 02:00 p.m.	1. Issue of Non – Convertible Debenture on Private Placement Basis 2. Re-appointment of Mrs. Riddhi Tilwani (DIN: 06910038) as Independent Director of the Company
2019-20	30 th September, 2020	Through Video Conferencing	Issue of Non – Convertible Debenture on Private Placement Basis 2. Appointment of Mr. Narendra Jain (DIN:08788557) as Whole-time Director of the Company

During the year under review, the Company has not passed any Special Resolution through postal ballot as per the provisions of the Companies Act, 2013 and the rules framed there under.

Extra-Ordinary General Meeting:

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

MEANS OF COMMUNICATION:

The Company publishes its annual, half-yearly and quarterly financial results in Financial Express and The Global Times which are national and local newspapers, respectively. The Company also publishes its Board Meeting and other notices in the above mentioned newspaper.

The Company's financial results and official news releases if any, are displayed on the Company's official website www.arvog.com.

GENERAL SHAREHOLDER INFORMATION:

1.	37 th Annual General Meeting	37 th Annual General Meeting of the Company is scheduled to be held on Monday, 20 th September, 2021 at 02:00 p.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')
2.	Financial Year	1 st April, 2020 to 31 st March, 2021
3.	Details of Stock Exchange	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.
4.	Annual Listing Fees	The Company has duly paid the Annual Listing Fees to BSE Ltd.
5.	BSE Scrip code	508954
6.	ISIN	INE734I01027
7.	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: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in
8.	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.
9.	Address for Correspondence	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 Fax No: 022 – 22662385 Email: finkurvefinancial@gmail.com
10.	Credit rating	The Company has received a Credit Rating of IVR BBB-/ Stable w.r.t Proposed Long Term Bank Facilities and IVR A3 w.r.t Proposed Short Term Bank Facilities from Infomerics Valuation and Rating Pvt. Ltd. vide its press release dated 31 st July, 2021.

11. Market Price Data of the Company:

11.1 High, low during each month in last financial year:

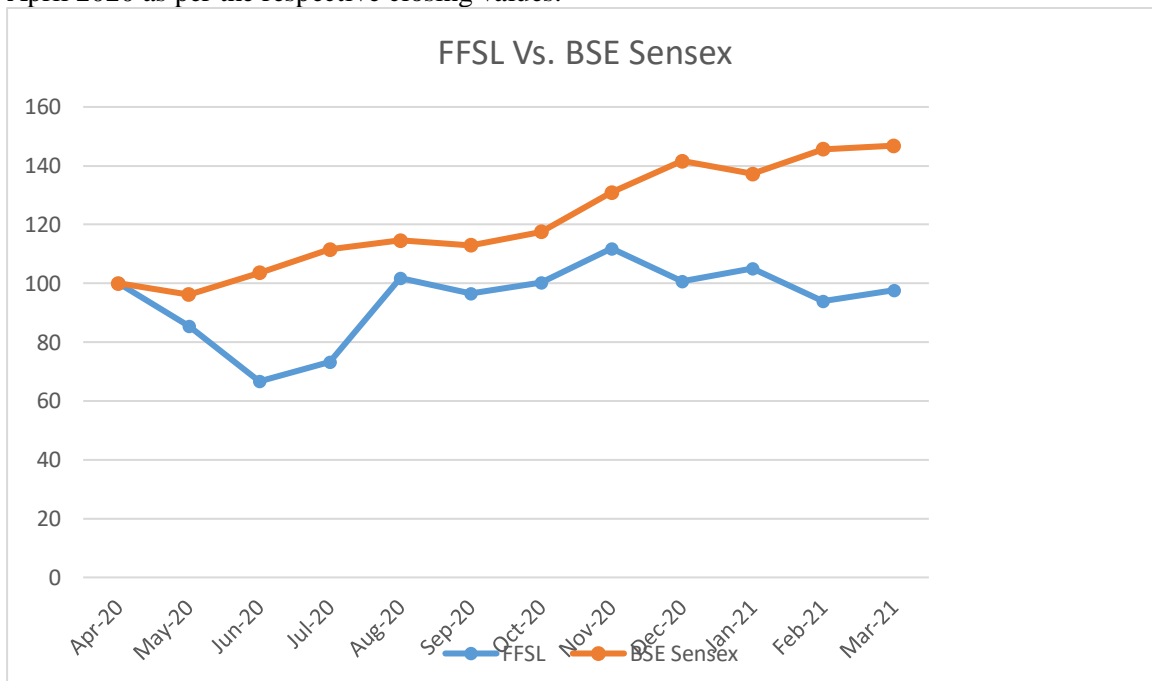
<u>Month</u>	<u>Values as per BSE</u>			<u>Closing BSE Sensex</u>
	<u>High</u>	<u>Low</u>	<u>Closing</u>	
April 2020	45	45	45	33717.62
May 2020	44	38.5	38.5	32424.1
June 2020	36.6	27.4	30	34915.8
July 2020	33.05	28	33	37606.89
August 2020	48.3	31.7	45.8	38628.29
September 2020	50.25	40.75	43.45	38067.93
October 2020	48.75	41.3	45.15	39614.07
November 2020	54.9	42.65	50.35	44149.72

December 2020	53	41.8	45.3	47751.33
January 2021	65	42.3	47.3	46285.77
February 2021	55.1	41	42.25	49099.99
March 2021	45.8	38.4	43.9	49509.15

*Source of Data: 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 2020 as per the respective closing values.



12. Distribution of Shareholding

12.1 Shareholding pattern across categories:

	Categories	Number of Shares	% of Shares
A	Promoter & Promoter Group	67060700	52.86
	Sub Total	67060700	52.86
B	Non-Promoter		
	Indian Bodies Corporates	596486	0.47
	Overseas Bodies Corporate	3729040	2.93
	Individual Shareholders holding nominal share capital upto 1 lakh	4227280	3.33

	Individual Shareholders holding nominal share capital in excess of 1 lakh	45673767	36.00
	HUFs	1603799	1.26
	Non-Resident Indians	788301	0.62
	Clearing Members	3178825	2.53
	Sub Total	59797498	47.14
C	Grand Total (A+B)	126858198	100

12.2 Shareholding pattern across different sizes:

Range of Shareholding	Number of Members	% of Members	Number of Shares held	% of Shares held
upto 500	893	79.03	41872	0.03
501-1000	34	3.01	26546	0.02
1001-10000	54	4.78	190859	0.15
10001-50000	73	6.46	2163367	1.71
50001-100000	31	2.74	2066117	1.63
100001-1000000	30	2.65	11486809	9.05
1000001-5000000	10	0.88	17364040	13.69
5000000 & Above	5	0.45	93518588	73.72
Total	1130	100	126858198	100

13. Dematerialising/ Re-materialising of Shares

During the financial year 2020-21, no shares were dematerialised or rematerialized. The bifurcation of the shares held in physical and electronic mode is as follows:

Particulars	As on 31 st March, 2021		As on 01 st April, 2020	
	No. of shares	% of shares	No. of shares	% of shares
Held in CDSL	115188852	90.80	64347831	50.72
Held in NSDL	9289346	7.32	60130367	47.40
Total shares held in electronic form (I)	124478198	98.12	124478198	98.12
Shares held in Physical form (II)	2380000	1.88	2380000	1.88
Total shares (I+II)	126858198	100	126858198	100

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, 2020 is attached at the end of the Corporate Governance Report.

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/.

2. Details of non-compliance by the Company, penalties, strictures:

There was no non-compliance by the Company and there were no penalties or strictures imposed on the Company by the stock exchange or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years 2017-18, 2018-19 and 2019-20.

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 www.arvog.com/reports-policies/.

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/.

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. Consolidated fees paid to the Statutory Auditor:

The total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is Rs 3,63,500/-

7. 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 www.arvog.com/reports-policies/.

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, 02nd 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) 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 1st April, 2020 to 31st March, 2021 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, 2021.

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

Place: Mumbai
Date: 31st May, 2021

Sd/-
Mayank Arora
Proprietor
Membership No.: F10378
COP No.: 13609

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Board of Directors
FINKURVE FINANCIAL SERVICES LIMITED
3rd Floor, Bullion House,
115 Tambakata lane, Zaveri Bazar
Mumbai 400 003

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 under 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, 2021.

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.

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

Sd/-
Mayank Arora
Proprietor
Membership No.: F10378
COP No.: 13609

Place: Mumbai
Date: 22/07/2021
UDIN number: F010378C000673031
PR No.: 679/2020

**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 31ST MARCH, 2021

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 - 400013

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.

Due to the current nationwide lockdown arising out of COVID-19 pandemic, we have examined the papers, minute books, forms, returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 provided to us through electronic mode. No physical verification of any document / record was possible. Based on our examination as aforesaid and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, 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 **FINKURVE FINANCIAL SERVICES LIMITED** (“the Company”) for the financial year ended on 31st March, 2021, 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;
- 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(not applicable to the Company during the Audit period);
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (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. Observations made on SEBI regulations in our Secretarial Compliance Report dated 31st May, 2021 are as follows:

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 47 – Advertisement in Newspaper	The Statements of deviation(s) or variation(s) as specified in sub-regulation (1) of regulation 32 on quarterly basis, after review by audit committee and its explanation in directors report in annual report; shall be	The Company has submitted the Statements of deviation(s) or variation(s) to BSE Ltd. and also published the same in the newspaper as specified in sub-regulation (1) (c) of regulation 47 for

		published in at least one English language national daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the listed entity is situated and shall also be submitted simultaneously to the stock Exchange.	the quarter ended 31 st March, 2020. However, the copy of such newspaper publication was not submitted to the Stock Exchange
--	--	---	---

Note: The Consolidated Cash flow Statement for the financial year ended 31st March, 2020 was not visible in the scanned copy of the Consolidated Financial Statements submitted by the Company to the Stock Exchange due to some technical error and the Stock Exchange had raised a query regarding the same. The Company, in response to query, had promptly submitted the revised financial statements on 11th August, 2020.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year 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.

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**

**Date: 30/06/2021
Place: Mumbai
UDIN: F010378C000555659**

**Sd/-
Mayank Arora
Proprietor
C.P. No. 13609
PR No: 679/2020**

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) Shops & Establishments Act
- b) Bombay/Indian Stamp Act
- c) Registration Act

Annexure V

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies

Part “A”: Subsidiaries

(Information in respect of each subsidiary presented with amounts in Rs.)

Sr No	Particulars	Arvog Forex Private Limited (Formerly known as Supama Forex Private Limited)
1	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	From 01/04/2020 to 31/03/2021
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
3	Share Capital	
4	Reserves & Surplus	8,75,00,000
5	Total assets	3,84,43,552
6	Total Liabilities	19,75,81,109
7	Investments	19,75,81,109
8	Turnover	1,39,55,617
9	Profit/ (Loss) before taxation	8,38,85,272
10	Provision for taxation	23,84,368
11	Profit/ (Loss) after taxation	(21,07,543)
12	Proposed Dividend	2,76,825
13	% of shareholding	Nil
		83.2

Annexure VI

The Annual Report on CSR Activities for Financial Year ended 31st March, 2021

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:

S. N.	Name of Director	Designation	Number of meetings of CSR Committee attended during the year
1.	Mr. Ketan Kothari	Chairman, Non-Executive Director	1 of 1
2.	Mr. Nishant Ranka	Member, Independent Director	1 of 1
3.	Mr. Riddhi Tilwani	Member, Independent Director	1 of 1

During the year under review, the CSR committee met once on 15th September, 2020.

3. Composition of CSR committee, CSR Policy and CSR projects are disclosed on the website of the Company:

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: Not applicable
6. Average net profit of the Company as per section 135(5) Rs. 311.70 Lacs
7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 6.234 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: Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 6.234 Lacs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	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.
Rs. 6.2 Lacs	Not Applicable		PM Cares Fund	Rs. 3400	18 th August, 2021

(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.	COVID-19 Care centres	Healthcare (i)	Yes	Mumbai, Maharashtra		5,00,000	No	Shree Bhinmal Jain Sangh
2.	Jivdaya	Animal Welfare (iv)	No	Vapi, Gujarat		1,00,000	No	Shree Ajit Seva Trust
3.	Meals to poor and daily wagers	Hunger & Poverty (i)	Yes	Across India		20,000	No	The Akshaya Patra Foundation
Total						6,20,000		

- | | |
|---|----------------|
| (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): | Rs. 6,20,000 |
| (g) Excess amount for set off, if any: | Nil |
| 9. (a) Details of Unspent CSR amount for the preceding three financial years: | Not Applicable |
| (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): | Not Applicable |
| 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): | Not Applicable |
| 11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): | |

The Company has made efforts to contribute to socially useful projects through various agencies. The Company was required to spend an amount of Rs. 6,23,400/- during the year towards CSR activities and has successfully spent Rs. 6,20,000/- towards healthcare services, eradication of hunger and poverty and welfare of animals. In accordance with Section 135 read with Schedule VII, the balance unspent amount of Rs. 3,400/- was transferred to PM Cares Fund.

Sd/-
Mr. Narendra Jain
Whole-time Director

Sd/-
Mr. Ketan Kothari
Chairman CSR Committee

Date: 24th August, 2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENT:

While every sector in our country was impacted by the lockdown, the cascading effect of the downturn in cashflows was likely to have had a more pronounced impact on the financial services industry. This industry would have seen a significant spurt in delinquencies and non-performing assets and the resultant provisions would have eroded the capital base of a large number of banks and financial institutions.

RBI proactively stepped in and provided flexibility to banks and financial institutions to extend the benefit of moratorium to their borrowers. While initially, the moratorium benefit was extended for dues falling between March 2020 and May 2020, the same was later extended to dues falling between June 2020 and August 2020, thereby providing the relief for a period of six months.

As stated, most sectors witnessed significant downturn in cashflows which severely impacted borrower's ability to make payments of their EMI dues. Against this backdrop, the moratorium was a necessity without which there would have been a complete breakdown of the financial ecosystem. Not only did it help the borrowers recoup their cashflows and then make payments on their debt, but also allowed a breather to the entire financial system by giving the benefit of asset classification standstill for the moratorium period.

Every bank and NBFC came out with their Board approved moratorium policies and norms which helped them tide over the COVID crisis during the first quarter / half of the current financial year. With gradual easing of lockdown restrictions, there was an improvement in borrower cashflows and the situation returned to reasonable levels of normalcy in the second half of the year for most of the financial institutions.

2. OPPORTUNITIES AND THREATS:

Due to the outbreak of COVID-19 pandemic all over the world, the Indian economy has suffered and the opportunities have become limited in all spheres of businesses. The financial market has suffered a lot and the business for NBFCs has further reduced. This did not discourage the Board of directors of your Company who are constantly looking for an opportunity to expand the business of the Company. Your Company being in the financial services sector is facing a very stiff competition from public sector as well as private sector banks and financial institutions. It is trying to cope up with the same and as an effort towards expansion of business, your Company is exploring different loan products and is trying to set its foot in the consumer / retail loan market.

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 Competition continues to be intense, as the Indian and foreign banks have entered the retail lending business in a big way, thereby exerting pressure on margins. The erstwhile providers of funds have now become competitors. The NBFCs can sustain in this competitive environment only through optimization of funding costs, identification of potential business areas, widening geographical reach, and use of technology, cost efficiencies, strict credit monitoring and raising the level of customer service.

5. **RISKS & CONCERNS:**

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. The effective risk management is therefore critical to an organization's success. The globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organizations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management. The timely and effective risk management is of prime importance to our continued success. The increased competition and market volatility has enhanced the importance of risk management.

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

The established Internal Control Systems of your Company are adequate to ensure that all the activities are monitored and controlled against any misuse or misappropriation of asset and that the transactions are authorized, recorded and reported correctly. More so, these internal control systems are regularly monitored by the Audit Committee of your Company and are improved upon on regular basis.

7. **HUMAN RESOURCES:**

The Company regards its employees as valuable asset and continuously reviews and evolves policies and procedures to attract and retain its pool of technical and managerial personnel through a conducive 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 as 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 2020-21 as compared to the FY 2019-20 due to availability of working capital.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 24th August, 2021

Sd/-
Ketan Kothari
Chairman
DIN: 00230725

MD/ CFO CERTIFICATION

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

We, the undersigned, in our respective capacities as the Executive Director and 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, 2021 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 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 that:

(i) there has been no significant changes in internal control over financial reporting during the year under reference;

(ii) there has not been any significant changes in accounting policies during the year which need to be disclosed in the notes to the financial statements; and

(iii) We are not aware of any 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

**Sd/-
Narendra Jain
Executive Director**

**Sd/-
Aakash Jain
CFO**

DECLARATION

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,

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.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 24th August, 2021

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

Place: Mumbai
Date: 24th August, 2021

Sd/-
Narendra Jain
Executive Director
DIN: 08788557

INDEPENDENT AUDITOR'S REPORT

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

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Finkurve Financial Services Limited** ("the Company"), which comprises of Balance Sheet as at March 31, 2021, 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 standalone 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 standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting 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 March 31, 2021, 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 Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone 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 standalone financial statement and our auditor's report thereon.

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2016 ("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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
 - (e) On the basis of the written representation received from the directors as on March 31, 2021 taken on records by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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".

[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:

- i. There were no pending litigations which would impact the financial position of the Company.
- 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.

[C] 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, as amended, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of the Act and limits laid down under section 197 read with Schedule V to the Act.

For P. D. Saraf & Co.
Chartered Accountants
(Firm Regd. No. 109241W)

Sd/-
(Madhusudan Saraf)
Partner
M. No. 41747
UDIN: 21041747AAAACI1385
Place: Mumbai
Date: 30th June, 2021

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 standalone financial statement for the year ended on 31st March, 2021, we report that :

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets 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.
- (ii) The Company is in the business of providing services and does not have any physical inventory hence; the provisions of the clause 3(ii) of the Companies (Auditors' Report) Order, 2016 are not applicable to the company.
- (iii) The Company has granted unsecured loans to bodies corporates and other parties covered in the register maintained under section 189 of the Act as reported in note no 30 of standalone financial statements.
 - (a) In respect of aforesaid loans granted, the terms and condition under which such loans are granted are not prejudicial to the interest of the company.
 - (b) The aforesaid loans are of short term in nature and are repayable on demand. There is no schedule of repayment of principle and interest of such loans. The repayment of principle and receipt of interest are, whenever demanded have been received and is regular.
 - (c) There are no overdue amounts for more than ninety days or more in respect of the loans granted to the bodies corporate and other parties listed in the register maintained under section 189 of the Act.
- (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.
- (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 any activities conducted/ services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a)The company is regular in depositing with appropriate authorities applicable undisputed statutory dues including income tax, service tax, goods and service tax, cess and other statutory dues as applicable and no any undisputed amounts of such taxes were in arrears as at 31st March, 2021 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 income tax, service tax, goods and service tax or 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 explanation given to us, the company has not availed any loan or borrowings from the financial institutions or banks or debenture holders during the year; hence clause 3(viii) of the Companies (Auditors' Report) Order, 2016 is not applicable to the Company.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year; hence clause 3(ix) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
- (x) 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 by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) According to the information and explanation give to us and based on our examination of the records of the Company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with the Schedule V to the Act.
- (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 Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year hence; clause 3(xiv) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
- (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 the directors or the persons connected with him; hence clause 3(xv) of the Companies (Auditors' Report) Order, 2016 is not applicable to the Company.
- (xvi) 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 9th March, 1998.

For P. D. Saraf & Co.
Chartered Accountants
(Firm Regd. No. 109241W)

Sd/-
(Madhusudan Saraf)
Partner
M. No. 41747
UDIN: 21041747AAAACI1385
Place: Mumbai
Date: 30th June, 2021

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 standalone financial statement for the year ended on 31st March, 2021.

Report on the Internal Financial Controls 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 financial reporting of **Finkurve Financial Services Limited** ("the Company") as on 31st March, 2021 in conjunction with our audit of the standalone 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 standalone 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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P. D. Saraf & Co.
Chartered Accountants
(Firm Regd. No. 109241W)

Sd/-
(Madhusudan Saraf)
Partner
M. No. 41747
UDIN: 21041747AAAACI1385
Place: Mumbai
Date: 30th June, 2021

FINKURVE FINANCIAL SERVICES LIMITED
Balance Sheet as at 31 March 2021
(All amounts in INR in Lakhs, unless otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
I. ASSETS			
Financial Assets			
Cash and cash equivalents	2	194.44	54.47
Receivables			
- Trade receivables	3	-	49.78
Loans	4	19,703.98	19,270.60
Investments	5	1,258.33	1,069.14
Other financial assets	6	34.28	10.98
Total financial assets		21,191.03	20,454.96
Non Financial Assets			
Deferred tax assets (net)	24 (b)	156.47	63.88
Property, plant and equipment	7	5.84	6.67
Intangible assets	8	4.48	0.10
Right of Use	29	33.48	18.71
Other non financial assets	9	43.75	18.06
Total non-financial assets		244.01	107.41
TOTAL ASSETS		21,435.05	20,562.37
II. LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
- Trade payables	10		
(a) Total outstanding dues of micro enterprises and small enterprises		9.16	2.14
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		25.55	9.45
Borrowings (Other than debts securities)	11	7,575.10	7,278.70
Lease liabilities	29	47.65	20.32
Deposits	12	22.50	22.50
Total financial liabilities		7,679.95	7,333.11
Non financial liabilities			
Current tax liabilities (net)	13	68.84	1.29
Provisions	14	4.47	-
Other non-financial liabilities	15	87.18	84.15
Total non financial liabilities		160.49	85.43
EQUITY			
Equity Share capital	16	1,268.58	1,268.58
Other equity	17	12,326.02	11,875.25
Total equity		13,594.61	13,143.83
TOTAL LIABILITIES AND EQUITY		21,435.05	20,562.37

Significant accounting policies and other explanatory information
1 - 42
This is the Balance Sheet referred to in our report of even date
For P. D. Saraf & Co

Chartered Accountants

Firm Registration No : 109241W

sd/-
Madhusudan Saraf

Partner

Membership No.: 041747

UDIN : 21041747AAAACI1385

Place: Mumbai

Date: 30th June 2021

**For and on behalf of the Board of Directors
of Finkurve Financial Services Limited**
sd/-
Ketan Kothari

Director

DIN: 00230725

sd/-
Aakash Jain

Chief Financial

Officer

sd/-
Narendra Jain

Wholetime Director

DIN: 08788557

sd/-
Sunny Parekh

Company Secretary

M.No. ACS32611

FINKURVE FINANCIAL SERVICES LIMITED

Statement of Profit and Loss for the year ended 31 March 2021

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

	Note	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Income			
Revenue from operations	18		
- Interest income on financial assets measured at amortised cost		1,955.56	1,630.76
- Net gain on fair value change		87.71	-
Other income	19	2.21	7.19
Total income		2,045.48	1,637.94
Expenses:			
Finance costs	20	683.65	808.31
Employee benefits expense	21	126.72	80.75
Depreciation and amortisation expense	22	19.53	8.69
Other expenses	23	607.47	206.61
Total expenses		1,437.37	1,104.36
Profit before tax		608.11	533.58
Tax expense			
Current tax	24	250.00	165.00
Deferred tax		(92.59)	(34.37)
Taxes pertaining to earlier years		(0.07)	-
		157.34	130.63
Profit for the year (A)		450.78	402.96
Other comprehensive income (OCI)			
A.(i) Items that will not be reclassified to profit or loss		-	-
A.(ii) Income tax relating to items that will not be reclassified		-	-
To Profit or Loss		-	-
Total other comprehensive income for the year (B)		-	-
Total comprehensive income for the year (A+B)		450.78	402.96
Earnings per equity share : (Nominal value of INR 1 per equity share)	25		
Basic and Diluted (in Rs.)		0.36	0.36
Significant accounting policies and other explanatory information	1 - 42		

This is the Statement of Profit and Loss referred to in our report of even date

For P. D. Saraf & Co

Chartered Accountants

Firm Registration No : 109241W

sd/-

Madhusudan Saraf

Partner

Membership No.: 041747

UDIN : 21041747AAAACI1385

Place: Mumbai

Date: 30th June 2021

For and on behalf of the Board of Directors

of Finkurve Financial Services Limited

sd/-

Ketan Kothari

Director

DIN: 00230725

sd/-

Aakash Jain

Chief Financial

Officer

sd/-

Narendra Jain

Wholetime Director

DIN: 08788557

sd/-

Sunny Parekh

Company Secretary

M.No. ACS32611

FINKURVE FINANCIAL SERVICES LIMITED

Statement of Cash flow for the year ended 31 March 2021

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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities		
Net Profit /(loss) before tax	608.11	533.58
Adjustments for:		
Depreciation	4.64	3.21
Amortisation of Right of Use	14.90	5.48
Bad Debts	7.25	-
Finance Cost - borrowings	675.03	805.58
Interest on lease liabilities	8.63	2.73
Expected credit loss	443.37	81.08
Fair value of Financial assets - Investments - (Gain) / Loss	(76.33)	-
Profit on sale of investments	(11.38)	-
Loss on Sale of Investments	-	33.93
Fair Valuation of Financial assets - Deposits	-	(0.00)
Share of Loss / (Profit) from Firm / LLP	9.10	(5.30)
Interest on income tax refunds	(2.07)	(0.04)
Operating profit/ (loss) before working capital changes	1,681.25	1,460.24
Adjustments for:		
Loans given	(884.00)	(9,830.33)
(Increase)/Decrease in financial and non financial assets	0.78	(56.68)
Increase/(Decrease) in financial and non financial Liabilities	30.62	72.61
Cash generated from operations	828.65	(8,354.15)
Direct Taxes (paid) /refunded (net)	(180.31)	(57.76)
Net Cash from/ (used in) operating activities (A)	648.34	(8,411.91)
Cash flow from investment activities		
Purchase of Investments	(1,117.53)	(234.68)
Proceeds from sale of Investments	1,006.94	114.40
Capital Expenditure on Fixed Assets	(8.18)	(3.46)
Net cash (used in) investment activities (B)	(118.77)	(123.74)
Cash flow from financing activities		
Proceeds from Issue of Share Capital	-	302.58
Security Premium Account	-	11,065.78
Proceeds/(Repayment) from/of borrowings (other than debts securities) (Net)	296.40	(2,026.26)
Payment of principal portion of lease liabilities	(10.97)	(6.60)
Interest Paid on Borrowings	(675.03)	(805.58)
Net cash (used in) financing activities (C)	(389.60)	8,529.93
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	139.97	(5.73)
Cash and cash equivalents at beginning of the year	54.47	60.19
Cash and cash equivalents at end of the year	194.44	54.47

Significant accounting policies and other explanatory information

1 - 42

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.6.20 lakhs in cash (31 March 2020: Rs. Nil) towards corporate social responsibility (CSR) expenditure (Refer note 26).

This is the Statement of Cash Flow referred to in our report of even date

For P. D. Saraf & Co

Chartered Accountants
Firm Registration No : 109241W

sd/-

Madhusudan Saraf
Partner

Membership No.: 041747
UDIN : 21041747AAAACI1385

Place: Mumbai
Date: 30th June 2021

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

sd/-

Ketan Kothari
Director
DIN: 00230725

sd/-

Aakash Jain
Chief Financial
Officer

sd/-

endra Jain
Wholetime Director
DIN: 08788557

sd/-

Sunny Parekh
Company Secretary
M.No. ACS32611

FINKURVE FINANCIAL SERVICES LIMITED
Statement of Changes in Equity for the year ended 31 March 2021
(All amounts in INR in Lakhs, unless otherwise stated)

A. Equity share capital

	Amount
Issued, subscribed and fully paid up : At 01 April 2019	966.00
Changes in equity share capital during the year	
- Allotment of shares	302.58
At 31 March 2020	1,268.58
Changes in equity share capital during the year	-
At 31 March 2021	1,268.58

B. Other Equity

	Reserves and Surplus				Other Comprehensive income	Total
	Securities premium	General reserve	Statutory reserve as per section 45-IC of the RBI Act, 1934	Surplus in statement of profit & loss		
Balance as at 01 April 2019	27.00	0.78	83.56	295.17	-	406.51
Profit for the year	-	-	-	402.96	-	402.96
On issue of shares during the year	11,077.16	-	-	-	-	11,077.16
Share issue expenses	(11.38)	-	-	-	-	(11.38)
Transfer to statutory reserve	-	-	80.59	(80.59)	-	-
Other comprehensive income	-	-	-	-	-	-
Closing balance as at 31 March 2020	11,092.78	0.78	164.15	617.53	-	11,875.25
Profit for the year	-	-	-	450.78	-	450.78
Transfer to statutory reserve	-	-	90.16	(90.16)	-	-
Other comprehensive income	-	-	-	-	-	-
Closing balance as at 31 March 2021	11,092.78	0.78	254.30	978.16	-	12,326.02

Significant accounting policies and other explanatory information

1 - 42

This is the Statement of Changes in Equity referred to in our report of even date

For P. D. Saraf & Co

Chartered Accountants

Firm Registration No : 109241W

sd/-

Madhusudan Saraf

Partner

Membership No.: 041747

UDIN : 21041747AAAACI1385

Place: Mumbai

Date: 30th June 2021

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

sd/-

Ketan Kothari

Director

DIN: 00230725

sd/-

Aakash Jain

Chief Financial

Officer

sd/-

Narendra Jain

Wholetime Director

DIN: 08788557

sd/-

Sunny Parekh

Company Secretary

M.No. ACS32611

Finkurve Financial Services Limited

Notes to the financial statements for the year ended 31 March 2021

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

A. CORPORATE INFORMATION

Finkurve Financial Services Limited ('the Company'), formerly known as Sanjay Leasing Limited was incorporated 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).

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

These standalone or separate 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.

The accounting policies are applied consistently to all the periods presented in the financial statements. 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.

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 financial year ended March 31, 2021. However, CoVID - 19 pandemic effect if any, on the Company's operation / profitability in the current financial year 2021-22 can only be assessed in due course.

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

(g) Depreciation and Amortisation

(a) 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.

(b) 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 amortized 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 amortized 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 Profit or Loss (FVTPL) :

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

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

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 'Other 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 recognizes 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 recognizing 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.

Derecognition

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.

(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.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization 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 recognized 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 recognized in the statement of profit or 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 & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

(l) Foreign exchange transactions & translations

a) 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 recognized in the Statement of Profit and Loss of the year.

b) 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 & 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.

Dividend

Dividend Income is recognized 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 & loss as per contractual rentals unless another systematic basis is more representative of the time pattern.

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) 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.

(o) Taxes on Income

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized 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 recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized 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 recognized 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 utilized.

Deferred tax assets are not recognised where it is more likely than not 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 utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(p) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized 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 recognized as an expense in the period in which they are incurred.

(q) 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.

(r) Finance Cost

Finance cost includes interest expense computed by applying effective interest rate on respective financial instrument measured at amortised cost, bank term loans, non-convertible debentures, debts. Finance costs are charged to statement of profit and loss

(s) Securities issue expenses

Expenses incurred in connection with fresh issue of Share capital are adjusted against Securities premium reserve.

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

(u) 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.

(v) Employee Benefits:

The Company has provided following post-employment plans:

- (a) Defined benefit plans such a 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 & 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 recognized 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.

(w) 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 recognized 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 recognized nor disclosed in financial statements.

FINKURVE FINANCIAL SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2021

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

7. Property, plant and equipment :

Particulars	Motor Vehicle	Computers	Furniture and Fixtures	Office Equipment	Total
Gross block					
Balance as at 31 March 2019	1.59	5.23	0.31	2.83	9.95
Additions	-	2.98	-	0.48	3.46
Disposals	-	-	-	-	-
Balance as at 31 March 2020	1.59	8.21	0.31	3.30	13.41
Additions	-	1.78	-	0.41	2.19
Disposals	-	-	-	-	-
Balance as at 31 March 2021	1.59	9.99	0.31	3.71	15.60
Accumulated depreciation					
Balance as at 31 March 2019	0.15	2.93	0.08	0.45	3.61
Charge for the year	0.37	2.25	0.06	0.44	3.12
Disposals	-	-	-	-	-
Balance as at 31 March 2020	0.52	5.18	0.14	0.89	6.74
Charge for the year	0.28	2.26	0.04	0.44	3.03
Disposals	-	-	-	-	-
Balance as at 31 March 2021	0.80	7.44	0.18	1.34	9.76
Net carrying amount as at 31 March 2020	1.07	3.02	0.17	2.41	6.67
Net carrying amount as at 31 March 2021	0.79	2.54	0.12	2.38	5.84

8. Intangible assets :

Particulars	Software
Gross block	
Balance as at 31 March 2019	0.42
Additions	-
Disposals	-
Balance as at 31 March 2020	0.42
Additions	5.99
Disposals	-
Balance as at 31 March 2021	6.41
Accumulated depreciation	
Balance as at 31 March 2019	0.24
Charge for the year	0.09
Disposals	-
Balance as at 31 March 2020	0.33
Charge for the year	1.61
Disposals	-
Balance as at 31 March 2021	1.93
Net carrying amount as at 31 March 2020	0.10
Net carrying amount as at 31 March 2021	4.48

FINKURVE FINANCIAL SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2021

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

Financial assets

	As at 31 March 2021	As at 31 March 2020
2 Cash and cash equivalents		
Cash on hand	1.22	1.31
Balances with banks In current accounts	193.22	53.15
	194.44	54.47
3 Receivables		
Trade receivables-unsecured considered good	-	49.78
Total trade receivables	-	49.78
4 Loans (at amortized cost) :		
a) Loans repayable on demand		
Term Loans	6,528.17	7,328.14
Others- to related parties (refer note no. 30 for dues from companies and firms in which directors or relative are director and /or member)	952.89	348.13
	12,810.36	11,738.40
Total (Gross)	20,291.42	19,414.67
Less: Expected credit losses	(587.44)	(144.07)
Total (net)	19,703.98	19,270.60
b) Secured by tangible assets		
Unsecured	5,533.79	4,722.33
Total (Gross)	14,757.63	14,692.34
Less: Expected credit losses	(587.44)	(144.07)
Total (net)	19,703.98	19,270.60
c) Loans in India - other than public sector		
Loans outside India	20,291.42	19,414.67
Total (Gross)	-	-
Less: Expected credit losses	20,291.42	19,414.67
Total (net)	(587.44)	(144.07)
	19,703.98	19,270.60
Loss Allowance		
Opening Balance	144.07	62.99
Add: Loss allowance recognised during the year	443.37	81.08
Closing Balance	587.44	144.07

5 Investments

	As at 31 March 2021		As at 31 March 2020	
	Nos.	Amount	Nos.	Amount
In Equity Shares, Quoted, fully paid up				
Fair Valued through Profit & Loss :				
Indian Oil Corporation Ltd	25	0.02		-
NTPC Ltd	25	0.03		-
		0.05		-
Investment in subsidiaries				
In equity shares, carried at cost (fully paid up)				
Unquoted				
Arvog Forex Pvt Ltd (Formerly known as Supama Forex Pvt Ltd)	208,000	852.80	208,000	852.80
		852.80		852.80

Investment in Others
In equity shares, unquoted, carried at fair value through Profit & Loss (fully paid up)

SumHR Software Pvt Ltd	1	0.00	1	0.10
Blu-Smart Mobility Pvt Ltd (Formerly known as Gensol Mobility Pvt Ltd)	2,439	3.86	2,439	10.00
Gajju Technologies Pvt Ltd	212	208.26	190	37.48
Visionary Financepeer Pvt Ltd	212	17.18	190	12.49
Bliss Dairy Fresh Pvt Ltd	150,000	27.00	150,000	27.00
NetAmbit Valuefirst Services Pvt Ltd	758	0.08	758	15.00
Elysium Labs Pvt Ltd	36	10.00		-
		266.38		102.06

In preference shares (Unquoted, fully paid up)

[Carried at fair value through Profit & Loss]

Compulsory convertible preference shares (CCPS)

0.001%, CCPS of Dhruva Space Pvt Ltd of Rs 10 each	55	10.03	41	7.48
0.001%, CCPS of Cleardekho Eyewear Pvt Ltd of Rs 10 each	597	4.24	597	25.01
15%, CCPS of Advetaya Business Consultant Pvt Ltd of Rs 10 each	12,852	2.92	12,852	30.00
0% CCPS of SumHR Software Pvt Ltd of Rs 100 each	208	0.74	208	19.89
0.001%, CCPS of Genius Learning Labs Pvt Ltd of Rs. 100 each	31	9.90		-
0.001%, CCPS of Flat White Capital Pvt Ltd of Rs. 100 each	177	40.08		-
0.001%, CCPS of Foxtort Beverages Pvt Ltd of Rs. 10 each	18	4.98		-
0.001%, CCPS of Lattu Media Pvt Ltd of Rs. 1 each	30	5.10		-
0.001%, CCPS of Blynk Marketing Pvt Ltd of Rs. 100 each	25,000	25.00		-
		103.00		82.38

In Venture fund

[Carried at fair value through Profit & Loss]

Equity Shares of Getvantage Tech Private Limited through VCats Management Services Trust III	-	-	334	5.12
--	---	---	-----	------

In Debentures

(Carried at fair value through Profit & Loss (fully paid up))

Compulsory convertible Debentures (CCD)

0.001% CCD of Elysium Labs Pvt Ltd of Rs. 100/- each	-	-	10,000	10.00
8% CCD of Fintech Products and Solutions (India) Pvt Ltd of Rs. 10/- each	250,000	25.00		-

In Partnership firm

(Carried at fair value through Profit & Loss)

Pratvick Hospitality LLP	-	-	-	16.67
--------------------------	---	---	---	-------

Investment in Mutual Funds - Quoted

Fair value through Profit & Loss

DSP Ultra Short - Growth Fund	4.07	0.11	4.07	0.10
ICICI Pru Floating Interest Growth	3,389.21	10.99		-
		11.10		0.10
		1,258.33		1,069.14

Gross Value of Investments :

- in India		1,258.33		1,069.14
- Outside India		-		-
Aggregate amount of quoted investments		11.15		-
Aggregate amount of unquoted investments		1,247.18		1,069.14
Aggregate amount of impairment in value of investments		-		-

6 Other Financial Assets	As at 31 March 2021	As at 31 March 2020
Security Deposits	1.21	1.33
Loans to Staff	4.65	2.45
Accrued Interest on Loans	28.42	7.19
	34.28	10.98

9 Other Non Financial Assets	As at 31 March 2021	As at 31 March 2020
Prepaid expenses	14.02	5.25
Advances recoverable in cash or in kind or for value to be received	19.07	12.81
Input tax Credit under Goods and Service Tax Act	10.66	-
	43.75	18.06

10 Payables	As at 31 March 2021	As at 31 March 2020
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises *	9.16	2.14
- Total outstanding dues of creditors other than micro enterprises and small enterprises	25.55	9.45
	34.71	11.59

* Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors.

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 2021	As at 31 March 2020
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	9.16	2.14
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.	-	-

	As at 31 March 2021	As at 31 March 2020
11 Borrowings (other than debts securities)		
At amortised cost		
Unsecured - from bodies corporates		
- Term Loans (Long Term, maturing after 1 year)	465.39	433.83
- Loans from related parties	5,580.22	5,757.92
- Loans repayable on demand	1,529.49	1,086.95
	7,575.10	7,278.70
[Above unsecured borrowings from bodies corporates carrying interest rate in the range of 9% to 14.50%]		
Borrowings		
- in India	7,575.10	7,278.70
- Outside India	-	-
Note : The company has not defaulted in repayment of principal and interest.		
12 Deposits		
At amortized cost		
Other Deposits	22.50	22.50
	22.50	22.50
13 Current tax liabilities (net)		
Tax Provision (net of taxes paid)	68.84	1.29
	68.84	1.29
14 Provisions		
Provision for employee benefits expense	4.47	-
	4.47	-
15 Other non-financial Liabilities		
Statutory Remittances	51.77	84.15
Other Payables	35.41	-
	87.18	84.15
16 Equity share capital		
Authorised		
Equity Shares of Rs. 1 each		
[As at March 31, 2021 - 13,00,00,000; As at March 31, 2020 - 13,00,00,000]	1,300.00	1,300.00
Issued, subscribed and fully paid up - Equity shares		
Equity Shares of Rs. 1 each		
[As at March 31, 2021 - 12,68,58,198; As at March 31, 2020 - 12,68,58,198]	1,268.58	1,268.58
	1,268.58	1,268.58
Reconciliation of equity shares outstanding at the beginning and at the end of the year		
Shares Outstanding At the Beginning of the Year	126,858,198	96,600,000
Add : Issued during the year	-	30,258,198
Shares Outstanding At the Closing of the Year	126,858,198	126,858,198

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 share. 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.

Shareholders holding more than 5% of the equity shares in the Company

Kalawati Kothari

- Number of Shares	6,992,600	8,072,600
- % of Holding	5.51%	6.36%

Ketan Kothari

- Number of Shares	53,451,230	53,451,230
- % of Holding	42.13%	42.13%

Mohinidevi Kothari

- Number of Shares	6,545,600	7,635,600
- % of Holding	5.16%	6.02%

Rishabh Jewellers

- Number of Shares	8,108,108	8,108,108
- % of Holding	6.39%	6.39%

Muthoot Bankers

- Number of Shares	18,421,050	18,421,050
- % of Holding	14.52%	14.52%

Nexact Limited

- Number of Shares	6,899,040	3,729,040
- % of Holding	5.44%	2.94%

Note:

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.

17 Other equity - reserve and surplus

	As at 31 March 2021	As at 31 March 2020
Securities Premium Account	11,092.78	11,092.78
General reserve	0.78	0.78
Statutory Reserve	254.30	164.15
Surplus in Statement of Profit & Loss	978.16	617.53
Other comprehensive income	-	-
	12,326.02	11,875.25

Nature and purpose of reserves

(a) Capital reserve on consolidation

Capital reserve arises as a result of consolidation of financial statement.

(b) Securities Premium:

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(c) General reserves:

Amounts set aside from retained profits as a reserve to be utilised for permissible general purpose as per Law.

(d) Statutory Reserve

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 utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.

(e) Surplus in Statement of Profit & Loss

Retained earnings pertain to the accumulated earnings made by the Company over the years.

(f) Other comprehensive income

Other comprehensive income consist of FVOCI financial assets and financial liabilities and remeasurement of defined benefit assets and liability

18 Revenue from Operations

Interest income on financial assets measured at amortised cost

Net gain on fair value changes

- Fair value of Financial assets - Investments (unrealised)
- Fair value of Financial assets - Investments (realised)

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
	1,955.56	1,630.76
	76.33	-
	11.38	-
	2,043.27	1,630.76

19 Other Income

Interest on Income Tax Refund

Share of Profit in Partnership Firm

Unwinding of Interest on security deposit

Miscellaneous Income

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
	2.07	0.04
	-	5.30
	0.14	0.15
	-	1.69
	2.21	7.19

20 Finance Cost

Interest paid on borrowing other than debt securities

Interest on lease liabilities

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
	675.03	805.58
	8.63	2.73
	683.65	808.31

21 Employee Benefits Expense

Salaries and Incentives

Directors Remuneration

Staff Welfare Expenses

Gratuity

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
	100.28	70.02
	21.08	10.18
	0.88	0.55
	4.47	-
	126.72	80.75

22 Depreciation and Amortisation Expense

Depreciation on Property plant & equipment

Amortisation of intangible assets

Amortisation of Right of use

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
	3.03	3.12
	1.61	0.09
	14.90	5.48
	19.53	8.69

23 Other Expenses

Stock exchange, depository & RTA fees and charges

Legal and Professional Fees

Payment to Auditors

Statutory Audit Fees

Tax Audit Fees

Income Tax Matters

Certification

Other services

Business Promotion Expenses

GST paid on Input Services

Motor Car Rent

Printing & Stationary

Telephone & Communication

Advertisement and Publishing expenses

Share of Loss in partnership firm

Loss on Sale of Investment

Deferred Revenue Expenses written off

Membership & Subscription

Commission

Travelling Expenses

Donations

Expenditure on Corporate Social Responsibility

Bad Debt's

Office Rent

Expected credit losses

Repairs & Maintenance - other

Miscellaneous Expenses

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
	4.99	8.81
	51.50	24.69
	1.50	1.35
	-	0.50
	-	0.40
	-	0.22
	-	0.20
	10.81	17.83
	10.66	8.90
	1.26	4.62
	0.24	1.52
	0.90	1.06
	1.45	0.83
	9.10	-
	-	33.93
	-	0.95
	9.14	4.51
	40.52	1.11
	0.57	4.16
	-	3.60
	6.20	-
	7.25	-
	1.70	0.42
	443.37	81.08
	2.41	2.22
	3.89	3.69
	607.47	206.61

FINKURVE FINANCIAL SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2021
(All amounts in INR in Lakhs, unless otherwise stated)

24 Income tax expenses	For the Year ended 31 March 2021	For the Year ended 31 March 2020
(a) Tax expense recognized in the Statement of Profit and Loss		
Current tax	250.00	165.00
Deferred tax	(92.59)	(34.37)
Tax pertaining to earlier years	(0.07)	-
	157.34	130.63

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit/(loss) before income taxes is summarized below

Profit/(loss) before tax	608.11	533.58
Enacted tax rate	25.168%	25.168%
Current tax expenses on profit before tax expenses at the enacted income tax rate in India	153.05	134.29
Reconciliations		
- tax pertaining to earlier years	(0.07)	-
- tax pertaining to income/loss not taxable / deductible	3.85	(1.34)
- Others	0.51	(2.33)
Total tax expenses	157.34	130.63

(b) Movement in Deferred tax assets/(liabilities) during the year ended 31 March 2021 :

	As at 31 March 2020	Charge/(Credit) during the year	As at 31 March 2021
- on Right of use and Lease liabilities	(0.40)	3.16	(3.56)
- on WDV of Property, plant & Equipment as per books and income tax	0.40	(0.17)	0.56
- on unabsorbed losses	27.62	0.10	27.52
- on expected credit losses	36.26	(111.58)	147.85
- Others	0.00	15.90	(15.89)
	63.88	(92.59)	156.47

	As at 31 March 2019	Charge/(Credit) during the year	As at 31 March 2020
- on Right of use and Lease liabilities	-	0.40	(0.40)
- on WDV of Property, plant & Equipment as per books and income tax	0.34	(0.05)	0.40
- on unabsorbed losses	11.81	(15.81)	27.62
- on expected credit losses	17.35	(18.91)	36.26
- Others	-	(0.00)	0.00
	29.50	(34.37)	63.88

25 Earning Per Share (EPS)	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Net Profit/(loss) attributable to equity share holders	450.78	402.96
Computation of weighted average number of equity shares :		
- Weighted average number of equity shares for calculating basic EPS and diluted EPS	126,858,198	112,402,676
Earnings Per Share:		
Basic and Diluted (In Rs.)	0.36	0.36

26 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 2021, the Company has incurred an expenditure of Rs. 6.20 lakhs (31 March 2020: Rs. Nil) 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	As at 31 March 2021	As at 31 March 2020
Amount required to be spent as per section 135 of the Act		
(i) Unspent amount as at the beginning of the year	-	-
(ii) Amount required to be spent during the year based on average of preceeding three year profits	6.23	-
Total amount required to be spent	6.23	-
Amount spent during the year on :		
(i) Construction/acquisition of assets	-	-
(ii) on purpose other than above	6.20	-
Balance amount to be spent as per section 135 of the Act	0.03	-

27 Contingent Liabilities (to the extent not provided for)

Particulars	As at 31 March 2021	As at 31 March 2020
Claim against the Company not acknowledged as debts	3.53	3.53

The Company's pending litigations comprise of proceedings pending with Income Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions / contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

28 Capital Commitments

The Company does not have any Capital Commitments as on 31 March 2021. (Nil as at 31 March 2020).

29 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 recognized 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 2021:

Particulars	Amount
Right of Use Asset - Office Premises	
Cost	
Balance as at 01 April 2019	-
Additions	24.19
Deletions	-
Balance as at 31 March 2020	24.19
Additions	29.67
Deletions	-
Balance as at 31 March 2021	53.86
Accumulated Depreciation	
Balance as at 01 April 2019	-
Depreciation charged for the year	5.48
Deletions	-
Balance as at 31 March 2020	5.48
Depreciation charged for the year	14.90
Deletions	-
Balance as at 31 March 2021	20.37
Carrying amount	
Balance as at 31 March 2020	18.71
Balance as at 31 March 2021	33.48

Following is the movement in lease liabilities during the year ended 31 March 2021:

Particulars	Amount
Balance as on 01 April 2019	-
Additions	24.19
Interest accrued during the year	2.73
Deletions	-
Payment of lease liabilities	6.60
Balance as on 31 March 2020	20.32
Additions	29.67
Interest accrued during the year	8.63
Deletions	-
Payment of lease liabilities	10.97
Balance as at 31 March 2021	47.65

Break-up of the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	As at	As at
	31 March 2021	31 March 2020
Less than one year	19.80	7.22
One to five years	37.35	17.82
More than 5 years	-	-
Weighted average effective interest rate (%)	9.00%	9.00%

Short-term leases expenses incurred :

Particulars	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Rental expense	1.70	0.42

30 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 related party
Subsidiaries	
Arvog Forex Pvt Ltd (Formerly known as Supama Forex Pvt Ltd)	Subsidiary
Acchai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd)	Wholly owned subsidiary (till 26-02-2020)
Key Management Personnel (KMP)	
	Mr. Ketan Kothari, Director
	Mr. Sachin Kothari, Director (till 30.09.2020)
	Mrs. Riddhi Tilwani, Director
	Mr. Nishant Tolchand Ranka, Director
	Mr. Narendra Jain, Director (w.e.f. 31.08.2020)
	Mr. Aakash Jain, Chief Financial Officer (w.e.f. 08.11.2019)
	Mr. Sunny Parekh, Company Secretary
Enterprise over which some Key Managerial Personnel are able to exercise influence	
	Acchai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd) (Previously subsidiary) (up to 20.01.2021)
	Arch & Teco Consultants Pvt Ltd
	Augmont Enterprises Pvt Ltd
	Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)
	Badami Investment
	Badami Trading LLP
	Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd) (till June 2020)
	HR Commercial Pvt Ltd (w.e.f. 31.08.2020)
	Haven Infoline LLP
	Hriday Products Private Limited
	Kevin & Mike Consultancy
	Krish Dreams Home Pvt Ltd
	Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)
	Parshwanath Investments
	Pratvick Hospitality LLP
	Aranath Real Estate Pvt. Ltd. (Formely known as Renaissance Fincon Pvt Ltd)
	Riddisiddhi Bullions Ltd
	RSBL Builders LLP
	RSBL Refining & Assaying LLP
	Supama Developers LLP
	Supama Nichish
	Supama Realtors LLP
	Vimuk Enterprises LLP

FINKURVE FINANCIAL SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2021
(All amounts in INR in Lakhs, unless otherwise stated)

(a) Transaction with Related Party :

Nature of Transaction	For the Year ended 31 March 2021			For the Year ended 31 March 2020				
	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives	Associates	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives	Associates
INCOME								
Interest Received			1,323.23	-	-	13.46	834.03	-
Arvog Forex Pvt Ltd (Formerly known as Supama Forex Pvt Ltd)	-	0.25	-	-	-	13.46	-	-
Acchai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd)	-	-	0.04	-	-	-	-	-
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	-	21.65	-	-	-	-	-
Badami Investment	-	-	219.12	-	-	-	79.78	-
Badami Trading LLP	-	-	2.20	-	-	-	61.77	-
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	-	7.83	-	-	-	27.39	-
Hriday Products Pvt Ltd	-	-	5.75	-	-	-	3.25	-
Haven Infoline LLP	-	-	42.55	-	-	-	2.43	-
Kevin & Mike Consultancy	-	-	22.53	-	-	-	24.17	-
Krish Dreams Home Pvt Ltd	-	-	65.46	-	-	-	48.35	-
Nashville Infra Services Ltd (Formerly known as Supama Infra Services Ltd)	-	-	10.41	-	-	-	1.58	-
Parishwanath Investments	-	-	-	-	-	-	0.07	-
Pratvick Hospitality LLP	-	-	9.45	-	-	-	9.68	-
Aranath Real Estate Pvt. Ltd. (Formerly known as Renaissance Fincor Pvt Ltd)	-	-	897.37	-	-	-	480.36	-
RSBL Refining & Assaying LLP	-	-	12.41	-	-	-	68.63	-
Vimuk Enterprises LLP	-	-	6.45	-	-	-	26.57	-
Rent Received							2.12	
Supama Developers LLP	-	-	-	-	-	-	0.71	-
Nashville Infra Services Ltd (Formerly known as Supama Infra Services Ltd)	-	-	-	-	-	-	0.71	-
Supama Realtors LLP	-	-	-	-	-	-	0.71	-

Nature of Transaction	For the Year ended 31 March 2021				For the Year ended 31 March 2020			
	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives	Associates	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives	Associates
EXPENSES								
Remuneration & Sitting Fees (Excluding GST)	44.91	-	-	-	23.00	-	-	-
Sachin Kothari	4.15	-	-	-	9.00	-	-	-
Narendra Jain	15.75	-	-	-	-	-	-	-
Riddhi Kamlesh Tilwani	0.50	-	-	-	0.50	-	-	-
Nishant Tolchand Ranka	0.50	-	-	-	0.50	-	-	-
Aakash Jain	11.53	-	-	-	-	-	-	-
Sunny Parekh	12.48	-	-	-	13.00	-	-	-
Rent Paid	-	-	8.40	-	-	-	7.00	-
RSBL Builders LLP	-	-	8.40	-	-	-	7.00	-
Interest Paid	-	-	510.73	-	-	-	244.09	-
Riddisidhi Bullions Ltd	-	-	20.81	-	-	-	24.05	-
HR Commercial Pvt Ltd	-	-	6.05	-	-	-	-	-
Augmont Enterprises Pvt Ltd	-	-	483.87	-	-	-	216.10	-
Arch & Teco Consultants Pvt Ltd	-	-	-	-	-	-	3.94	-
Car Rental Paid	-	-	-	-	4.62	-	-	-
Sachin Kothari	-	-	-	-	4.62	-	-	-
Share of Profit/(Loss)	-	-	(9.10)	-	-	-	5.30	-
Pratrick Hospitality LLP	-	-	(9.10)	-	-	-	5.30	-
OTHER TRANSACTIONS								
Sale of Investment	-	-	-	7.27	-	-	-	-
Pratrick Hospitality LLP	-	-	-	7.27	-	-	-	-
Loan Given during the year	-	557.60	8,117.11	-	-	9,005.00	20,607.69	-
Arvog Forex Pvt Ltd (Formerly known as Supama Forex Pvt Ltd)	-	557.60	-	-	-	9,005.00	-	-
Acchai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd)	-	-	7.00	-	-	-	-	-
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	-	655.01	-	-	-	-	-
Badami Investment	-	-	4,005.50	-	-	-	3,555.50	-
Badami Trading LLP	-	-	-	-	-	-	525.00	-
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	-	145.00	-	-	-	159.00	-
HR Commercial Pvt Ltd	-	-	4.83	-	-	-	-	-
Haven Infoline LLP	-	-	101.00	-	-	-	513.69	-
Kevin & Mike Consultancy	-	-	49.50	-	-	-	25.00	-
Krish Dreams Home Pvt Ltd	-	-	5.00	-	-	-	598.40	-
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	7.00	-	-	-	89.00	-
Pratrick Hospitality LLP	-	-	7.27	-	-	-	-	-
Aranath Real Estate Pvt. Ltd. (Formerly known as Renaissance Fincor Pvt Ltd)	-	-	3,105.00	-	-	-	15,142.10	-
Vimuk Enterprises LLP	-	-	25.00	-	-	-	-	-

Nature of Transaction	For the Year ended 31 March 2021				For the Year ended 31 March 2020			
	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives	Associates	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives	Associates
Loan Received Back								
Arvog Forex Pvt Ltd (Formerly known as Supama Forex Pvt Ltd)	-	616.94	6,815.73	-	-	8,955.93	13,033.46	-
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	616.94	-	-	-	8,955.93	-	-
Badami Investment	-	-	655.01	-	-	-	2,180.58	-
Badami Trading LLP	-	-	2,107.45	-	-	-	1,107.24	-
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	-	57.75	-	-	-	335.00	-
Haven Infoline LLP	-	-	77.70	-	-	-	-	-
Hriday Products Pvt Ltd	-	-	172.82	-	-	-	13.71	-
Krish Dreams Home Pvt Ltd	-	-	25.00	-	-	-	2.00	-
Kevin & Mike Consultancy	-	-	34.08	-	-	-	23.00	-
Parshwanath Investments	-	-	-	-	-	-	56.07	-
Pratvick Hospitality LLP	-	-	-	-	-	-	5.00	-
Aranath Real Estate Pvt. Ltd. (Formerly known as Renaissance Fincor Pvt Ltd)	-	-	3,271.28	-	-	-	8,236.70	-
RSBL Refining & Assaying LLP	-	-	257.47	-	-	-	397.00	-
Supama Realtors LLP	-	-	-	-	-	-	1.28	-
Supama Developers LLP	-	-	-	-	-	-	199.63	-
Supama Nicnish	-	-	-	-	-	-	139.26	-
Vimuk Enterprises LLP	-	-	157.18	-	-	-	337.00	-
Loan Taken during the year								
Riddisiddhi Bullions Ltd	-	-	21,321.79	-	-	-	26,128.00	-
Augmont Enterprises Pvt Ltd	-	-	9,562.79	-	-	-	20,308.00	-
HR Commercial Pvt Ltd	-	-	11,582.00	-	-	-	5,820.00	-
	-	-	177.00	-	-	-	-	-
Loan Paid - Refunded								
Riddisiddhi Bullions Ltd	-	-	22,021.77	-	-	-	28,752.89	-
HR Commercial Pvt Ltd	-	-	11,249.42	-	-	-	22,371.85	-
Augmont Enterprises Pvt Ltd	-	-	262.26	-	-	-	-	-
Arch & Teco Consultants Pvt Ltd	-	-	10,510.10	-	-	-	6,330.95	-
	-	-	-	-	-	-	50.09	-

FINKURVE FINANCIAL SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2021
(All amounts in INR in Lakhs, unless otherwise stated)

(b) Outstanding as at the Balance Sheet date :

Nature of Transaction	As at 31 March 2021			As at 31 March 2020		
	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives	Key Management Personnel (KMP)	Subsidiary	Enterprise owned or controlled by KMP or Relatives
OUTSTANDING AS AT THE BALANCE SHEET DATE						
Investment		852.80	-		852.80	16.67
Arvog Forex Pvt Ltd (Formerly known as Supama Forex Pvt Ltd)	-	852.80	-	-	852.80	-
Pratvick Hospitality LLP	-	-	-	-	-	16.67
Loan Given - Outstanding			12,810.36		62.11	11,676.29
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	-	11.62	-	-	-
Arvog Forex Pvt Ltd (Formerly known as Supama Forex Pvt Ltd)	-	-	-	-	62.11	-
Acchhai Foods Pvt Ltd (Formerly known as Arovog Leisure Pvt Ltd)	-	-	7.04	-	-	-
Badami Trading LLP	-	-	-	-	-	68.10
Badami Investment	-	-	3,347.94	-	-	1,473.85
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	-	111.23	-	-	41.99
Haven Infoline LLP	-	-	4.83	-	-	-
Hriday Products Pvt Ltd	-	-	480.55	-	-	515.18
Kevin & Mike Consultancy	-	-	-	-	-	28.60
Krish Dreams Home Pvt Ltd	-	-	238.78	-	-	188.43
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	603.46	-	-	639.91
Pratvick Hospitality LLP	-	-	106.57	-	-	90.43
Aranath Real Estate Pvt. Ltd. (Formerly known as Renaissance Fincan Pvt Ltd)	-	-	97.17	-	-	81.16
RSBL Refining & Assaying LLP	-	-	7,801.18	-	-	8,140.62
Vimuk Enterprises LLP	-	-	-	-	-	265.16
	-	-	-	-	-	142.86
Loan Received - Outstanding			5,580.22			5,757.92
Riddisiddhi Bullions Ltd	-	-	48.25	-	-	1,745.43
Augmont Enterprises Pvt Ltd	-	-	5,531.97	-	-	4,012.49
Trade Payable	2.82			1.74		
Sachin Kothari	-	-	-	0.75	-	-
Narendra Jain	1.45	-	-	-	-	-
Aakash Jain	0.99	-	-	-	-	-
Sunny Parekh	0.38	-	-	0.99	-	-

1. Related parties are as identified by the Management of Company and relied upon by the Auditors.
2. No amount pertaining to Related Parties have been provided for as doubtful debts / written back.
3. Terms and conditions of transaction with related parties; the transactions among the related parties are in the ordinary course of business and based on normal commercial terms, conditions, market rates.
4. Closing outstanding includes interest on loans given / taken which remains outstanding as at the end of the year.

FINKURVE FINANCIAL SERVICES LIMITED

Notes to the financial statements for the year ended 31 March 2021

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

31 DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

i) **Gratuity:** 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:

A. Balance Sheet

	Defined benefit plans	
	As at 31 March 2021	As at 31 March 2020
Present value of plan liabilities	4.47	-
Fair value of plan assets	-	-
Asset/(Liability) recognised	4.47	-

B. Movements in plan assets and plan liabilities

	Present value of obligations	Fair Value of Plan assets
As at 1st April 2020	-	-
Current service cost	1.76	-
Past service cost	2.71	-
Interest Cost/(Income)	-	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	-
Actuarial (gain)/loss arising from experience adjustments	-	-
Employer contributions	-	-
Benefit payments	-	-
As at 31st March 2021	4.47	-

	Present value of obligations	Fair Value of Plan assets
As at 1st April 2019	-	-
Current service cost	-	-
Past service cost	-	-
Interest Cost/(Income)	-	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	-
Actuarial (gain)/loss arising from experience adjustments	-	-
Employer contributions	-	-
Benefit payments	-	-
As at 31st March 2020	-	-

C. Statement of Profit and Loss

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Employee Benefit Expenses:		
Current service cost	1.76	-
Interest cost/(income)	2.71	-
Total amount recognised in Statement of Profit & Loss	4.47	-

Remeasurement of the net defined benefit liability:

Return on plan assets excluding amounts included in net finance income/(cost)	-	-
Actuarial gains/(losses) arising from changes in financial assumptions	-	-
Experience gains/(losses)	-	-
Total amount recognised in Other Comprehensive Income	-	-

D. 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:

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Financial Assumptions		
Discount rate	6.78%	-
Salary Escalation Rate	5.00%	-

E. 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%	3.62	5.58
Salary Escalation Rate	1.00%	5.61	3.59

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.

F. The defined benefit obligations shall mature after year end 31st March, 2021 as follows:

Year ending March 31, 2021	Defined benefit obligation
2021	0.04
2022	0.05
2023	0.06
2024	0.08
2025	0.09
Thereafter	4.15

FINKURVE FINANCIAL SERVICES LIMITED
Notes to the financial statements for the year ended 31 March 2021
(All amounts in INR in Lakhs, unless otherwise stated)

32 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.

33 Fair values

(a) Financial instruments by category:

Particulars	As at 31 March 2021			
	Amortized cost/ At Cost	At fair value through profit or loss	At fair value through OCI	Total carrying value
Financial assets				
Cash and bank balances	194.44	-	-	194.44
Trade receivables	-	-	-	-
Loans	19,703.98	-	-	19,703.98
Investments	852.80	405.53	-	1,258.33
Other financial assets	34.28	-	-	34.28
	20,785.50	405.53	-	21,191.03
Financial liabilities				
Trade payables	34.71	-	-	34.71
Borrowings	7,575.10	-	-	7,575.10
Lease Liabilities	47.65	-	-	47.65
Deposit	22.50	-	-	22.50
	7,679.95	-	-	7,679.95

Particulars	As at 31 March 2020			
	Amortized cost	At fair value through profit or loss	At fair value through OCI	Total carrying value
Financial assets				
Cash and bank balances	54.47	-	-	54.47
Trade receivables	49.78	-	-	49.78
Loans	19,270.60	-	-	19,270.60
Investments	852.80	216.34	-	1,069.14
Other financial assets	10.98	-	-	10.98
	20,238.63	216.34	-	20,454.96
Financial liabilities				
Trade payables	11.59	-	-	11.59
Borrowings	7,278.70	-	-	7,278.70
Lease Liabilities	20.32	-	-	20.32
Deposit	22.50	-	-	22.50
	7,333.11	-	-	7,333.11

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.

(b) Fair value hierarchy and method of valuation:

The Company categorizes 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 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 2021				Total
	Carrying value	Level 1	Level 2	Level 3	
Financial assets measured at FVTPL					
Investments in equity shares	266.43	0.05	-	266.38	266.43
Investment in partnership firm	-	-	-	-	-
Investment in preference shares	103.00	-	-	103.00	103.00
Investment in venture funds	-	-	-	-	-
Investment in debentures	25.00	-	-	25.00	25.00
Investment in mutual funds	11.10	11.10	-	-	11.10
Particulars	As at 31 March 2020				Total
	Carrying value	Level 1	Level 2	Level 3	
Financial assets measured at FVTPL					
Investments in equity shares	102.06	-	-	102.06	102.06
Investment in partnership firm	16.67	-	-	16.67	16.67
Investment in preference shares	82.38	-	-	82.38	82.38
Investment in venture funds	5.12	-	-	5.12	5.12
Investment in debentures	10.00	-	-	10.00	10.00
Investment in mutual funds	0.10	-	-	0.10	0.10

(c) Fair value measurements using significant unobservable inputs (level 3)

	As at 31 March 2021	As at 31 March 2020
Opening Balance	216.34	41.38
Acquisition during the year	118.42	179.68
Gain/(Losses) recognised in statement of profit or loss	76.29	-
Disposal during the year	(7.57)	(15.03)
Share of profit/(loss) - partnership firms	(9.10)	10.30
Closing Balance	394.38	216.34

(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.

34 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.

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 including guidance from the prudential norms prescribed by the Reserve Bank of India.

Expected credit loss on loans given is Rs. 587.44 lakhs (31 March 2020 - Rs . 144.07 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 2021	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	7,109.70	465.39	-	7,575.10
Trades payables	34.71	-	-	34.71
Lease Liabilities	47.65	-	-	47.65
As at 31 March 2020	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	6,844.87	433.83	-	7,278.70
Trades payables	11.59	-	-	11.59
Lease Liabilities	20.32	-	-	20.32

35 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.

36 Investment in the Partnership Firm shown in the Balance Sheet is total capital account balance in M/s Prativick Hospitality LLP which includes closing balance of Rs. 0.30 lakhs as Fixed Capital Account. The company have retired from the LLP during the year. Other information of LLP for previous year as at March 31, 2020 is as follows:

Name of LLP - Prativick Hospitality LLP

Name of the Partners & their Profit Sharing Ratio

MR. Vinit Vijay Mody
MR. Vishal Pratap Dhull
Finkurve Financial Services Ltd.
Charmy Vinit Mody
Pratap Hirhibhat Dhulla

As at 31 March 2020

Share of Profit/Loss (%)	Fixed Capital
23	0.23
12	0.12
30	0.30
12	0.12
23	0.23

Particulars	As at 31 March 2021	As at 31 March 2020
	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	5,533.79	4,722.33
(b) Unsecured	14,757.63	14,692.34
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	0.05	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	11.07	0.10
(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 :		
(i) Shares : (a) Equity	970.76	954.86
(b) Preference	170.01	82.38
(ii) Debentures and Bonds	25.00	10.00
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others - Units of Venture Capital Funds	5.12	5.12
- Partnership Firm	-	16.67

6 Borrower group-wise classification of assets financed as in (3) and (4) above :

Category	As at 31 March 2021			As at 31 March 2020		
	Amount net of provision (refer note 34)			Amount net of provision (refer note 34)		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	61.96	61.96
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	12,687.96	12,687.96	-	11,642.30	11,642.30
2. Other than related parties	5,245.26	1,770.76	7,016.02	4,678.73	2,887.61	7,566.34
Total	5,245.26	14,458.72	19,703.98	4,678.73	14,591.87	19,270.60

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 2021		As at 31 March 2020	
	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	852.80	852.80	852.80	852.80
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	405.53	405.53	216.34	216.34
Total	1,258.33	1,258.33	1,069.14	1,069.14

8 Other information

(i) Gross Non-Performing Assets

	Amount	Amount
(a) Related parties	-	-
(b) Other than related parties	1,986.89	224.37

(ii) Net Non-Performing Assets

	Amount	Amount
(a) Related parties	-	-
(b) Other than related parties	1,554.11	160.97

(iii) Assets acquired in satisfaction of debt

	Amount	Amount
	-	-

40 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.

41 The financial statements were approved for issue by the Board of Directors on June 30, 2021.

42 The previous year's figures have been recast / regrouped / rearranged wherever considered necessary to meet the requirements of Ind AS.

Signatures to Notes 1 to 42

As per our report of even date

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

sd/-
Madhusudan Saraf
Partner
Membership No.: 041747

Place: Mumbai
Date: 30th June 2021

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

sd/-
Ketan Kothari
Director
DIN: 00230725

sd/-
Aakash Jain
Chief Financial
Officer

sd/-
Narendra Jain
Wholetime Director
DIN: 08788557

sd/-
Sunny Parekh
Company Secretary
M.No. ACS32611

INDEPENDENT AUDITOR'S REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Finkurve Financial Services Limited** (hereinafter referred to as “the Holding Company”) and its subsidiary (the holding company and its subsidiary constitute “the Group”) which comprise the consolidated Balance Sheet as at 31 March 2021, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Change in Equity and the Consolidated Statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statements of subsidiary as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (“Ind AS”) prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31 March 2021, and its consolidated profits (including other comprehensive income), its consolidated change in equity and its consolidated cash flows for the year ended on that date.

Basis of 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including Other Comprehensive Income), changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the Companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

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

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

Other Matter

The accompanying consolidated financial statements includes the financials of Arvog Forex Private Limited (formerly known as Supama Forex Private Limited), subsidiary whose financial statements reflect total assets of Rs. 1,851.05 lakhs as at 31 March, 2021, total revenues (before consolidation adjustment) of Rs. 838.85 lakhs, total net profit after tax (before consolidation adjustment) of Rs. 2.77 lakhs, total comprehensive income of Rs. 2.77 lakhs and cash out flows (before consolidation adjustment) (net) of Rs. (-) 200.80 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statement have been audited by the other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relate to the amounts and disclosure included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in-so-far as it relates to aforesaid subsidiary, is based solely on the report of the other auditor.

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

Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of subsidiary as were audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Change in Equity and Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors of the Holding Company as on 31 March, 2021, taken on record by the Board of Directors of the Holding Company and on the basis of the report of the statutory auditor of its subsidiary company, none of the directors is disqualified as on 31 March, 2021, 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 Group and the operating effectiveness of such controls, refer to our report in "Annexure A".
- g) As required by section 197(16) of the Act, in our opinion and according to the information and explanations given to us and based on the reports of the statutory auditor of subsidiary company incorporated in India which were not audited by us, we report that the Holding Company, and its subsidiary company covered under the Act, paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 of the Act read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary, as noted in the 'Other Matters' paragraph:
 - i) There were no pending litigations which would impact the consolidated financial position of the Group materially; (refer note no 28 of the consolidated financial statements)
 - ii) The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and

- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For P. D. Saraf & Co.

Chartered Accountants

(Firm Regd. No. 109241W)

Sd/-

(Madhusudan Saraf)

Partner

M. No. 41747

UDIN: 21041747AAAACJ9423

Place: Mumbai

Date: 30th June, 2021

Annexure A to the Independent Auditors' Report

Referred to as Annexure 'A' in paragraph 1(f) under 'Report on other Legal and Regulatory Requirements' section of our Report of even date to the members of **Finkurve Financial Services Limited** on the consolidated financial statement for the year ended on 31 March, 2021.

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

We have audited the internal financial controls over financial reporting of **Finkurve Financial Services Limited** ("the Holding Company") and its subsidiary companies which are incorporated in India, as on 31st March, 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary company incorporated in India, are 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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.

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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary company incorporated in India, in terms of their reports referred to in the

Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company incorporated in India, have, 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 2021, based on the internal control over financial reporting criteria established by the Company and its subsidiary company incorporated in India considering the essential components of internal control stated in the Guidance Note issued by ICAI.

Other Matter

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

For P. D. Saraf & Co.

Chartered Accountants
(Firm Regd. No. 109241W)

Sd/-

(Madhusudan Saraf)

Partner

M. No. 41747

UDIN: 21041747AAAACJ9423

Place: Mumbai

Date: 30th June, 2021

FINKURVE FINANCIAL SERVICES LIMITED

Consolidated Balance sheet as at 31 March 2021

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

	Note	As at 31 March 2021	As at 31 March 2020
I. ASSETS			
Financial Assets			
Cash and cash equivalents	2 (a)	1,024.13	1,084.96
Bank Balance other than above	2 (b)	464.12	198.34
Receivables	3		
- Trade receivables		77.89	230.88
Loans	4	19,955.23	19,316.22
Investments	5	420.09	245.71
Other financial assets	6	64.42	90.64
Total financial assets		22,005.88	21,166.75
Non Financial Assets			
Current tax assets (net)	7	-	8.49
Deferred tax assets (net)	25 (b)	171.91	97.56
Property, plant and equipment	8 (a)	59.69	75.60
Intangible assets	8 (b)	13.17	6.68
Right of Use	30	118.35	123.90
Other non financial assets	9	48.92	24.19
Total non-financial assets		412.03	336.42
TOTAL ASSETS		22,417.91	21,503.18
II. LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables	10		
- Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		9.16	2.14
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		116.84	60.37
Borrowings (Other than debts securities)	11	7,618.88	7,322.48
Lease liabilities	30	139.07	124.25
Deposits	12	22.50	22.50
Total financial liabilities		7,906.45	7,531.74
Non financial liabilities			
Current tax liabilities (net)	13	53.45	-
Provisions	14	4.47	-
Other non-financial liabilities	15	452.29	423.74
Total non financial liabilities		510.22	423.74
EQUITY			
Equity Share capital	16	1,268.58	1,268.58
Other equity	17	12,513.29	12,055.35
Equity attributable to owners of the Company		13,781.87	13,323.93
Non-controlling interests		219.37	223.76
Total Equity		14,001.24	13,547.70
TOTAL LIABILITIES AND EQUITY		22,417.91	21,503.18

Significant accounting policies and other explanatory information

1 - 43

This is the Consolidated Balance Sheet referred to in our report of even date

For P. D. Saraf & Co

Chartered Accountants

Firm Registration No : 109241W

sd/-

Madhusudan Saraf

Partner

Membership No.: 041747

UDIN : 21041747AAACJ9423

Place: Mumbai

Date: 30th June 2021

For and on behalf of the Board of Directors

of Finkurve Financial Services Limited

sd/-

Ketan Kothari

Director

DIN: 00230725

sd/-

Aakash Jain

Chief Financial

Officer

sd/-

Narendra Jain

Wholetime Director

DIN: 08788557

sd/-

Sunny Parekh

Company Secretary

M.No. ACS32611

FINKURVE FINANCIAL SERVICES LIMITED

Consolidated Statement of Profit and Loss for the year ended 31 March 2021

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

	Note	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Income			
Revenue from operations	18		
- Interest income on financial assets measured at amortised cost		1,955.81	1,617.30
- Income from forex services		642.38	779.91
- Net gain on fair value change		167.46	3.27
- Other		35.15	59.51
Other income	19	61.81	22.96
Total income		2,862.60	2,482.95
Expenses:			
Finance costs	20	703.01	817.03
Net loss on fair value changes	21	22.51	72.73
Employee benefits expense	22	318.76	452.29
Depreciation and amortisation expense	23	85.51	51.98
Other expenses	24	1,091.75	562.25
Total expenses		2,221.54	1,956.28
Profit before tax		641.06	526.66
Share of profit/(loss) of associates		(9.10)	5.30
Profit before tax		631.96	531.97
Tax expense			
	25		
Current tax		253.60	169.60
Deferred tax		(74.35)	(44.28)
Taxes pertaining to earlier years		(0.84)	(0.02)
		178.41	125.30
Profit for the year (A)		453.55	406.67
Other comprehensive income (OCI)			
A.(i) Items that will not be reclassified to profit or loss		-	-
A.(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income for the year (B)		-	-
Total comprehensive income for the year (A+B)		453.55	406.67
Total profit attributable to			
- Owners of the Company		457.94	405.73
- Non - controlling interest		(4.39)	0.94
Other comprehensive income attributable to			
- Owners of the Company		-	-
- Non - controlling interest		-	-

Total comprehensive income attributable to

- Owners of the Company	457.94	405.73
- Non - controlling interest	(4.39)	0.94

Earnings per equity share : (Nominal value of INR 1 per equity share)

Basic and Diluted (In Rs.)	26	0.36	0.36
----------------------------	----	------	------

Significant accounting policies and other explanatory information

1 - 43

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For P. D. Saraf & Co

Chartered Accountants

Firm Registration No : 109241W

Sd/-

Madhusudan Saraf

Partner

Membership No.: 041747

UDIN : 21041747AAAACJ9423

Place: Mumbai

Date: 30th June 2021

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

Sd/-

Ketan Kothari

Director

DIN: 00230725

Sd/-

Aakash Jain

Chief Financial

Officer

Sd/-

Narendra Jain

Wholetime Director

DIN: 08788557

Sd/-

Sunny Parekh

Company Secretary

M.No. ACS32611

FINKURVE FINANCIAL SERVICES LIMITED
Consolidated Statement of Cash flow for the year ended 31 March 2021
(All amounts in INR in Lakhs, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities		
Net Profit/(loss) before tax	631.96	531.97
Adjustments for:		
Depreciation	31.27	30.52
Amortisation of Right of Use	54.24	21.47
Bad Debts	7.25	-
Finance Cost - borrowings	677.65	807.69
Interest on lease liabilities	25.37	9.33
Expected credit loss	445.37	83.08
Fair value of Financial assets - Investments (unrealised)	(146.56)	34.36
Fair value of Financial assets - Investments (realised)	22.51	(4.64)
Loss on sale of subsidiary	-	1.37
Interest Income	(38.95)	(14.83)
Dividend Income	(0.51)	(0.42)
Share of (Profit) / Loss from Firm / LLP	9.10	(5.30)
Interest on income tax refunds	(2.36)	(0.47)
Operating profit/ (loss) before working capital changes	1,716.35	1,494.12
Adjustments for:		
Loans given	(1,089.63)	(9,674.56)
(Increase)/Decrease in financial and non financial assets	(113.29)	(207.77)
Increase/(Decrease) in financial and non financial Liabilities	96.52	391.34
Cash generated from operations	609.94	(7,996.88)
Direct Taxes (paid) /refunded (net)	(188.47)	(55.45)
Net Cash from/ (used in) operating activities (A)	421.47	(8,052.33)
Cash flow from investment activities		
Sales / (Purchase) of Investments - Net	(59.43)	(231.49)
Proceeds from sale of subsidiary	-	49.78
Capital Expenditure on Fixed Assets	(21.84)	(57.59)
Interest income	38.95	14.83
Dividend income	0.51	0.42
Net cash (used in) investment activities (B)	(41.81)	(224.05)
Cash flow from financing activities		
Proceeds from Issue of Share Capital	-	302.58
Security Premium Account	-	11,065.78
Proceeds/(Repayment) from/of borrowings (other than debts securities) (Net)	296.40	(2,026.26)
Payment of principal portion of lease liabilities	(59.23)	(30.46)
Interest Paid on Borrowings	(677.65)	(807.69)
Net cash (used in) financing activities (C)	(440.48)	8,503.95
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(60.83)	227.57
Cash and cash equivalents at beginning of the year	1,084.96	857.38
Cash and cash equivalents at end of the year	1,024.13	1,084.96

Significant accounting policies and other explanatory information

1 - 43

Notes:

- 1) The above Consolidated 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 Group has incurred an amount of Rs.6.20 lakhs in cash (31 March 2020: Rs. Nil) towards corporate social responsibility (CSR) expenditure (Refer note 27).

This is the Consolidated Statement of Cash Flow referred to in our report of even date

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

Sd/-
Madhusudan Saraf
Partner
Membership No.: 041747
UDIN : 21041747AAAACJ9423

Place: Mumbai
Date: 30th June 2021

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

Sd/-
Ketan Kothari
Director
DIN: 00230725

Sd/-
Aakash Jain
Chief Financial
Officer

Sd/-
Narendra Jain
Wholetime Director
DIN: 08788557

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

FINKURVE FINANCIAL SERVICES LIMITED

Consolidated Statement of Changes in Equity for the year ended 31 March 2021

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

A. Equity share capital

	Amount
Issued, subscribed and fully paid up :	
At 01 April 2019	966.00
Changes in equity share capital during the year	
- Allotment of shares	302.58
At 31 March 2020	1,268.58
Changes in equity share capital during the year	-
At 31 March 2021	1,268.58

B. Other Equity

	Reserves and Surplus					Other Comprehensive income	Total
	Capital reserve	Securities premium	General reserve	Statutory reserve as per section 45-IC of the RBI Act, 1934	Surplus in statement of profit & loss		
Balance as at 01 April 2019	42.45	27.00	0.78	83.56	430.05	-	583.84
Profit for the year	-	-	-	-	405.73	-	405.73
On issue of shares during the year	-	11,077.16	-	-	-	-	11,077.16
On sale of Subsidiary	(21.41)	-	-	-	21.41	-	-
Transfer to statutory reserve	-	-	-	80.59	(80.59)	-	-
Other comprehensive income	-	-	-	-	-	-	-
Share Issue expenses	-	(11.38)	-	-	-	-	(11.38)
Closing balance as at 31 March 2020	21.05	11,092.78	0.78	164.15	776.59	-	12,055.35
Profit for the year	-	-	-	-	457.94	-	457.94
Transfer to statutory reserve	-	-	-	90.16	(90.16)	-	-
Other comprehensive income	-	-	-	-	-	-	-
Closing balance as at 31 March 2021	21.05	11,092.78	0.78	254.30	1,144.38	-	12,513.29

Significant accounting policies and other explanatory information

1 - 43

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For P. D. Saraf & Co

Chartered Accountants

Firm Registration No : 109241W

sd/-

Madhusudan Saraf

Partner

Membership No.: 041747

UDIN : 21041747AAAACJ9423

Place: Mumbai

Date: 30th June 2021

For and on behalf of the Board of Directors

of Finkurve Financial Services Limited

sd/-

Ketan Kothari

Director

DIN: 00230725

sd/-

Aakash Jain

Chief Financial

Officer

sd/-

Narendra Jain

Wholetime Director

DIN: 08788557

sd/-

Sunny Parekh

Company Secretary

M.No. ACS32611

Finkurve Financial Services Limited

Notes to the Consolidated financial statements for the year ended 31 March 2021

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

A. CORPORATE INFORMATION

Finkurve Financial Services Limited ('the Parent Company'), formerly known as Sanjay Leasing Limited was incorporated 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).

The consolidated financial statements comprise the financial statements of Finkurve Financial Service Limited (the Parent Company) and its subsidiary Arvog Forex Private Limited. The subsidiary company is located in India.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

These consolidated financial statements of the Group 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.

The accounting policies are applied consistently to all the periods presented in the financial statements. 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).

Consolidation Procedures:

(a) Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the Parent's investment in the subsidiary and the Parent's portion of equity of the subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and Cash flows relating to transactions between entities of the group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipment (PPE), are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

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

(b) Functional and presentation currency

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

(c) Basis of Measurement

The financial statements of the Group 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 (l) 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.

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

The Group 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 Group, 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 Group and its operations/profitability during the financial year ended March 31, 2021. However, CoVID - 19 pandemic effect if any, on the Group's operation / profitability in the current financial year 2021-22 can only be assessed in due course.

(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 recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group 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 capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in statement of profit and loss as incurred.

(g) Depreciation and Amortisation

(a) 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.

(b) 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 Group 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 Group classifies financial assets as subsequently measured at amortized 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 amortized 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 Profit or Loss (FVTPL) :

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

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

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 Group'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 'Other income' line item.

Impairment

The Group 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 Group'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 Group does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Group 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 Group 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 Group reverts to recognizing 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.

Derecognition

The Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement.

In that case, the Group 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 Group has retained.

(I) Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Group 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 Group'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.

Loans & Borrowings :

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts :

Financial guarantee contracts issued by the Group 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 recognized 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 recognized in the statement of profit or 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 Group 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 Group 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 Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(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 & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

(l) Foreign exchange transactions & translations

a) 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 recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Group 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 & 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 Group 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 Group 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 Group reverts to calculating interest income on a gross basis.

Dividend

Dividend Income is recognized 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 & loss as per contractual rentals unless another systematic basis is more representative of the time pattern.

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.

Fee and commission income :

Fee based income 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.

(n) Taxes on Income

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized 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 Group 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 recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized 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 recognized 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 utilized. Deferred tax assets are not recognised where it is more likely than not 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 utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(o) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized 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 recognized as an expense in the period in which they are incurred.

(p) 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.

(q) Finance Cost

Finance cost includes interest expense computed by applying effective interest rate on respective financial instrument measured at amortised cost, bank term loans, non-convertible debentures, debts. Finance costs are charged to statement of profit and loss

(r) Securities issue expenses

Expenses incurred in connection with fresh issue of Share capital are adjusted against Securities premium reserve.

(s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

(t) Leases

The Group's lease asset classes primarily consist of leases for building for offices. The Group 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 Group assesses whether:

(a) the contract involves the use of an identified asset

(b) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(c) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group 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.

(u) Employee Benefits:

The Group has provided following post-employment plans:

- (a) Defined benefit plans such a 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 Group 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 & 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 recognized 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 Group 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 Group 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 Group'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.

(v) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Group 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 recognized when the expected benefits to be derived by the Group 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 recognized nor disclosed in financial statements.

FINKURVE FINANCIAL SERVICES LIMITED

Notes to the Consolidated financial statements for the year ended 31 March 2021

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

8 (a). Property, plant and equipment :

Particulars	Premises	Motor Vehicle	Computers	Furniture and Fixtures	Office Equipment	Total
Gross block						
Balance as at 31 March 2019	10.47	4.57	12.00	31.29	6.44	64.77
Additions	-	-	17.87	13.86	17.24	48.97
Disposals	-	(0.04)	(0.05)	-	-	(0.08)
Balance as at 31 March 2020	10.47	4.54	29.83	45.15	23.68	113.65
Additions	-	-	2.48	0.59	4.32	7.38
Disposals	(0.20)	-	(0.29)	(0.04)	-	(0.53)
Balance as at 31 March 2021	10.27	4.54	32.02	45.69	27.99	120.51
Accumulated depreciation						
Balance as at 31 March 2019	0.51	1.03	5.25	5.12	1.74	13.66
Charge for the year	0.48	0.60	9.76	8.70	4.91	24.46
Disposals	-	(0.02)	(0.05)	-	-	(0.06)
Balance as at 31 March 2020	0.99	1.62	14.97	13.82	6.65	38.05
Charge for the year	0.45	0.43	7.93	7.12	6.84	22.77
Disposals	-	-	-	-	-	-
Balance as at 31 March 2021	1.45	2.05	22.90	20.94	13.49	60.82
Net carrying amount as at 31 March 2020	9.47	2.92	14.86	31.33	17.03	75.60
Net carrying amount as at 31 March 2021	8.82	2.49	9.12	24.75	14.50	59.69

8 (b). Intangible assets :

Particulars	Trademark	Software	Total
Gross block			
Balance as at 31 March 2019	0.60	4.58	5.18
Additions	0.14	9.50	9.63
Disposals	(0.74)	(0.29)	(1.03)
Balance as at 31 March 2020	-	13.78	13.78
Additions	-	14.99	14.99
Disposals	-	-	-
Balance as at 31 March 2021	-	28.77	28.77
Accumulated depreciation			
Balance as at 31 March 2019	-	1.08	1.08
Charge for the year	-	6.06	6.06
Disposals	-	(0.04)	(0.04)
Balance as at 31 March 2020	-	7.10	7.10
Charge for the year	-	8.50	8.50
Disposals	-	-	-
Balance as at 31 March 2021	-	15.60	15.60
Net carrying amount as at 31 March 2020	-	6.68	6.68
Net carrying amount as at 31 March 2021	-	13.17	13.17

FINKURVE FINANCIAL SERVICES LIMITED

Notes to the Consolidated financial statements for the year ended 31 March 2021

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

Financial assets	As at 31 March 2021	As at 31 March 2020
2 (a) Cash and cash equivalents		
Cash on hand	89.62	118.19
Balances with banks		
In current account	325.91	161.03
Foreign currency in hand	608.60	805.74
	1,024.13	1,084.96
(b) Bank Balance other than Cash and cash equivalents		
	As at 31 March 2021	As at 31 March 2020
Term Deposit with more than twelve months maturity	464.12	198.34
	464.12	198.34
3 Receivables		
	As at 31 March 2021	As at 31 March 2020
Trade receivables-unsecured considered good	83.89	234.88
Less: Expected Credit Losses *	(6.00)	(4.00)
Total trade receivables	77.89	230.88
4 Loans (at amortized cost) :		
	As at 31 March 2021	As at 31 March 2020
a) Loans repayable on demand	6,548.97	7,424.02
Term Loans	952.89	359.99
Others- to related parties (refer note no. 31 for dues from companies and firms in which directors or relative are director and /or member)	13,040.81	11,676.29
Total (Gross)	20,542.67	19,460.29
Less: Expected credit loss allowance *	(587.44)	(144.07)
Total (net)	19,955.23	19,316.22
b) Secured by tangible assets	5,533.79	4,722.33
Unsecured	15,008.88	14,737.96
Total (Gross)	20,542.67	19,460.29
Less: Expected credit loss allowance *	(587.44)	(144.07)
Total (net)	19,955.23	19,316.22
c) Loans in India - other than public sector	20,542.67	19,460.29
Loans outside India	-	-
Total (Gross)	20,542.67	19,460.29
Less: Expected credit loss allowance *	(587.44)	(144.07)
Total (net)	19,955.23	19,316.22
* Expected Credit Loss Allowance		
	As at 31 March 2021	As at 31 March 2020
Opening Balance	148.07	64.99
Add: Loss allowance recognised during the year	445.37	83.08
Closing Balance	593.44	148.07

5 Investments

	As at 31 March 2021		As at 31 March 2020	
	Nos.	Amount	Nos.	Amount
In Equity Shares, Quoted, fully paid up				
Fair Valued through Profit & Loss :				
ANG Industries Ltd.	1,000	0.10	1,000	0.01
Bandhan Bank Ltd	-	-	500	1.02
Cochin shipyard Limited	1,000	3.75	1,000	2.66
DB Realty Limited	-	-	1,000	0.05
Dewan Housing Finance Corporation Ltd	1,000	0.16	-	-
Equitas Holdings Limited	-	-	1,000	0.43
Fortis Healthcare Limited	3,000	5.97	3,000	3.78
GFL Ltd	620	0.51	-	-
Himachal Futuristic Communication Ltd	-	-	10,000	0.91
IDFC Bank Ltd.	-	-	5,000	1.06
IFCI Limited	-	-	16,000	0.65
Istreet Network Limited	5,000	0.06	5,000	0.10
IVRCL Limited	5,000	0.10	5,000	0.02
Jet Airways (India) Ltd	-	-	2,000	0.27
Kwality Ltd	10,000	0.21	-	-
Lloyd Steel Ltd.	-	-	3,400	0.01
Maestros Electronics & Telecommunications Systems Ltd	-	-	1,050	0.67
Mahanagar Telephone Nigam Limited	-	-	5,000	0.30
Mangalam Drugs Limited	-	-	1,000	0.31
Manpasand Beverages Ltd	5,000	0.31	5,000	0.28
Mawana Sugars Limited	-	-	1,239	0.62
MEP Infrastructure Developers Ltd.	-	-	5,000	0.45
Mercator Limited	-	-	75,000	0.30
Orbit Corporation Limited	45	0.00	45	0.00
Reliance Broadcast Networks Limited	1,500	0.08	1,500	0.08
Reliance Infrastructure Ltd.	-	-	4,000	0.41
Reliance Media Works Limited	2,125	0.11	2,125	0.11
Reliance Power Limited	875	0.04	875	0.01
Religare Enterprises Limited	-	-	15,000	2.86
Royal Cushion Limited	-	-	1,500	0.05
SBI Card Ltd	-	-	100	0.02
Sahara Housing Limited	-	-	100	0.62
Sequent Scientific Ltd.	-	-	500	0.39
SML Isuzu Ltd.	-	-	500	1.50
Solara Active Pharma Sciences Ltd	-	-	20	0.09
Tech Mahindra Limited	-	-	968	5.46
Uttam Value Steel Limited	-	-	25,000	0.03
Yes Bank Ltd	15,000	2.34	15,000	3.37
Zenith Birla India Limited	5,000	0.03	5,000	0.02
Zicom Ltd	48,730	0.78	48,730	0.46
Indian Oil Corporation Ltd	25	0.02	-	-
NTPC Ltd	25	0.03	-	-
Unquoted Equity Shares, Fully paid up :-				
Fair Valued through Profit & Loss				
Rupee Co-op. Bank Limited (Face Value Rs. 10 each)	100	0.01	100	0.01
		14.61	-	29.37
Investment in others				
In equity shares, unquoted, carried at fair value through Profit & Loss (fully paid up)				
SumHR Software Pvt Ltd	1	0.00	1	0.10
Blu-Smart Mobility Pvt Ltd (Formerly known as Gensol Mobility Pvt Ltd)	2,439	3.86	2,439	10.00
Gajju Technologies Pvt Ltd	212	208.26	190	37.48
Visionary Financepeer Pvt Ltd	212	17.18	190	12.49
Bliss Dairy Fresh Pvt Ltd	150,000	27.00	150,000	27.00
NetAmbit Valuefirst Services Pvt Ltd	758	0.08	758	15.00
Elysium Labs Pvt Ltd	36	10.00	-	-
		266.38	102.06	

In preference shares (Unquoted, fully paid up)

[Carried at fair value through Profit & Loss]

Compulsory convertible preference shares (CCPS)

0.001%, CCPS of Dhruva Space Pvt Ltd of Rs 10 each	55	10.03	41	7.48
0.001%, CCPS of Cleardekho Eyewear Pvt Ltd of Rs 10 each	597	4.24	597	25.01
15%, CCPS of Advetaya Business Consultant Pvt Ltd of Rs 10 each	12,852	2.92	12,852	30.00
0% CCPS of SumHR Software Pvt Ltd of Rs 100 each	208	0.74	208	19.89
0.001%, CCPS of Genius Learning Labs Pvt Ltd of Rs. 100 each	31	9.90		-
0.001%, CCPS of Flat White Capital Pvt Ltd of Rs. 100 each	177	40.08		-
0.001%, CCPS of Foxtort Beverages Pvt Ltd of Rs. 10 each	18	4.98		-
0.001%, CCPS of Lattu Media Pvt Ltd of Rs. 1 each	30	5.10		-
0.001%, CCPS of Blynk Marketing Pvt Ltd of Rs. 100 each	25,000	25.00		-
		103.00		82.38

In Venture fund

[Carried at fair value through Profit & Loss]

Equity Shares of Getvantage Tech Private Limited through VCats Management Services Trust III

	-	-	334	5.12
--	---	---	-----	------

In Debentures

[Carried at fair value through Profit & Loss (fully paid up)]

Compulsory convertible Debentures (CCD)

0.001% CCD of Elysium Labs Pvt Ltd of Rs. 100/- each		-	10,000	10.00
8% CCD of Fintech Products and Solutions (India) Pvt Ltd of Rs. 10/- each	250,000	25.00		-

In Partnership firm

[Carried at fair value through Profit & Loss]

Pratvick Hospitality LLP

	-	-		16.67
--	---	---	--	-------

Investment in Mutual Funds - Quoted

Fair value through Profit & Loss

DSP Ultra Short - Growth Fund	4.07	0.11	4.07	0.10
ICICI Pru Floating Interest Growth	3,389.21	10.99		-
		11.10		0.10

Gross Value of Investments :

- in India		420.09		245.71
- Outside India		-		-

Aggregate amount of quoted investments		25.70		29.46
Aggregate amount of unquoted investments		394.39		216.25
Aggregate amount of impairment in value of investments		-		-

6 Other Financial Assets

	As at 31 March 2021	As at 31 March 2020
Security Deposits	18.49	73.69
Loans to Staff	17.50	9.76
Accrued Interest on Loans	28.42	7.19
	64.42	90.64

7 Current tax assets (net)

	As at 31 March 2021	As at 31 March 2020
Advance income tax and tax deducted at source (net of provision)	-	8.49
	-	8.49

9 Other Non Financial Assets

	As at 31 March 2021	As at 31 March 2020
Prepaid expenses	14.22	5.38
Advances recoverable in cash or in kind or for value to be received	19.07	12.81
Advance for Insurance	0.81	1.97
Input tax Credit under Goods and Service Tax Act	10.66	-
Others	4.16	4.02
	48.92	24.19

10 Payables

	As at 31 March 2021	As at 31 March 2020
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises *	9.16	2.14
- Total outstanding dues of creditors other than micro enterprises and small enterprises	116.84	60.37
	126.00	62.51

* Based on and to the extent of information received by the Group from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors.

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 2021	As at 31 March 2020
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	9.16	2.14
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 Borrowings (other than debts securities)

	As at 31 March 2021	As at 31 March 2020
At amortised cost		
Unsecured - from bodies corporates		
- Term Loans (Long Term, maturing after 1 year)	465.39	433.83
- Loans from related parties	5,580.22	5,757.92
- Loans repayable on demand	1,573.27	1,130.73
	7,618.88	7,322.48

[Above unsecured borrowings from bodies corporates carrying interest rate in the range of 9% to 14.50%]

Borrowings

- in India	7,618.88	7,322.48
- Outside India	-	-

Note : The group has not defaulted in repayment of principal and interest.

	As at 31 March 2021	As at 31 March 2020
12 Deposits		
At amortized cost		
Other Deposits	22.50	22.50
	22.50	22.50
13 Current tax liabilities (net)		
Tax Provision (net of taxes paid)	53.45	-
	53.45	-
14 Provisions		
Provision for employee benefits expense	4.47	-
	4.47	-
15 Other non-financial Liabilities		
Advances Received	281.08	296.33
Statutory Remittances	74.03	88.18
Other Payables	97.18	39.23
	452.29	423.74
16 Equity share capital		
Authorised		
Equity Shares of Rs. 1 each		
[As at March 31, 2021 - 13,00,00,000; As at March 31, 2020 - 13,00,00,000]	1,300.00	1,300.00
Issued, subscribed and fully paid up - Equity shares		
Equity Shares of Rs. 1 each		
[As at March 31, 2021 - 12,68,58,198; As at March 31, 2020 - 12,68,58,198]	1,268.58	1,268.58
	1,268.58	1,268.58
Reconciliation of equity shares outstanding at the beginning and at the end of the year		
Shares Outstanding At the Beginning of the Year	126,858,198	96,600,000
Add : Issued during the year	-	30,258,198
Shares Outstanding At the Closing of the Year	126,858,198	126,858,198

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 share. 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.

Shareholders holding more than 5% of the equity shares in the Company

Kalawati Kothari

- Number of Shares	6,992,600	8,072,600
- % of Holding	5.51%	6.36%

Ketan Kothari

- Number of Shares	53,451,230	53,451,230
- % of Holding	42.13%	42.13%

Mohinidevi Kothari

- Number of Shares	6,545,600	7,635,600
- % of Holding	5.16%	6.02%

Rishabh Jewellers

- Number of Shares	8,108,108	8,108,108
- % of Holding	6.39%	6.39%

Muthoot Bankers

- Number of Shares	18,421,050	18,421,050
- % of Holding	14.52%	14.52%

Nexpact Limited

- Number of Shares	6,899,040	3,729,040
- % of Holding	5.44%	2.94%

Note:

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.

17 Other equity - reserve and surplus

	As at 31 March 2021	As at 31 March 2020
Capital Reserve (on Consolidation)	21.05	21.05
Securities Premium Account	11,092.78	11,092.78
General reserve	0.78	0.78
Statutory Reserve	254.30	164.15
Surplus in Statement of Profit & Loss	1,144.38	776.59
Other comprehensive income	-	-
	12,513.29	12,055.35

Nature and purpose of reserves

(a) Capital reserve on consolidation

Capital reserve arises as a result of consolidation of financial statement.

(b) Securities Premium:

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(c) General reserves:

Amounts set aside from retained profits as a reserve to be utilised for permissible general purpose as per Law.

(d) Statutory Reserve

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 utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.

(e) Surplus in Statement of Profit & Loss

Retained earnings pertain to the accumulated earnings made by the Company over the years.

(f) Other comprehensive income

Other comprehensive income consists of FVOCI financial assets and financial liabilities and remeasurement of defined benefit assets and liability

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
18 Revenue from Operations		
Interest income on financial assets measured at amortised cost	1,955.81	1,617.30
Income from forex services	642.38	779.91
Net gain on fair value changes		
- Fair value of Financial assets - Investments (unrealised)	146.56	-
- Fair value of Financial assets - Investments (realised)	-	3.27
- Currency Derivatives Trading Profit	8.33	-
- Net gain on derivative transactions	12.57	-
Other		
- Remittance Bank Charges	7.80	33.32
- Commission	27.34	26.19
	2,800.80	2,459.99
19 Other Income		
Interest on Fixed Deposit with Bank	9.26	14.67
Interest - Other	29.69	0.16
Interest on Income Tax Refund	2.36	0.47
Dividend	0.51	0.42
Unwinding of Interest on security deposit	0.14	0.15
Miscellaneous Income	19.86	7.09
	61.81	22.96
20 Finance Cost		
Interest paid on borrowing other than debt securities	677.65	807.69
Interest on lease liabilities	25.37	9.33
	703.01	817.03
21 Net loss on fair value changes		
Fair value of Financial assets - Investments (realised)	22.51	-
Fair value of Financial assets - Investments (unrealised)	-	34.36
Currency Derivatives Trading Loss	-	36.91
Net loss on derivative transactions	-	1.47
	22.51	72.73
22 Employee Benefits Expense		
Salaries and Incentives	286.68	429.58
Directors Remuneration	21.68	12.23
Staff Welfare Expenses	5.92	10.48
Gratuity	4.47	-
	318.76	452.29

23 Depreciation and Amortisation expense	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Depreciation on Property plant & equipment	22.77	24.46
Amortisation of intangible assets	8.50	6.06
Amortisation of Right of use	54.24	21.47
	85.51	51.98
24 Other Expenses	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Stock exchange, depository & RTA fees and charges	4.99	8.81
Electricity Charges	5.80	6.50
Legal and Professional Fees	58.39	32.52
Payment to Auditors		
Statutory Audit Fees	4.00	3.35
Tax Audit Fees	0.50	1.00
Income Tax Matters	-	0.40
Certification	-	0.22
Other services	-	0.20
Business Promotion Expenses	10.81	21.88
GST paid on Input Services	29.02	8.90
Motor Car Rent	1.26	4.62
Printing & Stationary	2.64	7.29
Telephone & Communication	5.87	9.64
Advertisement and Publishing expenses	1.45	5.42
Deferred Revenue Expenses written off	-	0.95
Membership & Subscription	9.14	3.66
Commission & Brokerage	412.74	224.27
Travelling Expenses	3.69	20.91
Donations	0.03	3.73
Expenditure on Corporate Social Responsibility	6.20	-
Bad Debt's	7.25	-
Office Rent	10.14	36.05
Vehicle expenses	0.90	4.91
Transportation expenses	-	6.71
Expected credit losses	445.37	83.08
Repairs & Maintenance - other	5.77	4.72
Exchange loss	1.59	2.23
Bank charge	29.97	19.64
Insurance	2.60	5.07
Miscellaneous Expenses	31.62	35.57
	1,091.75	562.25

FINKURVE FINANCIAL SERVICES LIMITED

Notes to the Consolidated financial statements for the year ended 31 March 2021

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

25 Income tax expenses	For the Year ended 31 March 2021	For the Year ended 31 March 2020
(a) Tax expense recognized in the Statement of Profit and Loss		
Current tax	253.60	169.60
Deferred tax	(74.35)	(44.28)
Tax pertaining to earlier years	(0.84)	(0.02)
	178.41	125.30

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit/(loss) before income taxes is summarized below

Profit/(loss) before tax	631.96	531.97
Enacted tax rate	25.168%	25.168%
Current tax expenses on profit before tax expenses at the enacted income tax rate in India	159.05	133.89
Reconciliations		
- tax pertaining to earlier years	(0.84)	(0.02)
- tax pertaining to (income)/loss (not taxable) / deductible	3.85	(1.34)
- Others	16.35	(7.23)
Total tax expenses	178.41	125.30

(b) Movement in Deferred tax assets/(liabilities) during the year ended 31 March 2021 :

	As at 31 March 2020	Charge/(Credit) during the year	As at 31 March 2021
- on Right of use and Lease liabilities	(0.09)	5.13	(5.21)
- on WDV of Property, plant & Equipment as per books and income tax	11.18	(1.57)	12.74
- on unabsorbed losses	27.62	0.10	27.52
- on expected credit losses	36.26	(111.58)	147.85
- on fair value of Investments	22.58	36.89	(14.31)
- Others	0.00	(3.31)	3.32
	97.56	(74.35)	171.91

	As at 31 March 2019	Charge/(Credit) during the year	As at 31 March 2020
- on Right of use and Lease liabilities	-	0.09	(0.09)
- on WDV of Property, plant & Equipment as per books and income tax	8.87	(2.31)	11.18
- on unabsorbed losses	11.81	(15.81)	27.62
- on expected credit losses	17.35	(18.91)	36.26
- on fair value of Investments	15.25	(7.33)	22.58
- Others	-	(0.00)	0.00
	53.28	(44.28)	97.56

26 Earning Per Share (EPS)	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Net Profit/(loss) attributable to equity share holders	457.94	405.73
Computation of weighted average number of equity shares :		
- Weighted average number of equity shares for calculating basic EPS and diluted EPS	126,858,198	112,402,676
Earnings Per Share:		
Basic and Diluted (In Rs.)	0.36	0.36

27 Corporate Social Responsibility (CSR) :

a) The CSR activities of the Group 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 2021, the Group has incurred an expenditure of Rs. 6.20 lakhs (31 March 2020: Rs. Nil) 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 Group

Particulars	As at 31 March 2021	As at 31 March 2020
Amount required to be spent as per section 135 of the Act		
(i) Unspent amount as at the beginning of the year	-	-
(ii) Amount required to be spent during the year based on average of preceding three year profits	6.23	-
Total amount required to be spent	6.23	-
Amount spent during the year on :		
(i) Construction/acquisition of assets	-	-
(ii) on purpose other than above	6.20	-
Balance amount to be spent as per section 135 of the Act	0.03	-

28 Contingent Liabilities (to the extent not provided for)

Particulars	As at 31 March 2021	As at 31 March 2020
Claim against the Group not acknowledged as debts	3.53	3.53

The Group's pending litigations comprise of proceedings pending with Income Tax authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions / contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

29 Capital Commitments

The Group does not have any Capital Commitments as on 31 March 2021. (Nil as at 31 March 2020).

30 Leases

The Group's lease asset classes primarily consist of leases of buildings or part thereof taken on lease for offices premises.

The Group uses following practical expedient, when applying Ind AS 116 to leases :

- (1) The Group didn't recognized 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 Group excluded initial direct cost from measurement of the Right of Use assets at the date of initial application.
- (3) The Group 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 2021:

Particulars	Amount
Right of Use Asset - Office Premises	
Cost	
Balance as at 01 April 2019	-
Additions	145.37
Deletions	-
Balance as at 31 March 2020	145.37
Additions	111.52
Deletions	62.83
Balance as at 31 March 2021	194.06
Accumulated Depreciation	
Balance as at 01 April 2019	-
Depreciation charged for the year	21.47
Deletions	-
Balance as at 31 March 2020	21.47
Depreciation charged for the year	54.24
Deletions	-
Balance as at 31 March 2021	75.71
Carrying amount	
Balance as at 31 March 2020	123.90
Balance as at 31 March 2021	118.35

Following is the movement in lease liabilities during the year ended 31 March 2021:

Particulars	Amount
Balance as on 01 April 2019	-
Additions	145.37
Interest accrued during the year	9.33
Deletions	-
Payment of lease liabilities	30.46
Balance as on 31 March 2020	124.25
Additions	111.52
Interest accrued during the year	25.37
Deletions	62.83
Payment of lease liabilities	59.23
Balance as at 31 March 2021	139.07

Break-up of the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	61.00	49.63
One to five years	120.05	100.41
More than 5 years	-	-
Weighted average effective interest rate (%)	9.00%	9.00%

Short-term leases expenses incurred :

Particulars	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Rental expense	10.14	36.05

31 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 related party
Key Management Personnel (KMP)	Mr. Ketan Kothari, Director Mr. Sachin Kothari, Director (till 30.09.2020) Mrs. Riddhi Tilwani, Director Mr. Nishant Tolchand Ranka, Director Mr. Narendra Jain, Director (w.e.f. 31.08.2020) Mr. Aakash Jain, Chief Financial Officer (w.e.f. 08.11.2019) Mr. Sunny Parekh, Company Secretary Ms. Bhavna Bafna, Director Mr. Anilchandra Bhujade Mr. Hiren Desai
Relatives of Key Managerial Personals	Mr. Ashvin Bafna Mr. Aarav Bafna Ms. Aaria Bafna Mr. Bhawarlal Kothari Ms. Namita Kothari Ms. Mohini Kothari Ms. Silky Bhawarlal Kothari
Enterprise over which some Key Managerial Personnel are able to exercise influence	Acchai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd) (Previously subsidiary) (up to 20.01.2021) Arch & Teco Consultants Pvt Ltd Augmont Enterprises Pvt Ltd Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd) Badami Investment Badami Trading LLP Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd) (till June 2020) HR Commercial Pvt Ltd (w.e.f. 31.08.2020) Haven Infoline LLP Hriday Products Private Limited Kevin & Mike Consultancy Krish Dreams Home Pvt Ltd Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd) Parshwanath Investments Pratvick Hospitality LLP Aranath Real Estate Pvt. Ltd. (Formerly Known as Renaissance Fincon Pvt Ltd) Riddisiddhi Bullions Ltd RSBL Builders LLP RSBL Refining & Assaying LLP Supama Developers LLP Supama Nicnish Supama Realtors LLP Vimuk Enterprises LLP

FINKURVE FINANCIAL SERVICES LIMITED
 Notes to the Consolidated financial statements for the year ended 31 March 2021
 (All amounts in INR in Lakhs, unless otherwise stated)

(a) Transaction with Related Party :

Nature of Transaction	For the Year ended 31 March 2021				For the Year ended 31 March 2020			
	Key Management Personnel (KMP)	Enterprise owned or controlled by KMP or Relatives	Relatives of KMP	Associates	Key Management Personnel (KMP)	Enterprise owned or controlled by KMP or Relatives	Relatives of KMP	Associates
INCOME								
Interest Received		1,323.72	-	-	-	834.03	-	-
Accchal Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd)	-	0.04	-	-	-	-	-	-
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	21.65	-	-	-	79.78	-	-
Badami Investment	-	219.12	-	-	-	61.77	-	-
Badami Trading LLP	-	2.20	-	-	-	-	-	-
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	7.83	-	-	-	27.39	-	-
Hriday Products Pvt Ltd	-	5.75	-	-	-	3.25	-	-
Haven Infoline LLP	-	42.55	-	-	-	2.43	-	-
Kevin & Mike Consultancy	-	22.53	-	-	-	24.17	-	-
Krish Dreams Home Pvt Ltd	-	65.46	-	-	-	48.35	-	-
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	10.41	-	-	-	1.58	-	-
Parshwanath Investments	-	-	-	-	-	0.07	-	-
Pratvick Hospitality LLP	-	9.45	-	-	-	9.68	-	-
Aranath Real Estate Pvt. Ltd. (Formerly Known as Renaisance Ficon Pvt Ltd)	-	897.86	-	-	-	480.36	-	-
RSBL Refining & Assaying LLP	-	12.41	-	-	-	68.63	-	-
Vimuk Enterprises LLP	-	6.45	-	-	-	26.57	-	-
Sale of Foreign Currency			5.84	-				
Mr. Ashvin Bafna	-	-	1.57	-	-	-	-	-
Mr. Aarav Bafna	-	-	2.40	-	-	-	-	-
Ms. Aaria Bafna	-	-	1.87	-	-	-	-	-
Rent Received						2.12		
Supama Developers LLP	-	-	-	-	-	0.71	-	-
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	-	-	-	0.71	-	-
Supama Realtors LLP	-	-	-	-	-	0.71	-	-

Nature of Transaction	For the Year ended 31 March 2021			For the Year ended 31 March 2020				
	Key Management Personnel (KMP)	Ent owned or controlled by KMP or Relatives	Relatives of KMP	Associates	Key Management Personnel (KMP)	Ent owned or controlled by KMP or Relatives	Relatives of KMP	Associates
EXPENSES								
Remuneration & Sitting Fees (Excluding GST)	45.51	-	-	-	23.75	-	-	-
Sachin Kothari	4.15	-	-	-	9.00	-	-	-
Narendra Jain	15.75	-	-	-	-	-	-	-
Riddhi Kamlesh Tilwani	0.50	-	-	-	0.50	-	-	-
Nishant Tolchand Ranka	0.75	-	-	-	0.75	-	-	-
Aakash Jain	11.53	-	-	-	-	-	-	-
Sunny Parekh	12.48	-	-	-	13.00	-	-	-
Hiren Desai	0.35	-	-	-	0.50	-	-	-
Rent Paid	-	8.40	2.40	-	-	9.12	0.05	-
RSBL Builders LLP	-	8.40	-	-	-	9.12	-	-
Mr. Bhawarjal Kothari	-	-	1.20	-	-	-	0.05	-
Ms. Mohini Kothari	-	-	1.20	-	-	-	-	-
Interest Paid	-	510.73	-	-	-	244.09	-	-
Riddisiddhi Bullions Ltd	-	20.81	-	-	-	24.05	-	-
HR Commercial Pvt Ltd	-	6.05	-	-	-	-	-	-
Augmont Enterprises Pvt Ltd	-	483.87	-	-	-	216.10	-	-
Arch & Teco Consultants Pvt Ltd	-	-	-	-	-	3.94	-	-
Car Rental Paid	-	-	-	-	4.62	-	-	-
Sachin Kothari	-	-	-	-	4.62	-	-	-
Share of Profit/(Loss)	-	(9.10)	-	-	-	5.30	-	-
Pratvick Hospitality LLP	-	(9.10)	-	-	-	5.30	-	-
Technical Fees Paid	-	2.10	-	-	-	-	-	-
RSBL Builders LLP	-	2.10	-	-	-	-	-	-
OTHER TRANSACTIONS								
Sale of Investment	-	-	-	7.27	-	-	-	-
Pratvick Hospitality LLP	-	-	-	7.27	-	-	-	-
Security Deposit Given	-	0.30	-	-	-	-	1.37	-
RSBL Builders LLP	-	0.30	-	-	-	-	1.37	-
Mr. Bhawarjal Kothari	-	-	-	-	-	-	-	-
Loan Given during the year	-	8,347.11	-	-	-	20,607.69	-	-
Acchai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd)	-	7.00	-	-	-	-	-	-
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	655.01	-	-	-	-	-	-
Badami Investment	-	4,005.50	-	-	-	3,555.50	-	-
Badami Trading LLP	-	-	-	-	-	525.00	-	-
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	145.00	-	-	-	159.00	-	-
HR Commercial Pvt Ltd	-	4.83	-	-	-	-	-	-
Haven Infoline LLP	-	101.00	-	-	-	513.69	-	-
Kevin & Mike Consultancy	-	49.50	-	-	-	25.00	-	-
Krish Dreams Home Pvt Ltd	-	5.00	-	-	-	598.40	-	-
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	7.00	-	-	-	89.00	-	-
Pratvick Hospitality LLP	-	7.27	-	-	-	-	-	-
Aranath Real Estate Pvt. Ltd. (Formerly known as Renaissance Fincos Pvt Ltd)	-	3,335.00	-	-	-	15,142.10	-	-
Vimuk Enterprises LLP	-	25.00	-	-	-	-	-	-

Nature of Transaction	For the Year ended 31 March 2021				For the Year ended 31 March 2020			
	Key Management Personnel (KMP)	Ent owned or controlled by KMP or Relatives	Relatives of KMP	Associates	Key Management Personnel (KMP)	Ent owned or controlled by KMP or Relatives	Relatives of KMP	Associates
Loan Received Back		6,815.73	-	-	-	13,033.46	-	-
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	655.01	-	-	-	-	-	-
Badami Investment	-	2,107.45	-	-	-	2,180.58	-	-
Badami Trading LLP	-	57.75	-	-	-	1,107.24	-	-
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	77.70	-	-	-	335.00	-	-
Haven Infoline LLP	-	172.82	-	-	-	-	-	-
Hriday Products Pvt Ltd	-	25.00	-	-	-	13.71	-	-
Krish Dreams Home Pvt Ltd	-	34.08	-	-	-	2.00	-	-
Kevin & Mike Consultancy	-	-	-	-	-	23.00	-	-
Parshwanath Investments	-	-	-	-	-	56.07	-	-
Pratvick Hospitality LLP	-	-	-	-	-	5.00	-	-
Aranath Real Estate Pvt. Ltd. (Formerly known as Renaissance Fincorp Pvt Ltd)	-	3,271.28	-	-	-	8,236.70	-	-
RSBL Refining & Assaying LLP	-	257.47	-	-	-	397.00	-	-
Supama Realtors LLP	-	-	-	-	-	1.28	-	-
Supama Developers LLP	-	-	-	-	-	199.63	-	-
Supama Nicnish	-	-	-	-	-	139.26	-	-
Virruk Enterprises LLP	-	157.18	-	-	-	337.00	-	-
Loan Taken during the year		21,321.79	-	-	-	26,128.00	-	-
Riddisiddhi Bullions Ltd	-	9,562.79	-	-	-	20,308.00	-	-
Augmont Enterprises Pvt Ltd	-	11,582.00	-	-	-	5,820.00	-	-
HR Commercial Pvt Ltd	-	177.00	-	-	-	-	-	-
Loan Paid - Refunded		22,021.77	-	-	-	28,752.89	-	-
Riddisiddhi Bullions Ltd	-	11,249.42	-	-	-	22,371.85	-	-
HR Commercial Pvt Ltd	-	262.26	-	-	-	-	-	-
Augmont Enterprises Pvt Ltd	-	10,510.10	-	-	-	6,330.95	-	-
Arch & Teco Consultants Pvt Ltd	-	-	-	-	-	50.09	-	-

FINKURVE FINANCIAL SERVICES LIMITED
Notes to the Consolidated financial statements for the year ended 31 March 2021
(All amounts in INR in Lakhs, unless otherwise stated)

(b) Outstanding as at the Balance Sheet date :

Nature of Transaction	As at 31 March 2021			As at 31 March 2020		
	Key Management Personnel (KMP)	Relatives of KMP	Enterprise owned or controlled by KMP or Relatives	Key Management Personnel (KMP)	Relatives of KMP	Enterprise owned or controlled by KMP or Relatives
OUTSTANDING AS AT THE BALANCE SHEET DATE						
Investment						16.67
Pratvick Hospitality LLP	-	-	-	-	-	16.67
Loan Given - Outstanding			13,040.81			11,676.29
Augmont Goldtech Private Limited (Formerly known as Augmont Precious Metals Pvt Ltd)	-	-	11.62	-	-	-
Acchai Foods Pvt Ltd (Formerly known as Arvog Leisure Pvt Ltd)	-	-	7.04	-	-	68.10
Badami Trading LLP	-	-	3,347.94	-	-	1,473.85
Badami Investment	-	-	-	-	-	-
Goldella Precious Metals Pvt Ltd (Formerly known as Augmont Gold Pvt Ltd)	-	-	111.23	-	-	41.99
Haven Infoline LLP	-	-	4.83	-	-	-
Hriday Products Pvt Ltd	-	-	480.55	-	-	515.18
Kevin & Mike Consultancy	-	-	-	-	-	28.60
Krish Dreams Home Pvt Ltd	-	-	238.78	-	-	188.43
Nashville Infra Services Ltd (Formerly Known as Supama Infra Services Ltd)	-	-	603.46	-	-	639.91
Pratvick Hospitality LLP	-	-	106.57	-	-	90.43
Aranath Real Estate Pvt. Ltd. (Formerly known as Renaissance Filcon Pvt Ltd)	-	-	97.17	-	-	81.16
RSBL Refining & Assaying LLP	-	-	8,031.64	-	-	8,140.62
Vimuk Enterprises LLP	-	-	-	-	-	265.16
Loan Received - Outstanding			5,580.22			5,757.92
Riddisidhi Bullions Ltd	-	-	48.25	-	-	1,745.43
Augmont Enterprises Pvt Ltd	-	-	5,531.97	-	-	4,012.49
Security Deposit Given		1.37	0.30		1.37	
RSBL Builders LLP	-	-	0.30	-	-	-
Mr. Bhawarjal Kothari	-	1.37	-	-	1.37	-
Trade Payable	2.82			1.74		
Sachin Kothari	-	-	-	0.75	-	-
Narendra Jain	1.45	-	-	-	-	-
Aakash Jain	0.99	-	-	-	-	-
Sunny Parekh	0.38	-	-	0.99	-	-

1. Related parties are as identified by the Management of Group and relied upon by the Auditors.
2. No amount pertaining to Related Parties have been provided for as doubtful debts / written back.
3. Terms and conditions of transaction with related parties; the transactions among the related parties are in the ordinary course of business and based on normal commercial terms, conditions, market rates.
4. Closing outstanding includes interest on loans given / taken which remains outstanding as at the end of the year.

FINKURVE FINANCIAL SERVICES LIMITED

Notes to the Consolidated financial statements for the year ended 31 March 2021

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

32 DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

i) Gratuity: In accordance with the applicable laws, the Group 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:

A. Balance Sheet

	Defined benefit plans	
	As at 31 March 2021	As at 31 March 2020
Present value of plan liabilities	4.47	-
Fair value of plan assets	-	-
Asset/(Liability) recognised	4.47	-

B. Movements in plan assets and plan liabilities

	Present value of obligations	Fair Value of Plan assets
As at 1st April 2020	-	-
Current service cost	1.76	-
Past service cost	2.71	-
Interest Cost/(Income)	-	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	-
Actuarial (gain)/loss arising from experience adjustments	-	-
Employer contributions	-	-
Benefit payments	-	-
As at 31st March 2021	4.47	-

	Present value of obligations	Fair Value of Plan assets
As at 1st April 2019	-	-
Current service cost	-	-
Past service cost	-	-
Interest Cost/(Income)	-	-
Return on plan assets excluding amounts included in net finance income/cost	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	-
Actuarial (gain)/loss arising from experience adjustments	-	-
Employer contributions	-	-
Benefit payments	-	-
As at 31st March 2020	-	-

C. Statement of Profit and Loss

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Employee Benefit Expenses:		
Current service cost	1.76	-
Interest cost/(income)	2.71	-
Total amount recognised in Statement of Profit & Loss	4.47	-

Remeasurement of the net defined benefit liability:

Return on plan assets excluding amounts included in net finance income/(cost)	-	-
Actuarial gains/(losses) arising from changes in financial assumptions	-	-
Experience gains/(losses)	-	-
Total amount recognised in Other Comprehensive Income	-	-

D. 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:

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Financial Assumptions		
Discount rate	6.78%	-
Salary Escalation Rate	5.00%	-

E. 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%	3.62	5.58
Salary Escalation Rate	1.00%	5.61	3.59

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.

F. The defined benefit obligations shall mature after year end 31st March, 2021 as follows:

Year ending March 31, 2021	Defined benefit obligation
2021	0.04
2022	0.05
2023	0.06
2024	0.08
2025	0.09
Thereafter	4.15

FINKURVE FINANCIAL SERVICES LIMITED
Notes to the Consolidated financial statements for the year ended 31 March 2021
(All amounts in INR in Lakhs, unless otherwise stated)

33 Segment Information

The Group 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.

34 Fair values

(a) Financial instruments by category:

Particulars	As at 31 March 2021			
	Amortized cost/ At Cost	At fair value through profit or loss	At fair value through OCI	Total carrying value
Financial assets				
Cash and bank balances	1,024.13	-	-	1,024.13
Bank Balance other than above	464.12	-	-	464.12
Trade receivables	77.89	-	-	77.89
Loans	19,955.23	-	-	19,955.23
Investments	-	420.09	-	420.09
Other financial assets	64.42	-	-	64.42
	21,585.79	420.09	-	22,005.88
Financial liabilities				
Trade payables	126.00	-	-	126.00
Borrowings	7,618.88	-	-	7,618.88
Lease Liabilities	139.07	-	-	139.07
Deposit	22.50	-	-	22.50
	7,906.45	-	-	7,906.45

Particulars	As at 31 March 2020			
	Amortized cost	At fair value through profit or loss	At fair value through OCI	Total carrying value
Financial assets				
Cash and bank balances	1,084.96	-	-	1,084.96
Bank Balance other than above	198.34	-	-	198.34
Trade receivables	230.88	-	-	230.88
Loans	19,316.22	-	-	19,316.22
Investments	-	245.71	-	245.71
Other financial assets	90.64	-	-	90.64
	20,921.05	245.71	-	21,166.75
Financial liabilities				
Trade payables	62.51	-	-	62.51
Borrowings	7,322.48	-	-	7,322.48
Lease Liabilities	124.25	-	-	124.25
Deposit	22.50	-	-	22.50
	7,531.74	-	-	7,531.74

The management of the Group assessed that loans given, cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities and loans approximate their carrying amounts largely due to the short-term maturities of these instruments.

(b) Fair value hierarchy and method of valuation:

The Group categorizes 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 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 Group's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the assets and liabilities of the Group :-
Quantitative disclosures fair value measurement hierarchy for assets/liabilities as at year end:

Particulars	As at 31 March 2021			Total
	Carrying value	Level 1	Level 2	
Financial assets measured at FVTPL				
Investments in equity shares	280.99	14.61	-	280.99
Investment in partnership firm	-	-	-	-
Investment in preference shares	103.00	-	-	103.00
Investment in venture funds	-	-	-	-
Investment in debentures	25.00	-	-	25.00
Investment in mutual funds	11.10	11.10	-	11.10

Particulars	As at 31 March 2020			Total
	Carrying value	Level 1	Level 2	
Financial assets measured at FVTPL				
Investments in equity shares	131.43	29.37	-	131.43
Investment in partnership firm	16.67	-	-	16.67
Investment in preference shares	82.38	-	-	82.38
Investment in venture funds	5.12	-	-	5.12
Investment in debentures	10.00	-	-	10.00
Investment in mutual funds	0.10	0.10	-	0.10

(c) Fair value measurements using significant unobservable inputs (level 3)

	As at 31 March 2021	As at 31 March 2020
Opening Balance	216.24	41.38
Acquisition during the year	118.52	179.58
Gain/(Losses) recognised in statement of profit or loss	76.29	-
Disposal during the year	(7.57)	(15.03)
Share of profit/(loss) - partnership firms	(9.10)	10.30
Closing Balance	394.38	216.24

35 Financial risk management objectives and policies

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Board of Directors has appropriate financial risk governance framework for the Group. The Board of Directors govern the Group's financial risk activities by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Group'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 2 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 Group is exposed to interest rate risk primarily from borrowings. The Group 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 Group's borrowings are majorly is at fixed interest rates and accordingly, the Group 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 carrying amount of Group's unhedged foreign currency exposure at the end of the reporting period are as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Foreign currency in hand	608.60	805.74
The sensitivity of profit or loss to changes in the exchange rate arise mainly from foreign currency denominated financial instruments as mentioned below		
Impact of 2%	12.17	16.11
Increase in exchange rate*	(12.17)	(16.11)
Decrease in exchange rate*		

Investment price risk

The group's exposure in Investment in equity share & mutual funds - Quoted as at 31 March 2021 is INR 25.70 lakhs (31 March 2020 Rs. 29.46 lakhs) and as a result the impact of any price change will not have a material effect on the profit or loss of the Group.

Credit Risk

The Group is exposed to credit risk from their operating activities (primarily Loans given). The Group manage the credit risk by continuously monitoring the creditworthiness of customers. The Group 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 including guidance from the prudential norms prescribed by the Reserve Bank of India.

Expected credit loss on loans given is Rs. 593.44 lakhs (31 March 2020 - Rs. 148.07 lakhs)

Liquidity Risk

Liquidity risk refers to insufficiency of funds to meet the financial obligations. The Group 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 Group'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 Group can be required to pay. The tables include principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

As at 31 March 2021	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	7,153.48	465.39	-	7,618.88
Trades payables	126.00	-	-	126.00
Lease Liabilities	139.07	-	-	139.07
As at 31 March 2020	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	6,888.65	433.83	-	7,322.48
Trades payables	62.51	-	-	62.51
Lease Liabilities	124.25	-	-	124.25

36 Capital management

Risk management

The Group'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 Group monitors capital using a capital adequacy ratio as prescribed by Reserve Bank of India.

37 Investment in the Partnership Firm shown in the Balance Sheet is total capital account balance in M/s Prativick Hospitality LLP which includes closing balance of Rs. 0.30 lakhs as Fixed Capital Account. The Group have retired from the LLP during the year. Other information of LLP for previous year as at 31 March 2020 is as follows:

Name of LLP - Prativick Hospitality LLP

Name of the Partners & their Profit Sharing Ratio

	As at 31 March 2020	
	Share of Profit/Loss (%)	Fixed Capital
MR. Vinit Vijay Mody	23.00	0.23
MR. Vishal Pratap Dhull	12.00	0.12
Finkurve Financial Services Ltd.	30.00	0.30
Charmy Vinit Mody	12.00	0.12
Pratap Hirhibhai Dhulla	23.00	0.23

FINKURVE FINANCIAL SERVICES LIMITED

Notes to the Consolidated financial statements for the year ended 31 March 2021

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

38 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. There is no such notification which would have been applicable from 1 April, 2021.

B) other recent pronouncements :

(a) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the group towards Employee Benefit Plan. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

(b) Ministry of Corporate Affairs issued notifications dated March 24, 2021 to amend Schedule - III to the Companies Act, 2013 to enhance the disclosures required to be made by the group in its financial statements. These amendments are applicable to the group for the Financial Year starting 1st April 2021. The amendments are extensive and the group will evaluate the same to give effect to them as required by the Law.

39 Reconciliation of movement of liabilities to cash flows arising from financing activities

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Opening Balance	7,322.48	9,348.74
Add: Cash flows (net)	296.40	(2,026.26)
Closing Balance	7,618.88	7,322.48

40 Additional disclosure mandated by Schedule III of Companies Act, 2013

Particulars	Parent Company - Finkurve Financial Services Limited	Indian Subsidiary - Arvog Forex Private Limited	Non Controlling Interests in subsidiary	Adjustment arising on consolidation	Total
Net assets i.e. total assets - total liabilities					
Amount	13,594.61	1,259.44	219.37	633.43	14,001.24
As a % of Consolidated net assets	97.10%	9.00%	1.57%	4.52%	100.00%
Share in Profit & Loss					
Amount	450.78	2.77	(4.39)	-	457.94
As a % of Consolidated Profit or Loss	98.44%	0.60%	-0.96%	0.00%	100.00%
Share in Other Comprehensive Income / (Loss)					
Amount	-	-	-	-	-
As a % of Consolidated other Comprehensive Income	0.00%	0.00%	0.00%	0.00%	0.00%
Share in Total Comprehensive Income					
Amount	450.78	2.77	(4.39)	-	457.94
As a % of Consolidated total Comprehensive Income	98.44%	0.60%	-0.96%	0.00%	100.00%
Proportion of Ownership Interest		83.20%			

41 The group is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference

42 The financial statements were approved for issue by the Board of Directors on June 30, 2021.

43 The previous year's figures have been recast / regrouped / rearranged wherever considered necessary to meet the requirements of Ind AS.

Signatures to Notes 1 to 43

As per our report of even date

For P. D. Saraf & Co

Chartered Accountants

Firm Registration No : 109241W

sd/-

Madhusudan Saraf

Partner

Membership No.: 041747

UDIN : 21041747AAAACJ9423

Place: Mumbai

Date: 30th June 2021

For and on behalf of the Board of Directors

of Finkurve Financial Services Limited

sd/-

Ketan Kothari

Director

DIN: 00230725

sd/-

Aakash Jain

Chief Financial

Officer

sd/-

Narendra Jain

Wholetime Director

DIN: 08788557

sd/-

Sunny Parekh

Company Secretary

M.No. ACS32611

2020 - 2021
ANNUAL REPORT



Finkurve Financial Services Limited