

# **FINO FINANCE PRIVATE LIMITED**

**Annual Report for the F.Y. 2022-2023**

## BOARDS' REPORT

**Dear Members,**

Your Board of Directors is pleased to present the Twenty-Ninth (29<sup>th</sup>) Annual Report of Fino Finance Private Limited (“Company”) together with the Audited Financial Statements for the Financial Year ended March 31, 2023.

### FINANCIAL HIGHLIGHTS & PERFORMANCE

The highlights of the financial performance of the Company for the financial year ended March 31, 2023 as compared to the previous financial year are as under:

(in Lakhs)

Particulars	2022-23	2021-2022
Net Sales and other income	470.86	1460.44
<b>Profit /(Loss) before Interest, Depreciation and Tax</b>	<b>(269.64)</b>	<b>(6249.87)</b>
Interest	292.09	1,084.45
Depreciation	11.96	104.48
Profit /(Loss) before Tax and prior period items	(573.68)	(7,438.80)
Prior period items	-	-
<b>Profit /(Loss) before Tax</b>	<b>(573.68)</b>	<b>(7,438.80)</b>
<u>Tax expenses:</u>		
Current tax (MAT)	-	-
Deferred tax	-	-
MAT credit entitlement	-	-
Tax provision for earlier years	-	-
<b>Net Profit /(Loss) after Tax</b>	<b>(573.68)</b>	<b>(7,438.80)</b>
Balance of Profit /(Loss) carried forward to next year	<b>(573.68)</b>	<b>(7,438.80)</b>



The net revenue of the Company was Rs. 470.86 lakhs for the year ended March 31, 2023 as compared to Rs. 1,460.44 lakhs in the previous year. The Loss for the year was Rs. 573.68 lakhs as against loss for Rs. 7,438.80 lakhs in previous year.

## **NON BANKING FINANCIAL COMPANY LICENSE**

As on March 31, 2023, the Company is a Systematically Important- Non deposit accepting Company (NBFC- NSI- ND) registered with Reserve Bank of India (“RBI”). The Company has been granted NBFC – Micro Finance Institution (“NBFC-MFI”) license.

## **BRIEF DESCRIPTION OF THE COMPANY’S WORKING DURING THE YEAR/STATE OF COMPANY’S AFFAIRS**

The Company is inter-alia engaged in the business of providing customer-centric financial services, mainly in the form of micro-credit, to the under-served and un-served women population and MSMEs of the country. The credit extended is utilized majorly in agriculture and allied activities as well as in small businesses. Through the Company’s products and services, the Company aims at empowering the economically active poor households and MSMEs to grow their businesses and thus improve their overall quality of lives. Your Company has not disbursed any loans post August 2022.

## **PAYMENT OF DIVIDEND**

Your Board of Directors has expressed their inability to recommend dividend to the Shareholders due to loss for the financial year ended March 31, 2023.

## **RESERVES**

During the financial year ended March 31, 2023, no amount is proposed to carry to any reserves.

## **MATERIAL CHANGES AND COMMITMENTS**

Except, as disclosed elsewhere in the report, there were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year i.e. March 31, 2023 and upto the date of this report.

## **SHARE CAPITAL STRUCTURE**

### **Authorised Capital**

During the year under review, the Company has not changed its Authorised Share Capital, the Authorised Share Capital of the Company is Rs. 53,50,00,000/-, (Rupees fifty three crores fifty lakhs only) divided into 5,35,00,000 (Five crores thirty five lakhs) Equity Shares of Rs. 10/- (Rupees ten only).

### **Issued and Paid-up Capital**

During the year under review, there has been no change in the issued and paid-up capital of your Company. The Issued and Paid-up Share Capital of the Company is Rs. 41,57,68,070/-, (Rupees forty one crores fifty seven lakhs sixty eight thousand and seventy only) divided into 4,15,76,807 (Four crores fifteen lakhs seventy six thousand eight hundred and seven) Equity Shares of Rs. 10/- (Rupees ten only).

## **CHANGE IN MEMORANDUM AND ARTICLES OF ASSOCIATION:**

During the year under review, your Company has not amended the Memorandum of Association and Articles of Association of the Company.

## **DIRECTORS' AND KEY MANAGERIAL PERSONNEL**

### **Appointment of Directors**

Based on the recommendation of Nomination and Remuneration Committee ("**NRC**"), the Board approved the appointment of the following Directors of the Company:

1. Mrs. Srividya Venkataraman (DIN: 09548415) was appointed by the Board in its meeting held on May 17, 2022 as a Nominee Director of the Company with effect from the date of approval of Reserve Bank of India ("**RBI**"), not liable to retire by rotation. The RBI vide its letter dated October 21, 2022 approved the appointment of Mrs. Srividya Venkataraman as Nominee Director of the Company with effect from October 21, 2022.
2. Mr. Sudeep Gupta (DIN: 07899859), Whole-time Director, Chief Operating Officer and Key Managerial Personnel was re-appointed by the Members at the 28<sup>th</sup> AGM for a period of one (1) year with effect from November 14, 2022.

3. Mr. Amit Kumar Jain (DIN: 08353693) was appointed by the Board as an Additional Director in the capacity of Whole-time Director and Key Managerial personnel of the Company with effect from the date of approval of RBI, for a period of three (3) years, liable to retire by rotation, subject to the approval of RBI and Members. The RBI vide its letter dated June 21, 2023 has accorded its approval for the appointment of Mr. Amit Kumar Jain as Whole-time Director and Key Managerial Personnel of the Company, for a period of three (3) years with effect from June 21, 2023, subject to approval of Members of the Company.

### **Re-appointment of Director retiring by rotation**

In accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Amit Kumar Jain (DIN: 08353693), Whole-time Director of the Company retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. The resolution seeking the appointment of Mr. Amit Kumar Jain forms part of the Notice convening the ensuing 29<sup>th</sup> Annual General Meeting.

The profile and particulars of experience, attributes and skills of Mr. Amit Kumar Jain together with his other directorships and committee memberships in terms Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India has been disclosed in the annexure to the Notice of the Annual General Meeting.

### **Cessation of Directors**

Mr. Sudeep Gupta tendered his resignation and ceased to be Whole-time Director, Chief Operating Officer and Key Managerial Personnel of the Company with effect from November 28, 2022.

The Board placed on record its appreciation for the valuable service and support rendered by Mr. Sudeep Gupta during his tenure as Director of the Company.

### **Appointment/Resignation of Key Managerial Personnel**

During the year under review:

1. Mr. Rakesh Tripathi was appointed as Chief Financial Officer and Key Managerial Personnel of the Company with effect from July 07, 2022.

2. Mr. Ravindra Gupta was appointed as Company Secretary, Manager – Legal and Key Managerial Personnel with effect from September 22, 2022;
3. Mr. Rakesh Tripathi tendered his resignation from the post of Chief Financial Officer and Key Managerial Personnel with effect from May 20, 2023;
4. Mr. Ravindra Gupta tendered his resignation from the post of Company Secretary, Manager – Legal and Key Managerial Personnel with effect from closure of business hours on January 11, 2023.

The Board places on record its appreciation for the valuable services and support rendered by Mr. Rakesh Tripathi and Mr. Ravindra Gupta during their tenure.

During the year under review, there has been no change in the Directors and Key Managerial Personnel of the Company other than those disclosed above.

#### **DECLARATION BY INDEPENDENT DIRECTOR**

The Independent Director of the Company has submitted declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. There has been no change in the circumstances affecting his status as Independent Director of the Company. In the opinion of the Board, the Independent Director possess the requisite integrity, experience, expertise and proficiency required under all applicable laws and the policies of the Company.

The Independent Director of the Company have complied and affirmed to abide by Rule 6 (Creation and Maintenance of Databank of Persons Offering to become Independent Directors) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, and have also declared his enrollment in the databank of Independent Director maintained by Indian Institute of Corporate Affairs (“IICA”).

#### **DETAILS OF BOARD OF DIRECTORS' MEETINGS**

During the year under review, five (5) Board meetings were convened and held on May 28, 2022, July 07, 2022, September 22, 2022, November 24, 2022 and March 23, 2023.

The maximum gap between any of the two consecutive meetings was in compliance with the provisions of Act, relevant rules made thereunder and Secretarial Standard-I Issued by Institute of Company Secretaries of India. The necessary quorum was present for all the Board meetings.

The details of the Directors and attendance at the meeting of the Board of Directors as on date are as follows:

Sr. No	Name	Category	No of Meetings attended
1.	Mr. Ashok Kini <sup>#</sup>	Independent Director	5
2.	Mrs. Srividya Venkataraman <sup>*</sup>	Nominee Director	2
3.	Mr. Sudeep Gupta <sup>**</sup>	Whole-time Director	4
4.	Mr. Amit Kumar Jain <sup>***</sup>	Whole-time Director	0

<sup>#</sup>Stepped down from Chairmanship of the Board w.e.f. October 10, 2022 but continues to be Independent Director of the Company.

<sup>\*</sup>Appointed as Nominee Director w.e.f. October 21, 2022

<sup>\*\*</sup>Ceased to be Whole-time Director, Chief Operating Officer and Key Managerial Personnel of the Company w.e.f. November 28, 2022 due to resignation.

<sup>\*\*\*</sup>Appointed as Whole Time Director and Key Managerial Personnel w.e.f. June 21, 2023.

## AUDIT COMMITTEE

In compliance with the provision of Regulation 70 of the RBI Master Direction and Section 177 of the Companies Act, 2013, the Board of Directors has constituted Audit Committee. As on date of this report, the Committee was in accordance with the applicable provision of Companies Act, 2013 and RBI.

During the year under review, two (2) meetings of Audit Committee were held on May 28, 2022 and November 24, 2022.

Details of Members of the Committee and their attendance at the Audit Committee meetings as on date are as follows:

Sr. No	Name	Category	No of Meetings attended
1.	Mr. Ashok Kini	Chairman, Independent Director	2
2.	Mrs. Srividya Venkataraman <sup>*</sup>	Member, Nominee Director	1
3.	Mr. Sudeep Gupta <sup>**</sup>	Member, Whole-time Director	2
4.	Mr. Amit Kumar Jain <sup>***</sup>	Member, Whole-time Director	0

<sup>\*</sup>Appointed as a Member of the Committee w.e.f. October 21, 2022.

<sup>\*</sup>Ceased to be Member of the Committee w.e.f. November 28, 2022.

<sup>\*\*\*</sup>Appointed as a Member of the Committee w.e.f. June 23, 2023.

The Board of Directors had accepted all the recommendations given by the Audit committee during the year under review.

## NOMINATION AND REMUNERATION COMMITTEE

In compliance with the provision of Regulation 70 of the RBI Master Direction and Section 178 of the Companies Act, 2013, the Board of Directors has constituted Nomination and Remuneration Committee. As on date of this report, the Committee was in accordance with the applicable provision of Companies Act, 2013 and RBI.

During the year under review, one (01) meeting of Nomination and Remuneration Committee was held on July 07, 2022.

Details of Members of the Committee and their attendance at the Nomination and Remuneration Committee Meeting as on date are as follows:

Sr. No	Name	Category	No of Meetings attended
1.	Mr. Ashok Kini	Chairman, Independent Director	1
2.	Mrs. Srividya Venkataraman*	Member, Nominee Director	0
3.	Mr. Sudeep Gupta**	Member, Whole-time Director	1
4.	Mr. Amit Kumar Jain*	Member, Whole-time Director	0

\*Appointed as a Member of the Committee w.e.f June 23, 2023.

\*\*Ceased to be Member of the Committee w.e.f. November 28, 2022.

The Board of Directors had accepted all the recommendations given by the Nomination and Remuneration Committee during the year under review.

## RISK AND ASSET LIABILITY MANAGEMENT COMMITTEE

In compliance with the provision of Regulation 70 of the RBI Master Direction DNBR.PD.008/03.10.119/2016-17, the Board of Directors has constituted Risk and Asset Liability Management Committee. As on date of this report, the Committee was in accordance with the applicable provision of RBI.

During the year under review, 1 (one) meeting of Risk and ALM Committee was held on May 28, 2022.

Details of Members of the Committee and their attendance as on date are as following:



Sr. no	Name	Category	No of Meetings attended
1.	Mr. Ashok Kini	Chairman, Independent Director	1
2.	Mrs. Srividya Venkataraman*	Member, Nominee Director	0
3.	Mr. Sudeep Gupta**	Member, Whole-time Director	1
4.	Mr. Amit Kumar Jain*	Member, Whole-time Director	0

\*Appointed as Members of the Committee w.e.f. June 23, 2023.

\*\*Ceased to be Member of the Committee w.e.f. November 28, 2022.

### IT STRATEGY COMMITTEE

In compliance with clause 1.1 of Section-A on IT Governance of the RBI Master Direction DNBS. PPD.No.04/66.15.001/2016-17 dated June 08, 2017, issued by the Reserve Bank of India, specifying the IT framework to be adopted for the NBFC sector, the Board of Directors has constituted an IT Strategy Committee. As on date of this report, the Committee was in accordance with the applicable provision of RBI.

The scope of the Committee inter alia, includes review and approval of IT strategy and policy documents and any other matter related to IT governance.

During the year under review, no IT Strategy Committee meetings were held.

The details of Members of the Committee are as following:

Sr. No	Name	Category
1.	Mr. Ashok Kini	Chairman, Independent Director
2.	Mr. Sudeep Gupta*	Member, Whole-time Director
3.	Mr. Roshan Shrirao	Member
4.	Mr. Amit Kumar Jain**	Member, Whole-time Director

\*Ceased to be Member of the Committee w.e.f. November 28, 2022.

\*\*Appointed as a Member of the Committee w.e.f. June 28, 2023.

### COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable Secretarial Standard on meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

## **POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of Directors has framed a policy which lays down guidelines in relation to remuneration of Directors, Key Managerial Personnel and other employee of the Company. This policy inter-alia, prescribes criteria for determining qualifications, positive attributes and independence of Directors also lays down criteria for selection and appointment of Board Members. The Nomination and Remuneration policy has been prepared as per requirements of the provisions of Section 178 of the Companies Act, 2013 read along with the Rules. There were no material changes in the policy during the FY 2022-23. The Policy is available on the website of the Company i.e. <http://www.finofinance.in>.

## **RISK MANAGEMENT POLICY**

The Board has framed a policy on Risk Management including identification therein elements of risk, if any which in the opinion of the Board may threaten the existence of the Company. The policy helps to assess the risk areas, monitor and report compliance and effectiveness of the policy and procedure.

The Company has not come across any element of risk which may threaten the existence of the Company.

The Directors expressed their satisfaction that the systems of risk management are defensible.

## **VIGIL MECHANISM**

The Company has established a Vigil Mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for (a) adequate safeguards against victimization of persons who use the Vigil Mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, and based on the representations received from the operating management, your Directors hereby confirm that:

- (a) in the 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 as at March 31, 2023 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 the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **AUDITORS**

### **a) Statutory Auditors and their Report**

The Shareholders in their meeting held on September 30, 2021 had appointed M/s. Tibrewal Chand & Co. (ICAI Firm Registration No. 311047E), Chartered Accountants, as Statutory Auditors of the Company in place of M/s. MSKC & Associates LLP (formerly R.K. Kumar & Co.) (Registration No. 001595S), Chartered Accountants, for a term of 5 years, commencing from the conclusion of the 27<sup>th</sup> AGM till the conclusion of the 32<sup>nd</sup> AGM of the Company to be held in the year 2026.

The Audited Financial Statements of the Company for the financial year ended March 31, 2023, have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder (Ind AS) and other accounting principles generally accepted in India.

The Notes to Accounts are self explanatory and therefore do not call for any further comments. The Auditors' Report is unmodified and does not contain any qualification, reservation or adverse remark.

The Company exempted the presence of Statutory Auditors in the Annual General Meeting

## **b) Internal Auditor and their Report**

As per the provision of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Internal Auditor presented his report to the Audit Committee. The scope, functioning, periodicity and methodology for conducting the internal audit have been formulated in consultation with the Audit Committee and the Board of Directors.

### **REPORTING OF FRAUDS**

During year under review, pursuant to Section 143(12) of the Companies Act, 2013, the Statutory Auditors of the Company has not reported any instances of frauds committed in the Company by its officers or its employees.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

As per the provision of Section 134 of the Companies Act, 2013, the disclosures regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are set out in the Annexure A.

### **RELATED PARTY TRANSACTIONS**

All material related party transactions under Section 188 of the Companies Act, 2013 and the Rules made thereunder are set out in Form AOC-2 (as per Section 134 of the Companies Act, 2013) is annexed herewith as Annexure B. These transactions are in ordinary course of business and on arm's length basis. The details of the related party transactions under Accounting Standard 18/ Ind AS 24, as the case may be, are set out in notes to accounts to the financial statements. All related party transactions are placed before the Audit Committee.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The particulars of Loans given, Investment made and Guarantees provided by the Company under Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 as at March 31, 2023, forms part of the Financial Statements.

### **INTERNAL CONTROLS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Internal Audit Control System ensures that the regular internal audits are conducted at both the branches and other functional areas. The findings are then taken up by audit committee along with management response for suitable action. The Company has adequate and effective internal audit system, covering on a continuous basis, the entire gamut of operations and services spanning all locations, business and functions. The Audit Committee monitors the Internal Audit System on regular intervals and directs necessary steps to further improve the Internal Control system.

### **ANNUAL RETURN**

In accordance with the provision of Section 92 (3) of the Companies Act 2013, the copy of the annual return in the prescribed Form No. MGT-7 is uploaded on website of the Company

### **HOLDING/SUBSIDIARY/ASSOCIATE COMPANIES**

The Company does not have any subsidiary, joint venture or associate Company. The details of Holding Company are given below:

<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Whether incorporated/ acquired/ converted</b>	<b>Year of Incorporation/ acquisition</b>	<b>Status</b>
1.	Fino PayTech Limited	Incorporated	2006	Holding Company

### **DISCLOSURES UNDER THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014**

The Company being unlisted Company the disclosure in terms of Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is not applicable and hence not required to be disclosed.

### **DISCLOSURE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Debentures (“Securities”) of the Company were redeemed and repaid in the financials year 2021-22. Considering the aforesaid, the Company does not have any Securities listed on the stock exchange and ceases to be a listed entity post repayment.

Hence the compliances and disclosures as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not required for the year under review.

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

Your Company is an equal opportunity employer and is committed to ensuring that the work environment at all its locations is conducive to fair, safe and harmonious relations between employees. It strongly believes in upholding the dignity of all its employees, irrespective of their gender or seniority. Discrimination and harassment of any type are strictly prohibited.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under the policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2022-23

- No. of complaints received : 0
- No. of complaints disposed off : 0
- Number of cases pending for more than 90 days : 0
- Number of workshops/awareness programmes against sexual harassment carried out : 1
- Nature of action taken by the employer or District Officer : Not Applicable

### **ADDITIONAL DISCLOSURES**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year under review:

- i) The Company has not accepted any deposits during the year in accordance with Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

- ii) There are no significant and material orders passed by the Regulators, Courts or Tribunals during the year impacting the going concern status and Company's operations in future.
- iii) The Company has adopted adequate and effective internal financial controls with reference to the financial statements.
- iv) There is no requirement to appoint Secretarial and Cost Auditor by the Company.
- v) The provision for the Corporate Social Responsibility as under Section 135(1) of the Companies Act, 2013 is not applicable to the Company.
- vi) The Company has not issued any shares with differential rights as to dividend, voting or otherwise and hence no information as per provisions of Section 43(a)(ii) of the Companies Act, 2013 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.
- vii) The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Companies Act, 2013 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.

**DISCLOSURE OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR UNDER REVIEW**

During the year under review, no application has been made or any proceedings are pending under the Insolvency and Bankruptcy Code 2016.

**THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

During the year under review, no such instance of one time settlement or valuation was done.



## **ACKNOWLEDGEMENT**

The Board wishes to place on record its sincere appreciation to the contribution made by the Employees of the Company during the year under review. Your Directors thank the customers, clients, vendors and other business associates for their continued support in the Company's growth. The Directors also wish to thank the Government Authorities, Banks, Financial Institutions and the Shareholders for their co-operation and assistance extended to the Company.

For and on behalf of the Board of Directors

**Date:** June 28, 2023  
**Place:** Navi Mumbai

**Sd/-**  
**Ashok Kini**  
Independent Director  
DIN: 00812946

**Sd/-**  
**Amit Kumar Jain**  
Whole-time Director  
DIN: 08353693



## ANNEXURE-A

### Annexure to the Boards' Report

#### INFORMATION RELATING TO CONSERVATION OF ENERGY AND FOREIGN EXCHANGE EARNINGS/ OUTGO FORMING PART OF THE DIRECTORS' REPORT IN TERMS OF SECTION 134 OF THE COMPANIES ACT, 2013.

##### A. Conservation of Energy

The Company has undertaken several initiatives at its registered office such as:

- Installed energy efficient LED lights.
- Most of the lights and air condition units are switched off after 7 pm. Only required lights are put on to save on wastage of energy. Switching off all the workstation area AC's during lunch time from 1 p.m. to 2 p.m. except cafeteria.
- Power factor has been maintained constantly **through use of Capacitor bank**.
- Installed sun control film & blinds across office to keep office cool and to save on AC consumption.

The Company has been consciously making efforts towards improving the energy performance year on year.

##### B. Foreign Exchange Earnings and Outgo

There is no Foreign Exchange Earnings and Outgo during the financial year ended March 31, 2023.

For and on behalf of the Board of Directors

**Place:** Navi Mumbai  
**Date:** June 28, 2023

**Sd/-**  
**Ashok Kini**  
Independent Director  
DIN: 00812946

**Sd/-**  
**Amit Kumar Jain**  
Whole-time Director  
DIN: 08353693

**FORM No. AOC-2**

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

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

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount (in Rs.)</b>
1.	<b>Details of contracts or arrangements or transactions not at arm's length basis</b>	There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023 which were not at arm's length basis.
2.	<b>Details of material contracts or arrangement or transactions at arm's length basis</b>	
(a)	Name(s) of the related party and nature of relationship	Fino PayTech Limited, Holding Company
(b)	Nature of contracts/arrangements/ transactions	FLDG Payment in relation to the BC lending business with the IndusInd Bank
(c)	Duration of the contracts/arrangements/transactions	April 01, 2022 to March 31, 2023
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	At Actual - Transaction value of Rs. 2,50,77,219/-
(e)	Date(s) of approval by the Board, if any	NA
(f)	Amount paid as advances, if any:	Nil

For and on behalf of the Board of Directors

**Place:** Navi Mumbai  
**Date:** June 28, 2023

**Sd/-**  
**Ashok Kini**  
Independent Director  
DIN: 00812946

**Sd/-**  
**Amit Kumar Jain**  
Whole-time Director  
DIN: 08353693

## **Independent Auditor's Report**

**To**

**The Members**

**Fino Finance Private Limited**

**Report on Audit of the Financial Statements**

1. We have audited the accompanying financial statements of **Fino Finance Private Limited ("the Company")**, which comprise the Balance Sheet as at 31 March 2023, the statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date and notes to the financial statements a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Financial Statement").

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 are in conformity with the Indian Accounting standards prescribed under section 133 of the act read with the companies (Indian Accounting Standards) Rules , 2015 as amended and other accounting principles generally accepted in India and give a true and fair view of the state of affairs of the Company as at 31 March 2023 and its profit, other comprehensive income, statement of changes in equity and its cash flows for the year ended on that date..

### **Basis of Opinion**

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

### **Information other than the Financial Statement and Auditor's Report Thereon**

3. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Director's report, but does not include the financial statements and our auditors report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact to those charged with governance under SA 720 'The Auditors responsibility Relating to Other Information'. We have nothing to report in this regard.

#### **Responsibilities of management and those charged with governance for the financial statements**

4. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as 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 cease the Company's operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of Financial Statements:**

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

As part of an audit in accordance with SA's, we exercise professional judgment and maintain profession skepticism throughout the audit. We also,

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for resulting from error as fraud may involve collusion forgery, intentional omissions, misrepresentation 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 an opinion on whether the Company has adequate internal financials controls system in place and 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 use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern. If we conclude that material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause Company 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 financial statements represent the underlying transactions and events in the manner that achieves fair presentation.

We consider quantitative materiality and qualitative factors in (i) planning of the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

We communicate with those charged with governance regarding among other matters the planned scope and timing of the 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 relevant ethical requirements independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable related safeguards.

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

### **Other Matters**

The comparative financial information of the Company as of and for the year ended 31 March 2022 prepared in accordance with Accounting Standards included in the financial statement have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial statement information dated 28 May 2022 expressed an unmodified opinion.

Our opinion on the financial statements and our report on Other Legal and Regulatory requirements below is not modified in respect of this matter.

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

6. As required by the companies (Auditor's Report) Order, 2020 ("the Order"), issued by the central government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143(3) of the Act, we further 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 purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance sheet, the Profit and Loss Account, the statement of changes in equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules 2014.
- e) On the basis of the written representation received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with 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;
  - The Company does not have any pending litigations which would impact its financial position.
  - The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
  - There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.
  - A) Under Rule 11(e)(i)

The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - B) Under Rule 11(e) (ii)

The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

C) Under Rule 11(e) (iii)

Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations under sub-clause A) and B) above, contain any material mis-statement.

D) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only w.e.f. 1st April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable.

h) The Company has neither declared nor paid any dividend during the year.

7. According to the information and explanations given to us, since the Company is a Private Company, the provisions of section 197 of the Act will not be applicable.

Yours Sincerely

For **Tibrewal Chand & Co**  
Chartered Accountants  
Firm Reg. No.: 311047E

SD/-

**Mayank Ranka**  
Partner  
Membership No.: 186554  
UDIN: 23186554BGSJUH9367

Place: Mumbai  
Date: 28 June 2023

## **ANNEXURE A TO BE THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

(1) In respect of the company's fixed assets :

- a. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and Intangible assets.
  - b. The fixed assets of the Company have been physically verified by the Management in accordance with the regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies have been noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) which are held in the name of the Company. Accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
  - d. According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
  - e. According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- (ii) According to the information and explanations given to us and based on our examination of the records of the company, we report that;
- a. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph (ii) (a) of the Order are not applicable to the Company.
  - b. The Company has not been sanctioned working capital limits. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and based on our examination of the records of the company, we report that:
- a. As the principal business of the Company is to give loans. Accordingly, the provision stated in paragraph 3(iii) (a) is not applicable to the company.
  - b. In relation to investments, guarantees provided, securities given, according to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions of the loans and advances provided are not prejudicial to the interest of the Company.
  - c. In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the payment of the principal and interest except except for the instances



where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognised necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India (“RBI”) for Income Recognition and Asset Classification. (which has been disclosed by the Company in Note 5 to the financial statements.

- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of amount overdue for more than ninety days are as follows:

No. of Cases	Principal amount overdue(In Lacs)	Interest overdue (In Lacs)	Total overdue (In Lacs)	Remarks (specify whether reasonable steps have been taken by the Company for recovery of principal amount and interest)
25,550	2,531.11	401.87	2,932.98	The company has delinquency management policy which contains recovery steps to be taken for overdue cases and the company is adhering to the said policy.

- e. Since, the principal business of the Company is to give loans. Accordingly, the provisions stated in paragraph 3(iii)(e) is not applicable to the company.

- (iv) In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the company.
- (v) According to the information and explanations given to us, the company has not accepted any deposit during the year and hence directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provision of the act and rules framed thereunder are not applicable.
- (vi) Having regard to the nature of the company’s business/activities, reporting under clause (vi) of CARO 2020 with respect to maintenance of cost records under section 148 (1) of the Act is not applicable.
- (vii) According to the information and explanations given to us and based on our examination of the records of the company, we report that in respect of statutory dues:
- a. The company has generally been regular in depositing undisputed statutory dues including provident fund, Employees State insurance, income tax, Goods and service tax and other material statutory dues applicable to it to the appropriate authorities.
- Having regard to the nature of the company’s business/activities, excise duty and cess is not applicable and activities of the company did not give rise to due on account of customs duty.
- b. According to the information and explanations given to us, undisputed dues in respect of provident fund, employee’s state insurance, income-tax, service tax, sales-tax, duty of

custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

Statutory dues which were outstanding, as at March 31, 2023 for a period of more than six months from the date they became payable are as follows:

1. Nature of dues: **Provident fund**

Nature of Statue	Amount (Rs.)	Period to which amount relates	Due Date	Date of Payment	Remarks
Department of Commercial Taxes	2,236	March-20	15-Apr-20	13-May-23	UAN are generated for all PF skipped cases and the liability amount is deposited with the Authority.
Department of Commercial Taxes	1,854	April-20	15-May-20	13-May-23	

2. Nature of dues: **Income tax**

Nature	Amount	Period to which amount relates	Forum where dispute is pending	Remarks, if Any
Income tax	10,54,533	2017-18	CIT Appeals	NA

(viii) According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there is no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

(ix) According to the information and explanations given to us and based on our examination of the records of the company, we report that;

- a. The Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- b. The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e. The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. The Company has not raised loans during the year on the pledge of securities held in its securities, joint ventures or associate companies.

- (x) According to the information and explanations given to us and based on our examination of the records of the company, we report that;
- a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
  - b. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of shares and the requirements of Section 42 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.
- (xi) During the course of our audit, 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,
- a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company during the course of our audit except the company has reported frauds of Rs. 1.02 Lakhs (Previous year Rs. 14.05 Lakh) to the RBI.
  - b. We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statement for the year ended March 31, 2023, except the company has reported frauds of Rs. 1.02 Lakhs (Previous year Rs. 14.05 Lakh) to the RBI.
  - c. As represented to us by the management, there are no whistle-blower complaints received by the Company during the course of audit. Accordingly, the provision stated in paragraph (xi) (c) of the Order is not applicable to company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph (xii) (a) to (c) of the Order 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 sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The company has internal audit system commensurate with the size and nature of the business and we have considered Internal Audit reports issued by Internal Auditors during the audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the company has not entered into any Non-Cash transactions with its directors or directors of its holdings, subsidiary or associates company or persons connected with them and hence provisions of sections 192 of the companies Act, 2013 are not applicable to the company. Accordingly, the provisions stated in paragraph (xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations give to us, in respect of Registration RBI Act:

- a. The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-Banking Financial Company ("NBFC").
- b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(b) of the Order are not applicable to the Company
- c. The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.
- d. The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph xvi (d) of the order are not applicable to the company.

(xvii) Based on the overall review of financial statements, the company has incurred cash losses in the current financial year and in the immediately preceding financial year. The details of the same are as follows:

Particulars	March 31, 2023 (Rs. In Lakhs)	March 31, 2022 (Rs. In Lakhs)
Cash Losses	-974.03	-1508.79

- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) is not applicable,
- (xix) According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realization of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Hence, the provisions of paragraph (xx) (a) to (b) of the Order are not applicable to the Company.
- (xxi) Since company is standalone entity and hence reporting under clause (xxi) of CARO 2020 with respect to Qualification or adverse remarks in CARO reports of group companies is not applicable.

Yours Sincerely

**For Tibrewal Chand & Co**  
Chartered Accountants  
Firm Reg. No.: 311047E

SD/-

**Mayank Ranka**  
Partner  
Membership No.: 186554  
UDIN: 23186554BGSJUH9367  
Place: Mumbai  
Date: 28 June 2023

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

### **Independent Auditor's Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub – section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. We have audited the Internal Financial Controls over Financial Reporting of Fino Finance Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of financial statements of the Company for the period ended on that date.

#### **Management's Responsibility for Internal Financial Controls over financial reporting.**

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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and Standards on Auditing ("the Standard"), issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial control over financial reporting, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our Audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material weakness exists, and testing an evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control over financial reporting.

#### **Meaning of Internal Financial Control over Financial Reporting**

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition 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 authorizations of management of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitation of Internal Financial Control over Financial Reporting**

7. Because of the inherent limitation of internal financial control 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 Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023 based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Yours Sincerely

For **Tibrewal Chand & Co**  
Chartered Accountants  
Firm Reg. No.: 311047E

SD/-

**Mayank Ranka**  
Partner  
Membership No.: 186554  
UDIN: 23186554BGSJUH9367  
Place: Mumbai  
Date: 28 June 2023

**FINO Finance Private Limited**  
(Formerly known as Intrepid Finance And Leasing Private

**Balance sheet as at 31 March 2023**

	Notes	As at 31 March 2023 INR Lakhs	As at 31 March 2022 INR Lakhs
<b>I. ASSETS</b>			
<b>(1) Financial assets</b>			
(a) Cash and cash equivalents	2	97.14	2,770.29
(b) Bank balances other than (a) above	3	2,467.16	1,402.92
(c) Receivables			
(i) Trade receivables	4	111.60	169.94
(d) Loans	5	87.62	608.95
(e) Other financial assets	6	5.79	13.71
<b>Total financial assets</b>		<b>2,769.31</b>	<b>4,965.81</b>
<b>(2) Non-financial assets</b>			
(a) Current tax assets (Net)		61.93	226.77
(b) Property, plant and equipment	7	40.79	51.48
(c) Right-of-use asset	27	0.00	1.59
(d) Other Intangible assets	8	0.00	0.04
(e) Other non-financial assets	9	35.87	270.17
<b>Total non-financial assets</b>		<b>138.59</b>	<b>550.05</b>
<b>TOTAL ASSETS</b>		<b>2,907.90</b>	<b>5,515.86</b>
		<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
		<b>INR Lakhs</b>	<b>INR Lakhs</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>(1) Financial liabilities</b>			
(a) Payables			
(i) Trade payables	10		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		95.92	79.56
(b) Borrowings (other than debt securities)	11	0.00	2,039.39
(c) Subordinated liabilities	12	1,993.07	1,991.03
(d) Other financial liabilities	13	114.09	0.13
(e) Lease liabilities	14	-	2.35
<b>Total financial liabilities</b>		<b>2,203.08</b>	<b>4,112.46</b>
<b>(2) Non-financial liabilities</b>			
(a) Current Tax Liabilities		81.92	81.92
(b) Provisions	15	125.55	199.69
(c) Other non-financial liabilities	16	15.70	66.55
<b>Total non-financial liabilities</b>		<b>223.17</b>	<b>348.16</b>
<b>(3) Equity</b>			
(a) Equity share capital	17	4,157.68	4,157.68
(b) Other equity	18	(3,676.03)	(3,102.44)
<b>Total equity</b>		<b>481.65</b>	<b>1,055.24</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,907.90</b>	<b>5,515.86</b>

**For Tibrewal Chand & Co**  
*Chartered Accountants*  
Firm's Registration Number: 311047E

**For and on behalf of the Board of Directors of**  
**Fino Finance Private Limited**  
(Formerly known as Intrepid Finance and Leasing  
Private Limited)

**Mayank Kumar Ranka**  
*Partner*  
Membership No: 186554

**Ashok Kini**  
*Non Executive-*  
Independent Director  
DIN 00812946

**Amit Kumar Jain**  
*Whole Time Director*  
DIN 08353693

Mumbai  
28 June 2023

**FINO Finance Private Limited**  
(Formerly known as Intrepid Finance And Leasing Private Limited)

**Statement of profit and loss for the Year ended 31 March 2023**

	Notes	For the Year ended 31 March 2023 INR Lakhs	For the year ended 31 March 2022 INR Lakhs
<b>Revenue from Operations</b>			
(i) Interest income	19	276.32	767.63
(ii) Fees and commission income	20	193.72	690.02
<b>I. Total Revenue from operations</b>		<b>470.04</b>	<b>1,457.65</b>
II. Other income	21	0.82	2.79
<b>III. Total Income (I+II)</b>		<b>470.86</b>	<b>1,460.44</b>
<b>Expenses</b>			
(i) Finance costs	22	292.09	1,084.45
(iii) Impairment on financial instruments	23	(412.32)	5,825.54
(iv) Employee benefits expenses	24	809.91	1,311.51
(v) Depreciation and amortization expenses		11.96	104.48
(vi) Other expenses	25	342.90	573.26
<b>Total Expenses (IV)</b>		<b>1,044.54</b>	<b>8,899.24</b>
<b>V. Profit/(loss) before Exceptional Items and Tax (III-IV)</b>		<b>(573.68)</b>	<b>(7,438.80)</b>
VI. Exceptional Items		-	-
<b>VII. Profit/(loss) before Tax (V-VI)</b>		<b>(573.68)</b>	<b>(7,438.80)</b>
<b>VIII. Tax expense:</b>			
1. Current Tax		-	-
2. Deferred Tax		-	-
3. MAT credit entitlement		-	-
<b>IX. Profit/(Loss) for the year</b>		<b>(573.68)</b>	<b>(7,438.80)</b>
<b>X. Other comprehensive income</b>			
<b>(i) Items that will not be reclassified to profit or loss</b>			
Items that will not be reclassified to profit or loss		(2.59)	18.74
Income tax related to items that will not be reclassified to profit or loss		-	-
		<b>(2.59)</b>	<b>18.74</b>
<b>(ii) Items that will be reclassified to profit or loss</b>			
Items that will be reclassified to profit or loss		-	-
Income tax related to items that will be reclassified to profit or loss		-	-
		-	-
<b>Other comprehensive income (net of tax)</b>		<b>(2.59)</b>	<b>18.74</b>
<b>XI. Total comprehensive income for the year (IX + X)</b>		<b>(576.27)</b>	<b>(7,420.06)</b>
<b>XII. Earnings per equity share</b>			
1. Basic earnings per share	35	(1.38)	(30.41)
2. Diluted earnings per share	35	(1.38)	(30.41)
Nominal value per share Rs.10 each			

**For Tibrewal Chand & Co**  
*Chartered Accountants*  
Firm's Registration Number: 311047E

**For and on behalf of the Board of Directors of**  
**Fino Finance Private Limited**  
(Formerly known as Intrepid Finance and Leasing  
Private Limited)

**Mayank Kumar Ranka**  
*Partner*  
Membership No: 186554

**Ashok Kini**  
*Non Executive-*  
Independent Director  
DIN 00812946

**Amit Kumar Jain**  
*Whole Time Director*  
DIN 08353693

Mumbai  
28 June 2023



**FINO Finance Private Limited**  
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**Statement of cash flows for the Year ended 31 March 2023**

	For the Year ended 31 March 2023	For the year ended 31 March 2022
	INR Lakhs	INR Lakhs
<b>A. Cash flows from operating activities</b>		
(Loss) / Profit before tax from continuing operations	(573.67)	(7,438.80)
<b>(Loss) / Profit before tax</b>	<b>(573.67)</b>	<b>(7,438.80)</b>
<b>Adjustments to reconcile (loss) / profit before tax to net cash used in operating activities</b>		
Depreciation	11.96	104.48
Interest Income	(123.33)	(134.80)
Interest & finance charges	0.10	1.95
Net gain on sale of fixed assets	(0.82)	-
ESOP expenses	2.69	(1.68)
Impairment of financial instruments	(412.32)	5,499.67
<b>Operating Profit / (Loss) Before Working Capital Changes</b>	<b>(1,095.39)</b>	<b>(1,969.18)</b>
<b>Working capital adjustments:</b>		
Other non-financial assets	234.31	63.65
Other financial assets	11.11	35.48
Financial assets - loans	908.78	3,500.47
Trade Receivables	14.76	1,131.50
Trade payables	16.36	(112.00)
Proceeds / ( repayment) of Debt securities	-	(3,002.09)
Proceeds / ( repayment) of Borrowings (other than debt securities)	(2,039.39)	(2,773.22)
Proceeds / ( repayment) of Subordinated liabilities	2.05	(2,515.56)
Other financial liabilities	113.96	(0.25)
Provisions	(76.74)	(4.06)
Other non-financial liabilities	(50.85)	(38.96)
Right-of-use asset	(2.35)	(39.53)
<b>Cash generated from / (used) in operations</b>	<b>(1,963.39)</b>	<b>(5,723.75)</b>
Income Tax Paid	164.81	236.99
<b>Net cash flows from operating activities</b>	<b>(1,798.58)</b>	<b>(5,486.76)</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	0.36	0.24
Proceeds from Sale of Fixed Assets	0.82	-
Proceeds from fixed deposits	(998.98)	1,516.94
Interest Received	123.33	134.80
<b>Net cash flows from investing activities</b>	<b>(874.47)</b>	<b>1,651.98</b>
<b>C. Cash flows from financing activities</b>		
Interest & Finance Charges Paid	(0.10)	(1.95)
Proceeds from issue of shares	-	6,100.00
Share issue expenses	-	(35.88)
<b>Net cash flows from financing activities</b>	<b>(0.10)</b>	<b>6,062.17</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(2,673.15)</b>	<b>2,227.39</b>
Cash and Cash Equivalents (opening balance)	2,770.29	542.90
Loans repayable on demand from banks - Overdraft		
<b>Cash and cash equivalents at the end of the year</b>	<b>97.14</b>	<b>2,770.29</b>
<b>Cash and cash equivalents</b>		
Cash on hand and balances with banks	97.14	2,770.29
<b>Cash and cash equivalents</b>	<b>97.14</b>	<b>2,770.29</b>

**For Tibrewal Chand & Co**  
Chartered Accountants  
Firm's Registration Number: 311047E

**For and on behalf of the Board of Directors of**  
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Mumbai  
28 June 2023

**FINO Finance Private Limited**  
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**Statement of Changes in Equity (SOCIE) for the Year ended 31 March 2023**

**(a) Equity share capital**

Balance at the beginning of the reporting period  
Changes in equity share capital due to prior period errors  
**Restated balance at the beginning of the reporting period**  
Changes in equity share capital during the year  
**Balance at the end of the reporting period**

<b>(INR in Lakhs)</b>				
<b>As at 31 March 2023</b>		<b>As at 31 March 2022</b>		
<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>	
41,576,807	4,157.68	11,076,807	1,107.68	
-	-	-	-	
<b>41,576,807</b>	<b>4,157.68</b>	<b>11,076,807</b>	<b>1,107.68</b>	
-	-	30,500,000	3,050.00	
<b>41,576,807</b>	<b>4,157.68</b>	<b>41,576,807</b>	<b>4,157.68</b>	

**(b) Other equity**

**(INR in Lakhs)**

<b>Particulars</b>	<b>Reserves &amp; Surplus</b>				<b>Total</b>
	<b>Retained Earnings</b>	<b>Statutory Reserve (as per RBI Act)</b>	<b>Deemed equity</b>	<b>Securities Premium Reserve</b>	
<b>Balance at 01 April 2021</b>	(10,592.06)	175.87	231.02	11,490.35	1,305.18
<b>Total comprehensive income for the Year ended 31 March 2022</b>					
Profit for the year	(7,438.80)	-	-	-	(7,438.80)
Other comprehensive income (net of tax)	18.74	-	-	-	18.74
<b>Total comprehensive income for the Year</b>	(7,420.06)	-	-	-	(7,420.06)
Deemed equity	-	-	(1.68)	-	(1.68)
Proceeds from Issue of Shares	-	-	-	3,050.00	3,050.00
Share issue expenses adjusted	-	-	-	(35.88)	(35.88)
<b>Balance at 31 March 2022</b>	(18,012.12)	175.87	229.34	14,504.47	(3,102.44)
<b>Balance at 01 April 2022</b>	(18,012.12)	175.87	229.34	14,504.47	(3,102.44)
<b>Total comprehensive income for the Year ended 31 March 2023</b>					
Profit for the period	(573.68)	-	-	-	(573.68)
Other comprehensive income (net of tax)	(2.59)	-	-	-	(2.59)
<b>Total comprehensive income for the Year</b>	(576.27)	-	-	-	(576.27)
Deemed equity	-	-	2.68	-	2.68
<b>Balance at 31 March 2023</b>	(18,588.39)	175.87	232.02	14,504.47	(3,676.03)

**Nature and purpose of reserves**

**1) Securities premium reserve**

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

**2) Statutory reserve (as per RBI Act)**

In terms of the requirements of Section 45-IC of the RBI Act, every non-banking financial company is required to transfer a sum of not less than 20 (Twenty) percent of its net profit every year to statutory reserve.

**3) Deemed equity**

Deemed equity pertains to non-reimbursable expenditure incurred by parent company i.e. Fino PayTech Limited.

**For Tibrewal Chand & Co**  
Chartered Accountants  
Firm's Registration No: 311047E

**For and on behalf of the Board of Directors of**  
**Fino Finance Private Limited**  
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**Mayank Kumar Ranka**  
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Mumbai  
28 June 2023

**FINO Finance Private Limited**  
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**Notes to the financial statements**

**Note-7 Property, Plant and Equipment**

(INR in Lakhs)

PARTICULARS	Owned Assets					Total
	Leasehold improvements	Computers / hardware	Plant and Equipment	Furniture and Fixtures	Office Equipment	
<b>As at 31 March 2023</b>						
<b>Gross Block</b>						
Opening gross block as at 01 April 2022	864.84	464.51	9.49	14.39	360.28	1,713.51
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	(5.80)	(5.80)
<b>Closing Gross Block As at 31 March 2023</b>	<b>864.84</b>	<b>464.51</b>	<b>9.49</b>	<b>14.39</b>	<b>354.48</b>	<b>1,707.71</b>
<b>Accumulated Depreciation</b>						
Opening accumulated depreciation as at 01 April 2022	864.26	436.74	9.49	14.39	337.15	1,662.04
Depreciation charge during the year	0.58	5.15	-	-	4.64	10.37
Disposals	-	-	-	-	(5.49)	(5.49)
<b>Closing Accumulated Depreciation As at 31 March 2023</b>	<b>864.84</b>	<b>441.89</b>	<b>9.49</b>	<b>14.39</b>	<b>336.30</b>	<b>1,666.92</b>
<b>Net Block As at 31 March 2023</b>	<b>(0.00)</b>	<b>22.62</b>	<b>-</b>	<b>-</b>	<b>18.17</b>	<b>40.79</b>

PARTICULARS	Owned Assets					Total
	Leasehold improvements	Computers / hardware	Plant and Equipment	Furniture and Fixtures	Office Equipment	
<b>As at 31 March 2022</b>						
<b>Gross Block</b>						
Opening gross block as at 01 April 2021	864.84	464.51	9.49	14.39	362.83	1,716.06
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	(2.55)	(2.55)
<b>Closing Gross Block As at 31 March 2022</b>	<b>864.84</b>	<b>464.51</b>	<b>9.49</b>	<b>14.39</b>	<b>360.28</b>	<b>1,713.51</b>
<b>Accumulated Depreciation</b>						
Opening accumulated depreciation as at 01 April 2021	841.81	416.31	9.49	14.39	321.27	1,603.27
Depreciation charge during the year	22.45	20.43	-	-	18.18	61.06
Disposals	-	-	-	-	(2.30)	(2.30)
<b>Closing Accumulated Depreciation As at 31 March 2022</b>	<b>864.26</b>	<b>436.74</b>	<b>9.49</b>	<b>14.39</b>	<b>337.15</b>	<b>1,662.03</b>
<b>Net Block As at 31 March 2022</b>	<b>0.58</b>	<b>27.77</b>	<b>-</b>	<b>-</b>	<b>23.13</b>	<b>51.48</b>

**Notes:**

1. Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).
2. No revaluation of Fixed Asset (including Intangible and ROU) is carried out during the year.

**FINO Finance Private Limited**  
**(Formerly known as Intrepid Finance And Leasing Private Limited)**

**Notes to the financial statements**

**Note - 8 Other intangible assets**

PARTICULARS	Computer software	Total
<b><u>As at 31 March 2023</u></b>		
<b>Gross Block</b>		
Opening gross block as at 01 April 2022	48.08	48.08
Additions	-	-
Disposals	-	-
	-	-
<b>Closing Gross Block As at 31 March 2023</b>	<b>48.08</b>	<b>48.08</b>
<b>Accumulated amortisation</b>		
Opening accumulated depreciation as at 01 April 2022	48.04	48.04
Amortisation charge during the year	0.04	0.04
Disposals	-	-
	-	-
<b>Closing Accumulated Depreciation As at 31 March 2023</b>	<b>48.08</b>	<b>48.08</b>
		-
<b>Net Block As at 31 March 2023</b>	<b>-</b>	<b>-</b>

PARTICULARS	Computer software	Total
<b><u>As at 31 March 2022</u></b>		
<b>Gross Block</b>		
Opening gross block as at 01 April 2021	48.08	48.08
Additions	-	-
Disposals	-	-
	-	-
<b>Closing Gross Block As at 31 March 2022</b>	<b>48.08</b>	<b>48.08</b>
<b>Accumulated amortisation</b>		
Opening accumulated depreciation as at 01 April 2021	33.62	33.62
Amortisation charge during the year	14.42	14.42
Disposals	-	-
	-	-
<b>Closing Accumulated Depreciation As at 31 March 2022</b>	<b>48.04</b>	<b>48.04</b>
		-
<b>Net Block As at 31 March 2022</b>	<b>0.04</b>	<b>0.04</b>

**FINO Finance Private Limited**  
**(Formerly known as Intrepid Finance And Leasing Private Limited)**

**Notes to the financial statements (continued)**

(INR in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Note 2</b>		
<b>Cash and cash equivalents</b>		
Balance with banks :		
-In current account	80.23	2,761.69
In deposits with original maturity of less than 3 months	-	-
Cash on hand	16.93	9.13
Less: Loss allowance	(0.02)	(0.53)
	<b>97.14</b>	<b>2,770.29</b>

**Note 3**

**Bank balances other than cash and cash equivalent**

Fixed deposits	-	220.55
Deposits with Banks	2,467.64	1,182.59
Less: Loss allowance	(0.48)	(0.22)
	<b>2,467.16</b>	<b>1,402.92</b>

\* Represents deposits of Rs. NIL (31 March 2022 : Rs. 531.03 lakhs) provided as cash collateral against borrowings and represents deposits of Rs. 474.18 lakhs (31 March 2022 : Rs 859.04 lakhs) provided as cash collateral against business correspondent agreement

**Note 4**

**Trade and other receivables**

**Trade Receivables**

Unsecured considered good	111.60	169.94
- Considered Doubtful	-	-
Less: Loss allowance	-	-
	<b>111.60</b>	<b>169.94</b>

**Particulars**

(Outstanding from due date of payment / from date of transaction)

(i) Undisputed Trade Receivables – considered good

Less than 6 months	85.37	117.90
6 months - 1 year	26.23	52.04
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	<b>111.60</b>	<b>169.94</b>
Less: Provision for doubtful receivables	-	-
	<b>111.60</b>	<b>169.94</b>

**Note 5****Financial assets - Loans (At amortised cost)**

Security Deposits		
Loans and Advances to Related Parties		
Loans to Joint liability groups	2,211.94	2,873.33
Loans to Joint liability groups - Securitised	(0.00)	(0.00)
Less: Loss allowance on Joint liability Groups	<u>(2,210.95)</u>	<u>(2,537.29)</u>
	0.99	336.04
Loans to MSME (Secured, considered good)	417.43	626.44
Loans to MSME (Secured, considered doubtful)	-	-
Loans to MSME (Unsecured, considered good)	-	-
Less: Loss allowance on MSME	<u>(330.80)</u>	<u>(353.53)</u>
	86.63	272.91
	<b><u>87.62</u></b>	<b><u>608.95</u></b>
<b>Out of the Above</b>		
<b>(I) Secured</b>	<b>417.43</b>	<b>626.44</b>
Less: Loss allowance	<u>(71.25)</u>	<u>(284.73)</u>
Total (I)	<b><u>346.18</u></b>	<b><u>341.71</u></b>
<b>(II) Unsecured</b>	<b>2,211.94</b>	<b>2,873.33</b>
Less: Loss allowance	<u>(2,470.50)</u>	<u>(2,606.09)</u>
Total (II)	<b><u>(258.56)</u></b>	<b><u>267.24</u></b>
<b>Total (I+II)</b>	<b><u>87.62</u></b>	<b><u>608.95</u></b>
<b>Out of the Above</b>		
Loans in India	<b>2,629.37</b>	<b>3,499.77</b>
Others	-	-
Less: Loss allowance	<u>(2,541.75)</u>	<u>(2,890.82)</u>
<b>Total</b>	<b><u>87.62</u></b>	<b><u>608.95</u></b>

**Note 6****Other financial assets**

Security Deposits	3.27	18.92
Less: Loss allowance on security deposits	<u>(1.63)</u>	<u>(7.72)</u>
	1.63	11.20
Death claim receivable - Unsecured, considered good	4.16	2.51
Less: Provision for doubtful death claim receivable	<u>-</u>	<u>-</u>
	4.16	2.51
	<b><u>5.79</u></b>	<b><u>13.71</u></b>

**Note 9****Other non-financial assets**

Prepaid Expenses	10.29	14.45
Advances to employees	-	0.20
Other Assets	25.58	255.52
	<b><u>35.87</u></b>	<b><u>270.17</u></b>

**Note 10**  
**Trade payables**

Dues to Micro, Small and Medium Enterprises	-	-
Others	95.92	79.56
	<b>95.92</b>	<b>79.56</b>

**Particulars**

(Outstanding from due date of payment / from date of transaction)

(i) MSME		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-

(ii) Others

Less than 1 year	94.16	78.44
1-2 years	0.76	1.12
2-3 years	1.00	-
More than 3 years	-	-
	<b>95.92</b>	<b>79.56</b>

(iii) Disputed dues - MSME

Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-

(iv) Disputed dues – Others

Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-

**Total**

	<b>95.92</b>	<b>79.56</b>
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**Note 11****Borrowings (At amortised cost)  
Secured****(A) Term Loans**

(i) from Banks	0.00	35.69
(ii) from other parties	0.00	-

**(B) Loans repayable on demand**

(i) From Banks		
Cash credit*	-	2,003.70

<b>0.00</b>	<b>2,039.39</b>
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**Out of the Above**

Borrowings in India	0.00	2,039.39
Borrowings outside India	-	-

**Total**

<b>0.00</b>	<b>2,039.39</b>
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**Secured Loans:**

a. Term loans from banks are taken at an interest rate ranging from 10.75% p.a. to 14.50% p.a. and are repayable in monthly / quarterly installments ranging from 24 to 39 months. The same has been repaid in full during FY 22-23.

\* Cash credit facility from bank is taken at an interest rate of 10.05% p.a. and the same is secured against 1.2 times of the outstanding loans, corporate guarantee of Holding Company viz. Fino PayTech Limited and cash collaterals.

**Note 12****Subordinated liabilities (At amortised cost)**

Subordinated debt (Non-convertible debenture)	1,993.07	1,991.03
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<b>1,993.07</b>	<b>1,991.03</b>
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**Out of the Above**

Subordinated debt in India	1,993.07	1,991.03
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<b>1,993.07</b>	<b>1,991.03</b>
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**Unsecured loans:**

Subsequent subordinated debt of Rs. 2,000 lakhs is issued at an interest rate of 14.50% p.a. and is repayable on 01 October 2025 in a single bullet payment with interest payable monthly and is unsecured.



**Note 13****Other financial liabilities**

Collections payable on loan securitised	0.41	0.13
Other Payables	113.68	-
	<b>114.09</b>	<b>0.13</b>

**Note 14****Lease liabilities**

Lease liabilities	-	2.35
	<b>-</b>	<b>2.35</b>

**Note 15****Provisions****Provision for employee benefits**

Gratuity [Refer note 30]	60.04	67.71
Bonus payable	18.26	18.00
Compensated Absences [Refer note 30]	4.65	6.40
	<b>82.95</b>	<b>92.11</b>

**Other provision :**

Provision for expected loss on first loss default guarantee	42.60	107.58
	<b>42.60</b>	<b>107.58</b>
	<b>125.55</b>	<b>199.69</b>

**Note 16****Other non-financial liabilities**

Statutory dues payable (includes VAT, Excise Duty, Provident Fund, Withholding Taxes, etc.)

Statutory dues payable (includes VAT, Excise Duty, Provident Fund, Withholding Taxes, etc.)	-	9.40
Other liabilities	15.70	57.16
	<b>15.70</b>	<b>66.55</b>

**Note 18****Other Equity**

Securities Premium Reserve	14,504.47	14,504.47
Statutory Reserve (as per RBI Act)	175.87	175.87
Retained Earnings	(18,588.39)	(18,012.12)
Deemed equity	232.02	229.34
	<b>(3,676.03)</b>	<b>(3,102.44)</b>

**Securities Premium Reserve**

As per Last Balance Sheet	14,504.47	11,490.35
Additions during the year	-	3,050.00
Share issue expenses	-	(35.88)
<b>Closing Balance</b>	<b>14,504.47</b>	<b>14,504.47</b>

**Statutory Reserve (as per RBI Act)**

As per Last Balance Sheet	175.87	175.87
Appropriations for the year	-	-
<b>Closing Balance</b>	<b>175.87</b>	<b>175.87</b>

**Retained Earnings**

As per Last Balance Sheet	(18,012.12)	(10,592.06)
Net (loss) for the year	(573.68)	(7,438.80)
Remeasurements to net defined benefit plans	(2.59)	18.74
<b>Closing Balance</b>	<b>(18,588.39)</b>	<b>(18,012.12)</b>

**Deemed equity**

As per Last Balance Sheet	229.34	231.02
Additions during the year	2.68	(1.68)
<b>Closing Balance</b>	<b>232.02</b>	<b>229.34</b>
	<b>(3,676.03)</b>	<b>(3,102.44)</b>

**FINO Finance Private Limited**  
(Formerly known as Intrepid Finance And Leasing Private Limited)

Notes to the financial statements (continued)

Particulars	(INR in Lakhs)	
	As at 31 March 2023	As at 31 March 2022
<b>Note 17</b>		
<b>Share Capital</b>		
<b>a Authorised :</b>		
Equity Shares of Rs. 10 each		
53,500,000 (31 March 2022: 53,500,000) Equity shares	5,350.00	5,350.00
	<b>5,350.00</b>	<b>5,350.00</b>
<b>b Issued and Subscribed and Paid up:</b>		
41,576,807 (31 March 2022 : 41,576,807) Equity shares fully paid up	4,157.68	4,157.68
	<b>4,157.68</b>	<b>4,157.68</b>
<b>c Reconciliation of number of shares outstanding at the beginning and end of the year :</b>		
<b>Equity share :</b>		
Outstanding at the beginning of the year	41,576,807	11,076,807
Equity Shares issued during the year in consideration for cash	-	30,500,000
Outstanding at the end of the year	<b>41,576,807</b>	<b>41,576,807</b>

**d Terms / Rights attached to each classes of shares**

**1. Rights attached to Equity shares**

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

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the current year, the company has not declared any dividend (31 March 2022:Nil).

**e Shares in respect of each class in the company held by its holding company**

**Equity share**

Equity Shares held by FINO PayTech Limited

As at 31 March 2023		As at 31 March 2022	
No. of Shares	Amount in INR	No. of Shares	Amount in INR
41,576,807	4,157.68	41,576,807	4,157.68

**f Shareholders holding more than 5% shares in the company is set out below:**

**Equity share**

FINO PayTech Limited

As at 31 March 2023		As at 31 March 2022	
No. of Shares	No of shares	No. of Shares	No of shares
41,576,807	100%	41,576,807	100%

**g** Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of 5 years immediately preceding the reporting date: Nil (31 March 2022 : Nil).

**h Shares held by promoters at the end of the year**

**Name of the Promoter**

**Equity share capital**

FINO PayTech Limited

As at 31 March 2023		As at 31 March 2022		% change
No. of shares	% held	No. of shares	% held	
41,576,807	100%	41,576,807	100%	No change

**Name of the Promoter**

**Equity share capital**

FINO PayTech Limited

As at 31 March 2022		As at 31 March 2021		% change
No. of shares	% held	No. of shares	% held	
41,576,807	100%	11,076,806	100%	No change

**FINO Finance Private Limited**  
**(Formerly known as Intrepid Finance And Leasing Private Limited)**

**Notes to the financial statements (continued)**

Particulars	For the Year ended 31 March 2023	For the year ended 31 March 2022
<b>Note 19</b>		
<b>Interest income (On financial assets measured at amortised cost)</b>		
Interest income on portfolio loans	138.26	621.49
Interest on fixed deposits*	123.33	134.80
Other interest	14.73	11.34
	<b>276.32</b>	<b>767.63</b>
*Represents interest on fixed deposits placed as cash collateral to avail term loans from banks, non-banking financial companies and on deposits placed as cash collateral in connection with BC Business.		
<b>Note 20</b>		
<b>Fees and comission income</b>		
Loan processing fees	-	13.83
Service charges	193.72	676.19
	<b>193.72</b>	<b>690.02</b>
<b>Note 21</b>		
<b>Other Income</b>		
Net gain on sale of fixed assets	0.82	-
Gain on disposal of Right-of-use assets	-	2.79
	<b>0.82</b>	<b>2.79</b>
<b>Note 22</b>		
<b>Finance Costs (On financial liabilities measured at amortised cost)</b>		
Interest on borrowings	291.97	1,050.94
Unwinding of lease liabilities	0.10	1.95
Other finance costs	0.02	31.56
	<b>292.09</b>	<b>1,084.45</b>
<b>Note 23</b>		
<b>Impairment on financial instruments (At amortised cost)</b>		
Loans	-	6,672.29
First loss default guarantee	(412.32)	59.06
Others	-	(905.81)
	<b>(412.32)</b>	<b>5,825.54</b>

**Note 24****Employee benefit expense**

Salaries and Wages	745.39	1,177.89
Contribution to Provident and Other Funds	60.90	134.18
Staff Welfare Expenses	0.94	1.12
ESOP expense	2.68	(1.68)
	<b>809.91</b>	<b>1,311.51</b>

**Note 25****Other Expenses**

Repairs and Maintenance:		
- Buildings	-	-
- Others	20.87	48.13
Rent	90.82	182.42
Rates and Taxes	4.36	0.12
Insurance	26.55	51.50
Electricity charges	23.67	18.51
Communication cost	18.11	42.56
Bank charges	3.63	2.20
Travelling and Conveyance	10.18	10.96
Legal and Professional Charges	61.96	112.56
Infrastructure cost	2.19	37.03
Stationery & Printing Expenses	6.30	11.54
Directors sitting fees	3.57	10.75
Payment to auditors		
- Statutory Audit	15.91	14.16
- Reimbursement of expenses	-	-
Advertisement, publicity and sales promotion expenses	4.02	0.73
Miscellaneous Expenses	50.76	30.09
	<b>342.90</b>	<b>573.26</b>

Notes to the financial statements (continued)

Note 26

1. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2023 INR lakhs	Carrying amount		Fair value	
	Amotised Cost	Total	Level 3	Total
<b>Financial assets</b>				
Cash and cash equivalents	97.14	97.14	97.14	97.14
Other bank balances	2,467.16	2,467.16	2,467.16	2,467.16
Trade receivables	111.60	111.60	111.60	111.60
Loans				
Loans - JLG group	0.99	0.99	0.99	0.99
Loans to MSME	86.63	86.63	86.63	86.63
Other financial assets				
Death claim receivable	4.16	4.16	4.16	4.16
Security Deposits	1.63	1.63	1.63	1.63
Others	-	-	-	-
	<b>2,769.32</b>	<b>2,769.32</b>	<b>2,769.32</b>	<b>2,769.32</b>
<b>Financial liabilities</b>				
Trade and other payables	95.92	95.92	95.92	95.92
Borrowings	0.00	0.00	0.00	0.00
Subordinated debts	1,993.07	1,993.07	2,000.00	2,000.00
Other financial liabilities				
Others	114.09	114.09	114.09	114.09
	<b>2,203.09</b>	<b>2,203.08</b>	<b>2,210.01</b>	<b>2,210.01</b>
<b>31 March 2022 INR lakhs</b>				
	Carrying amount		Fair value	
	Amotised Cost	Total	Level 3	Total
<b>Financial assets</b>				
Cash and cash equivalents	2,770.29	2,770.29	2,770.29	2,770.29
Other bank balances	1,402.92	1,402.92	1,409.19	1,409.19
Trade receivables	169.94	169.94	169.94	169.94
Loans				
Loans - JLG group	336.04	336.04	336.04	336.04
Loans to MSME	272.91	272.91	250.45	250.45
Other financial assets				
Death claim receivable	2.51	2.51	2.51	2.51
Security Deposits	11.20	11.20	11.20	11.20
	<b>4,965.81</b>	<b>4,965.81</b>	<b>4,949.62</b>	<b>4,949.62</b>
<b>Financial liabilities</b>				
Trade and other payables	79.56	79.56	79.56	79.56
Debt Securities	-	-	-	-
Borrowings	2,039.39	2,039.39	2,039.39	2,039.39
Subordinated debts	1,991.03	1,991.03	2,000.00	2,000.00
Other financial liabilities				
Lease liabilities	2.35	2.35	2.35	2.35
Others	0.13	0.13	0.13	0.13
	<b>4,112.46</b>	<b>4,112.46</b>	<b>4,121.43</b>	<b>4,121.43</b>

(1) Assets that are not financial assets (such as unamortised guarantee cost, prepaid guarantee commission, prepaid expenses, advances to supplier etc.), are not included.

(2) Other liabilities that are not financial liabilities (such as statutory dues payable and certain other accruals) are not included.

## B. Measurement of fair values

Valuation techniques and significant unobservable inputs

- a. Fair value of cash and bank balances, prepaid guarantee commission, other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to short term maturities of these instruments.
- b. The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

### Financial instruments measured at fair value

Type	Valuation technique
Fixed rates long term borrowings	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Security Deposits	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Loans to joint liability groups	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.

## C. Financial risk management

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

- Credit risk ;
- Liquidity risk ; and
- Market risk

### i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

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

**Notes to the financial statements (continued)**

**Financial instruments – Fair values and risk management (continued)**

**ii. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The maximum exposure to the credit risk at the reporting date is primarily from loans to Joint Liability Groups (JLG), loans to Micro, Small and Medium Enterprises (MSME) and other loans and advances (such as Mobile Loans, security deposits, FLDG placed for borrowings and securitisation, death claim receivable etc.) as mentioned below. Both trade receivables and other loans and advances are unsecured.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company offers any loan.

**a. Collaterals held and concentrations of credit risk**

The company does not hold any collaterals against any of its credit exposures except for loans to MSME Borrowers

In case of loans to MSMEs, collateral is generally comprised of mortgage of residential house property of the MSME borrowers to cover any shortfall in outstanding loan principal and accrued interest. Such mortgage of residential house property provides a secondary source of repayment of funds advanced in the event that a customer cannot meet their contractual repayment obligations. The Loan to Value (LTV) of such loans is generally in the range of 35% to 40%.

The Company evaluates the concentration of risk with after considering factors such as the geographical spread of its operations, the limit on lending to a single borrower and the past history of borrowers. The risk of concentration to credit risk is not considered to be significant with respect to loans made to the Joint Liability Group comprising women living in rural areas of India. The Company's operations are spread out across 6 states in India with no concentration in any single area within a particular state.

**b. Amounts arising from ECL**

**i. Inputs, assumptions and techniques used for estimating impairment of receivables**

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

**ii. Inputs, assumptions and techniques used for estimating impairment on JLG loans**

**Inputs considered in the ECL model:**

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience, expert credit assessment and including forward looking information.

In assessing the impairment of loan assets under Expected Credit Loss (ECL) Model, the loans have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial instrument.

The company categorises loan assets into stages based on the days past due status.

- Stage 1: 0-30 days past due
- Stage 2: 31- 90 days past due
- Stage 3: More than 90 days past due

**Assumption considered in the ECL model:**

- "Loss given default" (LGD) is an estimate of loss from a transaction given that a default occurs.
- "Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12 month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD.
- "Exposure at default" (EAD) represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company.

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#### Estimation techniques:

The Lending business has applied the following estimation technique for ECL model:

- The probability of default is computed using a "roll rate" method based on the probability of receivable progressing through successive stages based on past portfolio
- Loss given default is calculated after considering regulatory LGD as a starting point and adjusting for past recoveries.
- For FLDGs placed for BC Lending business, the ECL shall be calculated as lower of :
  1. ECL on the underlying loan portfolio
  2. Amount of FLDGs provided

#### Forward looking information:

The Company incorporates forward looking information into both assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of a variety of external actual and forecast information, the Company forms a 'base case' view of the future direction of relevant economic variables such as real GDP, private consumption, domestic demand and money supply . This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

#### Assessment of significant increase in credit risk:

The credit risk on a financial asset of the Company are assumed to have increased significantly since initial recognition when contractual payments are more than 30 days past due. Accordingly the financial assets shall be classified as Stage 2, if on the reporting date, it has been 30 days past due.

#### Definition of default

A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which the company operates and other micro-economic factors. Accordingly the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days past due.

#### iii. Ageing analysis

The following tables show the ageing of loans & receivables:

<b>Trade receivables</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Less than 180 days	85.37	169.94
More than 180 days	26.23	-
<b>Closing balance</b>	<b>111.60</b>	<b>169.94</b>

<b>JLG loans</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Stage 1	0.35	253.77
Stage 2	3.14	164.91
Stage 3	2,208.45	2,454.65
<b>Closing balance</b>	<b>2,211.94</b>	<b>2,873.33</b>

<b>MSME loans</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Stage 1	70.36	239.73
Stage 2	24.41	55.26
Stage 3	322.65	331.45
<b>Closing balance</b>	<b>417.43</b>	<b>626.44</b>

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**iv. Loss allowance**

The following table shows reconciliations from the opening to the closing balance of the loss allowances and write offs:

<b>Loans to Joint liability groups</b>	<b>12-month ECL</b>	<b>Lifetime ECL not credit-impaired</b>	<b>Lifetime ECL credit-impaired</b>	<b>Total</b>
Balance as at 01 April 2021	41.18	1,374.74	3,012.48	4,428.40
Transfer to 12 month ECL	0.95	(0.61)	(0.34)	-
Transfer to Lifetime ECL not credit impaired	(2.07)	(0.15)	2.22	-
Transfer to Lifetime ECL credit impaired	(6.46)	(109.38)	115.84	0.00
Net remeasurement of loss allowance	3.12	20.86	-	23.98
New financial assets originated or purchased	99.96	2,252.17	2,049.35	4,401.48
Financial assets that have been derecognised	(125.06)	(3,466.69)	(2,724.82)	(6,316.58)
<b>Balance as at 31 March 2022</b>	<b>11.62</b>	<b>70.94</b>	<b>2,454.73</b>	<b>2,537.29</b>
Transfer to 12 month ECL	-	-	-	-
Transfer to Lifetime ECL not credit impaired	(0.00)	0.00	-	-
Transfer to Lifetime ECL credit impaired	(1.43)	(23.82)	25.25	-
Net remeasurement of loss allowance	(10.16)	(44.65)	(271.53)	(326.34)
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>0.03</b>	<b>2.47</b>	<b>2,208.45</b>	<b>2,210.95</b>

<b>Loans to MSME</b>	<b>12-month ECL</b>	<b>Lifetime ECL not credit-impaired</b>	<b>Lifetime ECL credit-impaired</b>	<b>Total</b>
Balance as at 01 April 2021	4.28	14.09	69.76	88.13
Transfer to 12 month ECL	2.65	(0.14)	(2.51)	-
Transfer to Lifetime ECL not credit impaired	(0.13)	2.93	(2.80)	-
Transfer to Lifetime ECL credit impaired	(0.41)	(2.53)	2.94	0.00
Net remeasurement of loss allowance	1.03	2.95	-	3.98
New financial assets originated or purchased	(0.55)	(2.10)	264.07	261.42
<b>Balance as at 31 March 2022</b>	<b>6.87</b>	<b>15.20</b>	<b>331.46</b>	<b>353.53</b>
Transfer to 12 month ECL	-	-	-	-
Transfer to Lifetime ECL not credit impaired	-	-	-	-
Transfer to Lifetime ECL credit impaired	-	-	-	-
Net remeasurement of loss allowance	(5.40)	(8.53)	(8.80)	(22.73)
New financial assets originated or purchased	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>1.47</b>	<b>6.67</b>	<b>322.66</b>	<b>330.80</b>

**ii. Credit risk (Continued)**

<b>Trade Receivables</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Opening balance	-	-
Net Impairment loss recognised	-	-
Balance written back	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>

<b>FLDGs placed for BC lending</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Opening balance	107.58	48.53
Net Impairment loss recognised	(64.98)	59.05
Balance written back	-	-
<b>Closing balance</b>	<b>42.60</b>	<b>107.58</b>

<b>Other advances</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Opening balance	7.72	173.75
Net Impairment loss recognised	(6.08)	(166.03)
Balance written back	-	-
<b>Closing balance</b>	<b>1.63</b>	<b>7.72</b>

12 month ECL' and 'lifetime ECL not impaired' are collectively assessed. 'Lifetime ECL credit impaired' are individually assessed. Loans which are written off continue to be subject to enforcement activity.

**Significant changes in gross carrying value that contributed to change in loss allowance:**

The lending business mostly provides loans to joint liability groups in rural areas which have significantly increased on a year on year basis and hence contributed to the change in loss allowance.

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**FINO Finance Private Limited**  
**(Formerly known as Intrepid Finance And Leasing Private Limited)**

**Notes to the financial statements (continued)**

**Financial instruments – Fair values and risk management (continued)**

**iii. Liquidity risk**

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

**Maturity profile of financial liabilities**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments.

31 March 2023	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
Rupee term loans from banks	0.00	0.00	0.00	-	-	-	-
Subordinated debt	1,993.07	2,750.82	146.19	144.60	290.00	2,170.03	-
Working capital loans from banks	-	-	-	-	-	-	-
Trade and other payables	95.92	118.85	118.85	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-
Other financial liabilities	0.41	0.41	0.41	-	-	-	-

31 March 2022	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
Rupee term loans from banks	35.69	35.69	35.69	-	-	-	-
Subordinated debt	1,991.03	3,040.82	146.19	143.81	290.79	2,460.03	-
Working capital loans from banks	2,003.70	2,003.70	2,003.70	-	-	-	-
Trade and other payables	79.56	79.56	79.56	-	-	-	-
Lease liabilities	2.35	2.44	2.44	-	-	-	-
Other financial liabilities	0.13	0.13	0.13	-	-	-	-

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**FINO Finance Private Limited**  
**(Formerly known as Intrepid Finance And Leasing Private Limited)**

**Notes to the financial statements (continued)**

**Financial instruments – Fair values and risk management (continued)**

**iv. Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company has its revenues and other transactions in its functional currency i.e. INR. Accordingly the Company is not exposed to any currency risk.

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**FINO Finance Private Limited**  
**(Formerly known as Intrepid Finance And Leasing Private Limited)**

**Notes to the financial statements (continued)**

**Financial instruments – Fair values and risk management (continued)**

**v. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates primarily to the Company's borrowings with floating interest rates.

**Exposure to interest rate risk**

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

<b>Borrowings</b>	<b>INR Lakhs</b>	
	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Fixed rate borrowings	<b>1,993.07</b>	4,030.42
Variable rate borrowings	-	-
	<b>1,993.07</b>	<b>4,030.42</b>

**Cash flow sensitivity analysis for variable-rate instruments**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below.

<b>INR Lakhs</b>	<b>Profit or (loss)</b>		<b>Equity</b>	
	<b>100 bp increase</b>	<b>100 bp decrease</b>	<b>100 bp increase</b>	<b>100 bp decrease</b>
<b>31 March 2023</b>				
Variable-rate instruments	-	-	-	-
<b>Cash flow sensitivity (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>31 March 2022</b>				
Variable-rate instruments	-	-	-	-
<b>Cash flow sensitivity (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. The sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

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**FINO Finance Private Limited**  
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**Notes to the financial statements (continued)**

**Note 27 : Leases**

**Right-of-use (ROU) asset**

<b>Particulars</b>	<b>Building</b>	<b>Total</b>
<b>Gross Block</b>		
Opening Balance as on 01 April 2021	327.56	327.56
Additions	-	-
Deletions	286.72	286.72
<b>Closing Balance as on 31 March 2022</b>	<b>40.84</b>	<b>40.84</b>
<b>Accumulated depreciation</b>		
Opening Balance as on 01 April 2021	283.93	283.93
Depreciation for the period	29.00	29.00
Depreciation on deletions	273.68	273.68
<b>Closing Balance as on 31 March 2022</b>	<b>39.25</b>	<b>39.25</b>
<b>Net block as at 31 March 2022</b>	<b>1.59</b>	<b>1.59</b>

<b>Particulars</b>	<b>Building</b>	<b>Total</b>
<b>Gross Block</b>		
Opening Balance as on 01 April 2022	40.84	40.84
Additions	-	-
Deletions	40.84	40.84
<b>Closing Balance as on 31 March 2023</b>	<b>-</b>	<b>-</b>
<b>Accumulated depreciation</b>		
Opening Balance as on 01 April 2022	39.25	39.25
Depreciation for the period	1.59	1.59
Depreciation on deletions	40.84	40.84
<b>Closing Balance as on 31 March 2023</b>	<b>-</b>	<b>-</b>
<b>Net block as at 31 March 2023</b>	<b>-</b>	<b>-</b>

<b>Lease liabilities included in the balance sheet</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Current	-	2.35
Non-current	-	-
	-	2.35

<b>Amounts recognised in the statement of profit and loss</b>	<b>For the Year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
Interest on Lease Liabilities	0.10	1.95
Expenses relating to short-term leases	90.82	182.42
	90.92	184.37

<b>Amounts recognised in the statement of cash flows</b>	<b>For the Year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
Total cash outflow for leases for long term leases	2.45	45.90

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**Notes to the financial statements (continued)**

**Note 28**

**Capital Management**

The Company's objectives when managing capital are to (a) maximise shareholders value and provide benefit to the stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using a ratio of "adjusted net debt" to "adjusted equity". For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

The business of the company is subject to the capital adequacy requirements to the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, the company is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital.

	INR Lakhs	
	As at 31 March 2023	As at 31 March 2022
Borrowings	<u>1,993.07</u>	<u>4,030.42</u>
<b>Gross Debt</b>	<b>1,993.07</b>	<b>4,030.42</b>
Less - Cash and Cash Equivalents	(97.14)	(2,770.29)
Less - Other Bank Deposits	<u>(2,467.16)</u>	<u>(1,402.92)</u>
<b>Adjusted Net debt</b>	<b>(571.23)</b>	<b>(142.79)</b>
<b>Total equity</b>	<b>481.65</b>	<b>1,055.24</b>
Adjusted Net debt to equity ratio	(1.19)	(0.14)

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**Notes to the financial statements (continued)**

**Note 29**

**Share-based payment arrangements**

**A. Description of share-based payment arrangements**

**i. Share option programmes (equity-settled)**

The Fino PayTech Limited ('holding company') has only one Employee Stock Option Plan ESOP II 2007 ('Plan') in force for a total grant of 2,34,63,000 options across the various schemes under the said Plan. The Plan provides that the groups's employees are granted an option to acquire equity shares of the holding company that vests in a graded manner. During the current year an amendment has been made to the employee stock option scheme with reference to exercise of vested option by Option Grantee's nominee or legal heirs in case of death of option holder in accordance with which, all Vested Options may be Exercised by the Option Grantee's nominee or legal heirs immediately after, but in no event later than five years from the date of Death of the option holder. This amendment has come into force from 24th May, 2017.

Grant date	Exercise price	Share options 31 March 2023	Share options 31 March 2022
1-Aug-10	30.00	-	-
1-Oct-11	75.00	-	-
1-Aug-12	80.00	-	-
6-Feb-15	80.00	10,000	10,000
1-Dec-15	70.64	-	15,000
16-Aug-17	100.00	79,386	112,500
1-Aug-18	105.00	75,441	105,000
1-Jul-19	100.00	23,474	40,000

The weighted average share price as at the date of exercise of options exercised during previous year ended 31 March 2022 was INR 68.41 ). Since the company is not listed, the share price available during the year is taken as the weighted average share price. No shares are exercised in the current year.

Share options outstanding at the end of the period have the following exercise price. As per the ESOP scheme-II 2007, while in employment the employee can exercise the vested options till the time it is listed in a stock exchange and three years from the date of vesting. Additionally, in the case of resignation/termination, all the vested options as on the last working day of the employee shall be exercisable before the expiry of three years from the his/ her last working day. Hence, the contractual life of the options is not determinable.

**B. Measurement of fair values**

**i. Equity-settled share-based payment arrangements**

The fair value of the employee share options has been measured using the Black-Scholes formula. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The requirement that the employee has to save in order to purchase shares under the share purchase plan has been incorporated into the fair value at grant date by applying a discount to the valuation obtained. The discount has been determined by estimating the probability that the employee will stop saving based on historical behavior.

	31 March 2023	31 March 2022
Grant date	Nil	Nil
Fair value at grant date	N.A	N.A
Share price at grant date	N.A	N.A
Exercise price	N.A	N.A
Expected volatility (weighted-average)	N.A	N.A
Expected life (weighted-average)	N.A	N.A
Expected dividends	N.A	N.A
Risk-free interest rate (based on government bonds)	N.A	N.A

The following table lists the average inputs to the models used for the plans for the year ended 31 March 2023.

Particulars	Description of the inputs used
Expected volatility (weighted-average)	Expected volatility of the option is based on historical volatility of market returns, during a period equivalent to the option life, and adjusted for company's nature of operations and industry category.
Expected dividends	Dividend yield of the options is based on past trends of profitability and management's estimates of future dividends.
Risk-free interest rate (based on government bonds)	Risk-free interest rates are based on the government of India securities yield in effect at the time of the grant.

### C. Reconciliation of outstanding share options

Activity in the options outstanding under the employee's stock option Scheme as at 31 March 2023

Particulars	31 March 2023		31 March 2022	
	Average exercise price per share per option	Number of options	Average exercise price per share per option	Number of options
Options outstanding at the beginning of the year	99.59	282,500	95.87	371,250
Add: Options granted during the year	-	-	-	-
Less: Options exercised during the year	-	-	81.25	75,625
Less: Options lapsed during the year	84.68	28,750	100.00	13,125
Options outstanding as at the year end	100.94	188,301	99.59	282,500
Options exercisable as at the year end	100.97	183,301	99.04	251,250

### D. Expenses arising from share based payment transactions

The total expenses arising from share based payment transactions recognised profit or loss as part of employee benefit expenses is INR 2.68 lakhs (31 March 2022 : INR -1.68 lakhs).



**FINO Finance Private Limited**  
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Notes to the financial statements (continued)

**Note 30**

**Employee benefits**

**A. The Company contributes to the following post-employment defined contribution plan in India.**

**Provident Fund:**

The Company makes specified monthly contributions towards Government administered provident fund schemes. The Company's obligation for such schemes is limited to the amount of contribution made.

The Company has recognised an amount of INR 51.38 Lakhs (31 March 2022: 92.84 Lakhs) as provident fund contributions in the Statement of Profit and Loss.

**B. The Company contributes to the following post-employment defined benefit plans in India.**

**Gratuity:**

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted.

The calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

**Compensated absences:**

Compensated absences balance upto 7 days are encashed at the end of financial year on the basic salary. Encashment of more than 7 days of leave is not permitted. Leave balance over 7 days will lapse at the end of the financial year.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity and compensated absences amounts recognised in the Company's financial statements as at balance sheet date:

Particulars	Note	Gratuity	
		31 March 2023	31 March 2022
Liability at the end of the year	15	60.04	67.71
Fair value of Plan Assets at the end of the year		-	-
<b>Amount recognised in balance sheet</b>		<b>60.04</b>	<b>67.71</b>
Non-current liability		47.14	13.11
Current Liability		12.90	54.60

**Movement in net defined benefit (asset) liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	Gratuity			
	Defined benefit obligation		Fair value of plan assets	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Opening balance	67.71	109.15	-	-
Add: Adjustments to opening balance on account of transfer				
Adjusted opening balance	67.71	109.15	-	-
Included in profit or loss				
Current service cost	9.26	12.77	-	-
Interest cost (income)	4.13	6.11	-	-
	81.09	128.03	-	-
Included in OCI				
Remeasurement loss (gain):				
Actuarial loss (gain) arising from:	-	-	-	-
Demographic assumptions	-	-	-	-
Financial assumptions	(3.13)	(1.55)	-	-
Experience adjustments	5.73	(17.20)	-	-
	83.69	109.28	-	-
<b>Other</b>				
Contributions paid by the employer				
Benefits paid	(23.65)	(41.57)	-	-
Closing balance	60.04	67.71	-	-

**i. Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date.

Particulars	31 March 2023	31 March 2022
Discount rate	7.30%	6.10%
Expected Rate of Return on Plan Assets	-	-
Salary escalation rate	5.90%	5.90%
Withdrawal rate	22.00%	22.00%
Mortality rate	IALM 2012-2014 Ultimate	IALM 2012-2014 Ultimate

**ii. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	Gratuity			
	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.39)	2.59	(2.91)	3.16
Future salary growth (1% movement)	2.60	(2.45)	3.13	(2.94)
Withdrawal rate (1% movement)	(0.33)	(1.20)	(2.51)	2.58

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

**Expected contribution**

The expected contributions for defined benefit plan for the next financial year amounts to Nil.\*

\*Please note that since the scheme is managed on unfunded basis, the next year contribution is taken as nil.

**Expected future benefit payments**

March 31, 2023	12.90
March 31, 2024	12.42
March 31, 2025	10.48
March 31, 2026	8.78
March 31, 2027	7.30
Thereafter	33.54

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**Notes to the financial statements (continued)**

**Note 31**

**Related Party Disclosures**

**A. Names of Related Parties**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Country of Incorporation</b>	<b>Proportion of ownership interest</b>
<b>1</b>	<b>Holding Company</b> FINO PayTech Limited	India	100.00%
<b>2</b>	<b>Other related parties with whom the Company had transactions during the year</b> Fino Payments Bank Limited (Formerly known as Fino Fintech Limited) – Entity	India	
<b>3</b>	<b>Key Management Personnel</b>		
i.	Sudeep Gupta – Cessation with effect from 28.11.2022	NA	NA
ii.	Amit Kumar Jain – Appointed with effect from 24.11.2022	NA	NA
iii.	Rakesh Tripathi (Chief financial officer – Appointed with effect from 07.07.2022)	NA	NA
iv.	Ravindra Gupta (Company Secretary & Manager-Legal – Appointed with effect from 22.09.2022 and Cessation with effect from 11.01.2023)	NA	NA

**B. Transactions with key management personnel**

**i. Key management personnel compensation**

<b>Sr. No.</b>	<b>Particulars</b>	<b>INR In lakhs</b>	
		<b>For the Year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
	<b>Remuneration to Key management personnel</b>		
i.	Short-term employee benefits	48.97	70.61
ii.	Post-employment defined benefit	8.22	4.43
iii.	Share based payment	-	-

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Notes to the financial statements (continued)

Note 31

Related party relationships, transactions and balances

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	INR In lakhs			
	FINO PayTech Limited	FINO Payments Bank Limited (Formerly known as Fino Fintech Limited)	FINO Trusteeship Services Limited	Total
<b>Transactions:</b>				
<b>Reimbursement of expenses</b>				
31 March 2023	51.06	-	-	51.06
31 March 2022	60.22	-	-	60.22
<b>Infrastructure cost</b>				
31 March 2023	-	2.01	-	2.01
31 March 2022	-	37.03	-	37.03
<b>Service charges income</b>				
31 March 2023	-	-	-	-
31 March 2022	-	140.04	-	140.04
<b>Advance given</b>				
31 March 2023	-	-	-	-
31 March 2022	245.76	-	-	245.76
<b>Guarantee commission</b>				
31 March 2023	-	-	-	-
31 March 2022	5.13	-	-	5.13
<b>Balance Outstanding:</b>				
<b>Trade Receivables</b>				
31 March 2023	-	1.66	-	1.66
31 March 2022	-	113.28	-	113.28
<b>Other Receivables</b>				
31 March 2023	-	-	-	-
31 March 2022	245.76	-	-	245.76
<b>Trade Payables</b>				
31 March 2023	45.98	2.22	-	48.20
31 March 2022	18.84	-	-	18.84

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**Notes to the financial statements (continued)**

**Note 32**

**Contingent liabilities and commitments**

	<b>INR Lakhs</b>	
<b>Contingent liabilities</b>	<b>31 March 2023</b>	31 March 2022
(i) Credit enhancements provided by the company towards asset securitisation in the form of cash collaterals.	-	-
(ii) Credit enhancements provided by the Company towards business correspondent arrangement in the form of cash collaterals	-	123.11
	-	123.11

<b>Dues to micro and small suppliers</b>	<b>31 March 2023</b>	31 March 2022
(i) The amounts remaining unpaid to micro and small suppliers as at the end of the year		
Principal	-	-
Interest	-	-
(ii) The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
(iii) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

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**Notes to the financial statements (continued)**

**Note 33**

**Segment Information**

The Board of Directors (the 'Board') have been identified as the Chief Operating Decision Maker (CODM). The Board regularly reviews the performance reports and make decisions about allocation of resources.

An operating segment is a component of the company that engages in business activities from which it may earn revenue and incur expenses, for which discrete financial information is available.

The main business of the Company is to provide micro finance in the rural areas to women organised as Joint Liability Groups (JLGs) and to the Micro, Small and Medium Enterprises (MSME) sector.

The Board reviews key management information such as revenues, margins, performance and operating expenses for the Company as a whole. Thus, the Board is of the opinion that the operations of the Company comprise of a single business segment.

The Company does not disclose separate segment information as the external reporting information provided in these financial statements reflects internal management information. Thus the results and the assets of the segment can be determined by reference to the Balance Sheet and Statement of Profit and Loss for year.

**Information about major customers**

The Company is not reliant on any one client or group of connected clients for generation of revenues.

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**Notes to the financial statements (continued)**

**Note 34**

**Revenue from contract with customers**

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

**Disaggregation of revenue from contracts with customers**

In the following table, revenue from contracts with customers is disaggregated by major revenue streams and timing of revenue recognition:

<b>Major revenue streams</b>	<b>For the Year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
<b>Interest income (On financial assets measured at amortised cost)</b>		
Interest income on portfolio loans	138.26	621.49
Interest on fixed deposits	123.33	134.80
Other interest	14.73	11.34
	<b>276.33</b>	<b>767.63</b>
<b>Fees and comission income</b>		
Loan processing fees	-	13.83
Service charges	193.72	676.19
	<b>193.72</b>	<b>690.02</b>
<b>Total revenue from operations</b>	<b>470.04</b>	<b>1,457.65</b>
<b>As per Ind AS 115 - Revenue from contract with customers</b>		
<b>Timing of revenue recognition</b>		
Services transferred at a point in time	-	-
Services transferred over time	193.72	690.02
	<b>193.72</b>	<b>690.02</b>
<b>As per Ind AS 109 - Financial Instruments</b>		
Interest Income	276.33	767.63
	<b>276.33</b>	<b>767.63</b>

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**Notes to the financial statements - Scale Based Regulations**

**1. Intra Group Disclosure**

Particulars	31 March 2023	31 March 2022
	INR lakhs	INR lakhs
(i) Total amount of intra-group exposures	-	-
(ii) Total amount of top 20 intra-group exposures	-	-
(iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-	-

**2. Related Party disclosure**

(Rs. in Lakhs)

Items	Parent (as per ownership or control)		Subsidiaries		Associates/Joint ventures		KMP		Relatives of KMP		Others*		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	57.19	75.04	-	-	-	-	-	-

**2. Disclosure of complaints**

Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Particulars	31 March 2023	31 March 2022
<u>Complaints received by the NBFC from its customers</u>	0	0
i. Number of complaints pending at beginning of the year	25	20
ii. Number of complaints received during the year	524	773
iii. Number of complaints disposed during the year	549	768
a. Of which, number of complaints rejected by the NBFC	0	0
iv. Number of complaints pending at the end of the year	0	25
<u>Maintainable complaints received by the NBFC from Office of Ombudsman</u>		
v. Number of maintainable complaints received by the NBFC from Office of Ombudsman	0	0
a. Of v, number of complaints resolved in favour of the NBFC by Office of Ombudsman	0	0
b. Of v, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	0	0
c. Of v, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
vi. Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0



Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year		Number of complaints received during the year		% increase/ decrease in the number of complaints received over the previous	Number of complaints pending at the end of		Of 5, number of complaints pending	
	31 March 2023								
Ground - 1	Loan	13	Loan	446	decreased by 32%	Loan	0	Loan	0
Ground - 2	Insurance	12	Insurance	78		Insurance	0	Insurance	0
Ground - 3									
Ground - 4									
Ground - 5									
Others									
Total									
	31 March 2022								
Ground - 1	Loan	10	Loan	563	decreased by 32%	Loan	15	Loan	15
Ground - 2	Insurance	10	Insurance	210		Insurance	10	Insurance	10
Ground - 3									
Ground - 4									
Ground - 5									
Others									
Total									

**3. Sectoral exposure**

Sectors	Current Year ending Mar 23			Previous Year ending Mar 22		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
<b>1. Agriculture and Allied Activities</b>	2017.4	2017.4	100	2530.8	2238.9	88.47
<b>Total</b>	2017.4	2017.4	100	2530.8	2238.9	88.47
<b>2. Industry</b>						
a. ARTISAN	1.1	1.1	100	1.1	1.1	100.00
b. COTTAGE INDUSTRY	0.4	0.4	100	0.5	0.5	100.00
c. MANUFACTURING	1	1	100	1	1	100.00
d. Trading	90.5	90.5	100	120.8	99.2	82.12
e. Others	15	15	100	19.4	17.5	90.21
<b>Total of industry</b>	108	108	100	142.8	119.3	83.54
<b>3. Services</b>	88.4	88.4	100	106.2	96.6	90.96
<b>Total of Services</b>	88.4	88.4	100	106.2	96.6	90.96
<b>4. Personal Loans</b>	0					
<b>Total of Personal Loan</b>	0					
<b>5. Others</b>	0					
<b>Total of others</b>	0					
<b>Grand Total</b>	2213.8	2213.8	100	2779.8	2454.8	88.31

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**Notes to the financial statements (continued)**

**Note 35**

**Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

**i. Profit attributable to Equity holders of Company**

Particulars	31 March 2023 INR	31 March 2022 INR
Profit attributable to equity holders of the Company:		
Continuing operations	(573.68)	(7,438.80)
<b>Profit attributable to equity holders of the Company for basic and diluted earnings</b>	<b>(573.68)</b>	<b>(7,438.80)</b>

**ii. Weighted average number of ordinary shares**

Particulars	31 March 2023 INR	31 March 2022 INR
Issued ordinary shares at April 1	415.77	110.77
Effect of shares issued for cash	-	133.86
<b>Weighted average number of shares at March 31 for basic and diluted EPS</b>	<b>415.77</b>	<b>244.63</b>

**Basic and Diluted earnings per share**

Particulars	31 March 2023 INR	31 March 2022 INR
Basic earnings per share	(1.38)	(30.41)
<b>Diluted earnings per share</b>	<b>(1.38)</b>	<b>(30.41)</b>

**FINO Finance Private Limited**  
**(Formerly known as Intrepid Finance And Leasing Private Limited)**

**Notes to the financial statements (continued)**

**Note 36**

**Tax expense**

**(a) Amounts recognised in profit and loss**

Particulars	For the Year ended 31 March 2023 INR lakhs	For the year ended 31 March 2022 INR lakhs
<b>Current tax</b>		
Current period (a)	-	-
Changes in estimate related to prior years (b)		
<b>Deferred income tax liability / (asset), net</b>		
Origination and reversal of temporary differences	-	-
Reduction in tax rate		
Recognition of previously unrecognised tax losses	-	-
<b>Deferred tax expense (c)</b>	-	-
<b>Tax expense for the year (a)+(b)+(c)</b>	-	-

**(b) Reconciliation of effective tax rate**

	For the Year ended 31 March 2023 INR lakhs	For the year ended 31 March 2022 INR lakhs
<b>Profit before tax</b>	<b>(573.65)</b>	<b>(7,438.84)</b>
Tax using the Company's domestic tax rate	(149.15)	(1,934.10)
<b>Tax effect of:</b>		
Tax effect on items on which no deferred tax was recognized	149.15	1,934.10
	-	-

**FINO Finance Private Limited**  
**(Formerly known as Intrepid Finance And Leasing Private Limited)**

## Notes to the financial statements (continued)

## Note 36

## (c) Movement in deferred tax balances

(INR In Lakhs)

Particulars	31 March 2023					
	Net balance 01 April 2022	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
<b>Deferred tax asset</b>						
Property, plant and equipment	2.42	0.62	-	1.80	1.80	-
Borrowings	(2.42)	(0.62)	-	(1.80)	-	(1.80)
Loans	-	-	-	-	-	-
<b>Tax assets (Liabilities)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.80</b>	<b>(1.80)</b>
Set off tax						
<b>Net tax assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.80</b>	<b>(1.80)</b>

Particulars	31 March 2022					
	Net balance 01 April 2022	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
<b>Deferred tax asset</b>						
Property, plant and equipment	0.83	(1.59)	-	2.42	2.42	-
Borrowings	(10.11)	(7.69)	-	(2.42)	-	(2.42)
Loans	9.28	9.28	-	-	-	-
<b>Tax assets (Liabilities)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.42</b>	<b>(2.42)</b>
Set off tax						
<b>Net tax assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.42</b>	<b>(2.42)</b>

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

**Tax losses & unabsorbed depreciation carried forward**

Particulars	31 March 2023	Expiry for 31 March 2023	31 March 2022	Expiry for 31 March 2022
Business losses	12,431.42	Upto 31-03-2031	14,009.15	Upto 31-03-2030
Unabsorbed depreciation	624.11	No expiry	525.59	No expiry
	<b>13,055.53</b>		<b>14,534.74</b>	

**Tax Credits carried forward**

Particulars	31 March 2023	Expiry for 31 March 2023	31 March 2022	Expiry for 31 March 2022
MAT credit entitlement	-	-	-	-

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the company can use the benefits therefrom:

Particulars	31 March 2023	31 March 2022
Deductible temporary differences	948.51	1,087.56
MAT Credit entitlement	-	-
Tax losses & unabsorbed depreciation	3,394.44	3,779.03
<b>Total</b>	<b>4,342.94</b>	<b>4,866.59</b>

**Fino Finance Private Limited**  
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**Notes to the financial statements (continued)**

**37 Long term contract with foreseeable losses**

There are no long term contracts including derivative contracts for which there were any material foreseeable losses.

**38 Credit default swaps**

In accordance with Master Direction No. DNBR.PD.007/03.10.119/2016-17 dated 01/09/2016 updated as on 22/02/2019 issued by Reserve Bank of India on Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, the Company did not enter into any credit default swaps during the year ended 31 March 2023 (Previous Year: Rs. Nil)

**39 Gold loan jewellery**

In accordance with Master Direction No. DNBR.PD.007/03.10.119/2016-17 dated 01/09/2016 updated as on 22/02/2019 issued by Reserve Bank of India on Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, the Company has not lent against gold jewellery during the year ended 31 March 2023 (Previous Year: Rs. Nil).

**40 Terms and conditions of privately placed redeemable non-convertible debentures**

Name	Issue Date	Maturity Date	No of NCD's	Rate	Repayment	As at	As at
						31 March 2023	31 March 2022
						-	-
						-	-
<b>Less : Current maturities of non-convertible debentures</b>						-	-
<b>Long term portion of privately placed redeemable non-convertible debenture</b>						-	-

**41 Terms and conditions of subordinated debt**

Name	Issue Date	Maturity Date	No	Rate	Repayment	As at	As at
						31 March 2023	31 March 2022
IDFC First Bank Limited	NA	1-Oct-25	NA	14.50%	Bullet principal payment; Interest serviced monthly	2,000.00	2,000.00

**42 Investments**

The Company has not made any investments as at 31 March 2023 and 31 March 2022, hence the disclosure pertaining to value of investments and movement of provision held towards depreciation on investments is not applicable.

**43 Derivatives**

The company has not entered into any derivative transaction during the current and previous year. The company has no unhedged foreign currency exposure as on 31 March 2023 (31 March 2022 : Nil).

**44 Details of Financial Assets sold to securitisation/reconstruction company for Asset reconstruction**

The company has not sold financial assets to securitisation/reconstruction companies for asset reconstruction in the current and previous year.

**45 Details of Assignment Transactions**

The Company has sold some loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's balance sheet. The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	31 March 2023	31 March 2022
Carrying amount of de-recognised financial asset		-
Carrying amount of retained assets at amortised cost*		-
Gain on sale of the de-recognised financial asset		-
*excludes Excess Interest Spread (EIS) on de-recognised financial assets of NIL (previous year : NIL)		

Particulars	31 March 2023	31 March 2022
i) Number of Accounts		-
ii) Aggregate value (net of provisions) of account sold		-
iii) Aggregate consideration		-
iv) Additional consideration realised in respect of accounts transferred in earlier years		-
v) Aggregate gain/(loss) over net book value		-

#### 46 Details of credit impaired financial assets purchased/sold

The Company has not purchased/sold any credit impaired financial assets during the previous year.

#### 47 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as on 31 March 2023:

Particulars	Up to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	467.23	1,564.09	93.92	27.75	256.35	58.30	-	-	2,467.64
Advances	69.61	16.61	8.71	17.81	60.05	2,456.58	-	-	2,629.37
Investments	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	1,993.07	-	-	1,993.07
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as on 31 March 2022:

Particulars	Up to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	125.50	95.06	242.14	585.13	312.52	42.79	-	-	1,403.14
Advances	493.43	106.78	113.39	123.73	139.09	179.15	2,344.20	-	3,499.77
Investments	-	-	-	-	-	-	-	-	-
Borrowings	2,039.39	-	-	-	-	-	1,991.03	-	4,030.42
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

#### 48 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit a	2023	2022
Provisions for depreciation on Investment	-	-
Provision towards NPA (excluding securitisation)	(331.97)	7,194.73
Provision made towards Income tax	-	-
Provision for securitized portfolio	-	-
Provision for business correspondent services	(64.99)	126.43
Provision for death claim	-	(162.84)
Contingent Provision for Standard Assets (excluding securitisation)	(15.36)	(1,332.72)

#### 49 Movement of NPAs

Sr no	Particulars	2023	2022
i)	Net NPAs to Net Advances (%)	0.00%	0.00%
ii)	Movement of NPAs (Gross)		
	a) Opening balance	2,786.10	4,621.65
	b) Additions during the year	(255.07)	1,241.37
	c) Reductions during the year	-	3,076.92
	d) Closing balance	2,531.03	2,786.10
iii)	Movement of Net NPAs		
	a) Opening balance	(0.00)	1,539.40
	b) Additions during the year	-	(1,187.31)
	c) Reductions during the year	-	352.09
	d) Closing balance	(0.00)	(0.00)
iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	a) Opening balance	2,786.10	3,082.25
	b) Provisions made during the year	(255.07)	2,428.68
	c) Write-off / write-back of excess provisions	-	2,724.83
	d) Closing balance	2,531.03	2,786.10

#### 50 Capital Adequacy Ratio

Particular	2023	2022
CRAR%	145.98%	134.54%
CRAR - Tier I Capital %	96.49%	88.86%
CRAR - Tier II Capital %	49.49%	45.68%
Amount of Subordinated Debt raised as Tier-II capital	2,500.00	2,500.00
Amount Raised by the issue of Perpetual Debt Instruments	NA	NA

#### 51 Real Estate Exposure

The company had no exposure to real estate sector during the current and previous year.

**52 Exposure to Capital Markets**

The company had no exposure to capital market during the current and previous year.

**53 Registration obtained from other financial sector regulators**

The company is engaged in business of Non-banking financial institution and it has obtained certificate of registration no. B-13.01609 from Reserve Bank of India.

**54 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC**

The company has not exceeded the prudential exposure limit for any single/Group borrower during the current and previous year.

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

The company has received rating on 28th June, 2021 from Acuite as follows

Particulars	Current	Previous
Long Term	BB+(Stable)	BBB-(Stable)
Short Term	-	-

**56 Overseas Assets**

The company does not have any overseas assets during the current and previous year.

**57 Off balance SPVs**

The company has not subscribed to any off balance SPVs during the current and previous year.

**58 Draw down from reserves**

There has been no draw down from reserves during the year ended 31 March 2023 (31 March 2022 : Nil).

**59 Concentration of advances, exposures and NPAs**

Particular	2023	2022
<b>Concentration of Advances</b>		
Total Advances to twenty largest borrowers	<b>66.86</b>	127.21
Percentage of Advances to twenty largest borrowers to Total Advances	<b>0.49%</b>	3.77%
<b>Concentration of Exposures</b>		
Total Exposure to twenty largest borrowers / customers	<b>66.86</b>	127.21
Percentage of Exposures to twenty largest borrowers / customers to Total Expos	<b>0.49%</b>	3.77%
<b>Concentration of NPAs</b>		
Total Exposure to top four NPA accounts	<b>30.65</b>	30.07

**60 Sector-wise NPAs**

Sector	Percentage of NPAs to Total Advances in	Percentage of NPAs to Total Advances in that sector (2022)
Agriculture & allied activities	<b>100.00%</b>	88.47%
MSME	<b>79.44%</b>	0.13%
Corporate borrowers	-	-
Services	<b>100.00%</b>	90.90%
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

**61 Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC.63/21.04.048/2020-21 dated 17 April 2020 pertaining to Asset Classification and Provisioning in terms of COVID19 Regulatory Package**

Particulars	31 March 2023
i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	<b>2,394.73</b>
ii) Respective amount where asset classification benefits is extended	<b>2,394.73</b>
iii) General provision made*	-
iv) General provision adjusted during the period against slippages and the residual provisions	-

\*The Company, being NBFC, has complied with Ind-AS guidelines duly approved by the Board for recognition of the impairments. Refer Note 67.



**62 Accounting for excess interest spread (EIS)**

The company recognises EIS on securitisation transaction in line with RBI circular “Revisions to the guidelines on securitisation transactions” issued on 21 August 2012 which requires recognition of EIS only when redeemed in cash.

**63 Penalties imposed by RBI and other regulators**

RBI and other regulators have not imposed any penalties on the company during current and previous year.

**64 Financing of parent company product**

The company has not financed any parent company product during current and previous year.

**65 Details of Fraud**

During the year, the company has reported frauds of Rs. 1.02 Lakhs (Previous year Rs. 14.05 lakhs) based on management reporting to risk committee and to

**66 Disclosure under clause 28 of the Listing Agreement for Debt Securities**

Particulars	31 March 2023	31 March 2022
a) Loans and advances in the nature of loans to subsidiaries	-	-
b) Loans and advances in the nature of loans to associates	-	-
c) Loans and advances in the nature of loans where there is -	-	-
(i) no repayment schedule or repayment beyond seven years	-	-
(ii) no interest or interest below section 186 of Companies Act, 2013	-	-
d) Loans and advances in the nature of loans to firms/companies in which directors are intereste	-	-

**67 Disclosure under clause 16 of the Listing Agreement for Debt Securities**

No outstanding balance of Non Convertible Debentures during the year

**68 A. Corporate social responsibility (CSR)**

The company does not meet the criteria specified under section 135 of the Companies Act, 2013. Hence, CSR is not applicable to the company.

**B. Social Security Code, 2020**

The Code on Social Security 2020 (‘the Code’) relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**Fino Finance Private Limited**  
**(Formerly known as Intrepid Finance And Leasing Private Limited)**

**Notes to the financial statements (continued)**

**Note 69**

**Additional Regulatory Information**

**Details of Benami Property held**

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

**Details of Loans and advances**

Loans and advances granted to promoters, directors, key managerial personnel (KMPs) and the related parties which are repayable on demand or without specifying any terms or period of repayment.

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoters Directors KMPs		

**Wilful Defaulter**

The Company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.

**Relationship with Struck off Companies**

The Company do not have any transactions with companies struck off.

**Registration of charges or satisfaction with Registrar of Companies (ROC)**

The Company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period.

**Compliance with number of layers of companies**

The Company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**Compliance with approved Scheme(s) of Arrangements**

There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

**Discrepancy in utilization of borrowings**

The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. There are no discrepancy in utilisation of borrowings.

**Utilisation of Borrowed funds and share premium:**

- (A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).  
(B) the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party).

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or  
b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

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

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;  
b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 70**

**Additional Information**

**Undisclosed income**

The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency.

**Fino Finance Private Limited**  
(Formerly known as Intrepid Finance And Leasing Private Limited)

**Notes to the financial statements (continued)**

**Note 71**

**Subsequent events**

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

**Note 72**

**Prior year comparatives**

Previous year figures have been regrouped and reclassified wherever necessary to confirm to current year's presentation.

As per our report of even date attached.

**For Tibrewal Chand & Co**

*Chartered Accountants*

Firm's Registration Number: 311047E

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

**Fino Finance Private Limited**

*(Formerly known as Intrepid Finance and Leasing Private Limited)*

**Mayank Kumar Ranka**

*Partner*

Membership No : 186554

**Ashok Kini**

*Non Executive-*

*Independent Director*

DIN 00812946

**Amit Kumar Jain**

*Whole Time Director*

DIN 08353693