

**ABANS FINANCE PRIVATE
LIMITED**

ANNUAL REPORT 2019 – 20

CORPORATE INFORMATION

Board of Directors	Mr. Abhishek Pradeepkumar Bansal Mrs. Shriyam Abhishek Bansal Mr. Shrinath Chaturvedi Mr. Kalpesh Darji
Chief Financial Officer	Mr. Karan Jain
Company Secretary	Mr. Rajendra Sawant
Registered Office	36,37, Floor-3, Plot-227, Nariman Bhavan, Vinayak Kumar Shah Marg, NCPA, Nariman Point, Mumbai 400 021 Website: www.abans.co.in Tel: 022 68354100 Fax: 022 61790010
Corporate Identification Number	U51219MH1995PTC231627
Statutory Auditors	Paresh Rakesh & Associates, Chartered Accountants 103, Namrata CHS, Bldg. No.15, Shastri Nagar, Link Road, Goregaon (West), Mumbai 400 104
Registrar & Transfer Agent	Link Intime India Private Limited Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai 400 013
Debenture Trustees	Beacon Trusteeship Limited 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club, Bandra (East), Mumbai 400 051 Email: contact@beacontrustee.co.in Tel: 022 26558759

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NOTICE TO MEMBERS

Notice is hereby given that the **26th Annual General Meeting** of the Members of Abans Finance Private Limited (“Company”) will be held on Wednesday, September 30, 2020 at 09.30 AM at the Registered Office situated at 36, 37, 38A, 3rd Floor, 227 Nariman Bhavan, Backbay Reclamation, Nariman Point, Mumbai – 400021, to transact the following business:

ORDINARY BUSINESS:

(1) To receive, consider and adopt:

- (a) The Audited Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of the Board of Directors and Auditors’ thereon, and
- (b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Auditors’ thereon.

(2) To appoint Statutory Auditors and to fix their remuneration:

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

“**RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013, read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 thereunder (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), the Company hereby appoints M/s Paresh Rakesh & Associates, Chartered Accountants, (Firm Registration No. 119728W), as the Statutory Auditors of the Company for a second term of five (5) consecutive years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 31st Annual General Meeting to be held in the year 2025, on such remuneration as may be decided by the Board of Director of the Company in consultation with the Statutory Auditors.”

SPECIAL BUSINESS:

(3) Appointment of Mr. Kalpesh Darji as an Independent Director of the Company.

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

“**RESOLVED THAT** in accordance with the provisions of Section 149, 152, Schedule 4 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR / Listing Regulations), (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and Articles of Association of the Company, Mr. Kalpesh Darji (DIN: 08731696) who was appointed by the Board of Directors as an Additional Director of the Company with effect from July 31, 2020, pursuant to the provision of Section 161 of the Act, and who hold office upto the date of this Annual General Meeting (AGM) and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of an Independent Director be and is hereby appointed as an Independent Director of the Company and to hold office for a term of 5 consecutive years i.e upto September 30, 2025;

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Date: July 31, 2020

Place: Mumbai

**For and on behalf of the Board of Directors
Abans Finance Private Limited**

Registered Office:

36, 37, 38A, 3rd Floor,
227 Nariman Bhavan,
Backbay Reclamation,
Nariman Point, Mumbai – 400021

Sd/-

Abhishek Pradeepkumar Bansal

Director

DIN: 01445730

NOTES FOR MEMBERS' ATTENTION:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The explanatory statement in respect to Item No. 3 pursuant to Section 102 of the Companies Act, 2013 is annexed herewith.
5. The Registers and all other documents referred to in the notice and explanatory statement, will be available for inspection by the members of the Company at Registered office of the Company during business hours 9:30 A.M. to 6:00 P.M. (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available during the Annual General Meeting.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
7. Members/Proxies attending the meeting are requested to bring their duly filled admission/ attendance slips sent along with the notice of annual general meeting at the meeting.
8. Pursuant to the provisions of the Companies Act, 2013, there is no unpaid/unclaimed dividend for the period of past seven years.

Date: July 31, 2020
Place: Mumbai

For and on behalf of the Board of Directors
Abans Finance Private Limited

Registered Office:
36, 37, 38A, 3rd Floor,
227 Nariman Bhavan,
Backbay Reclamation,
Nariman Point, Mumbai – 400021

Abhishek Pradeepkumar Bansal
Director
DIN: 01445730

EXPLANATORY STATEMENT

The following Explanatory Statement set out the material facts as required under Section 102 of the Companies Act, 2013:

Item No. 3:

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors had appointed Mr. Kalpesh Darji as an Additional Independent Director of the Company with effect from July 31, 2020.

The Company has received a notice in writing from a member, under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Kalpesh Darji for the office of Independent Director of the Company.

Mr. Kalpesh Darji is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as an Independent Director. The Company has also received declaration from Mr. Kalpesh Darji that he meets with the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013.

In the opinion of the Board and in consideration of the declaration received from Mr. Kalpesh Darji, he fulfills the conditions of his appointment as an Independent Director as specified in the Act, and also meets the requirement of “Fit & Proper” criteria as prescribed by the RBI.

Brief Profile of Mr. Kalpesh Darji:

Name of the Director	Age	Qualification	Experience
Mr. Kalpesh Darji	27	B.Com, Chartered Accountant (CA)	Chartered Accountant with experience in Accounts, Audit & Finance

Mr. Kalpesh Darji neither holds directorship in any other Company nor is a member of any Committees of Director in any other Company.

Mr. Kalpesh Darji does not hold any Equity Shares of the Company.

Considering Mr. Kalpesh Darji’s experience, his appointment would be beneficial to the Company. The Board recommends the resolution in relation to the appointment of Mr. Kalpesh Darji as an Independent Director for approval of the Members of the Company.

The terms and conditions for appointment of an Independent Director would be available for inspection by the Members at the Registered Office of the Company during regular business hours on any working day. The same is also available on the website of the Company (www.abans.co.in)

Except Mr. Kalpesh Darji, being an appointee, none of the Director and Key Managerial Personnel of the Company, and their relatives is concerned or interested, financially or otherwise in the resolution set out in Item No. 3

Date: July 31, 2020

Place: Mumbai

For and on behalf of the Board of Directors

Abans Finance Private Limited

Registered Office:

36, 37, 38A, 3rd Floor,

227 Nariman Bhavan,

Backbay Reclamation,

Nariman Point, Mumbai – 400021

Abhishek Pradeepkumar Bansal

Director

DIN: 01445730

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of the Meeting.

DP Id*		Folio No.	
Client Id*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER (S) / PROXY HOLDER:

I / we hereby record my / our presence at the 26th Annual General Meeting of the Company held on Wednesday, September 30, 2020 at 09:30 AM at the Registered Office situated at 36, 37, 38A, 3rd Floor, 227 Nariman Bhavan, Backbay Reclamation, Nariman Point, Mumbai – 400021.

Signature of Shareholder/ Proxy holder

FORM NO. MGT-11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s) :	
Registered Address :	
E mail Id :	
Folio No./ Client ID:	
*DP ID:	

I / We, being the member(s) of _____ shares of Abans Finance Private Limited, hereby appoint:

- Name:
 Address:.....
 E-mail Id:
 Signature:.....or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company held on Wednesday, September 30, 2020 at 09:30 AM at the Registered Office situated at 36, 37, 38A, 3rd Floor, 227 Nariman Bhavan, Backbay Reclamation, Nariman Point, Mumbai – 400021 and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolutions	For	Against
1.	To consider, approve and adopt:		
	(a) the Audited Financial Statements of the Company as on March 31, 2020 together with the Report of the Board of Directors and Auditors' thereon		
	(b) the Audited Consolidated Financial Statements of the Company as on March 31, 2020 together with the Report of the Auditors' thereon		
2.	To appoint Statutory Auditors and fix their remuneration		
3.	To appoint Mr. Kalpesh Darji as an Independent Director of the Company		

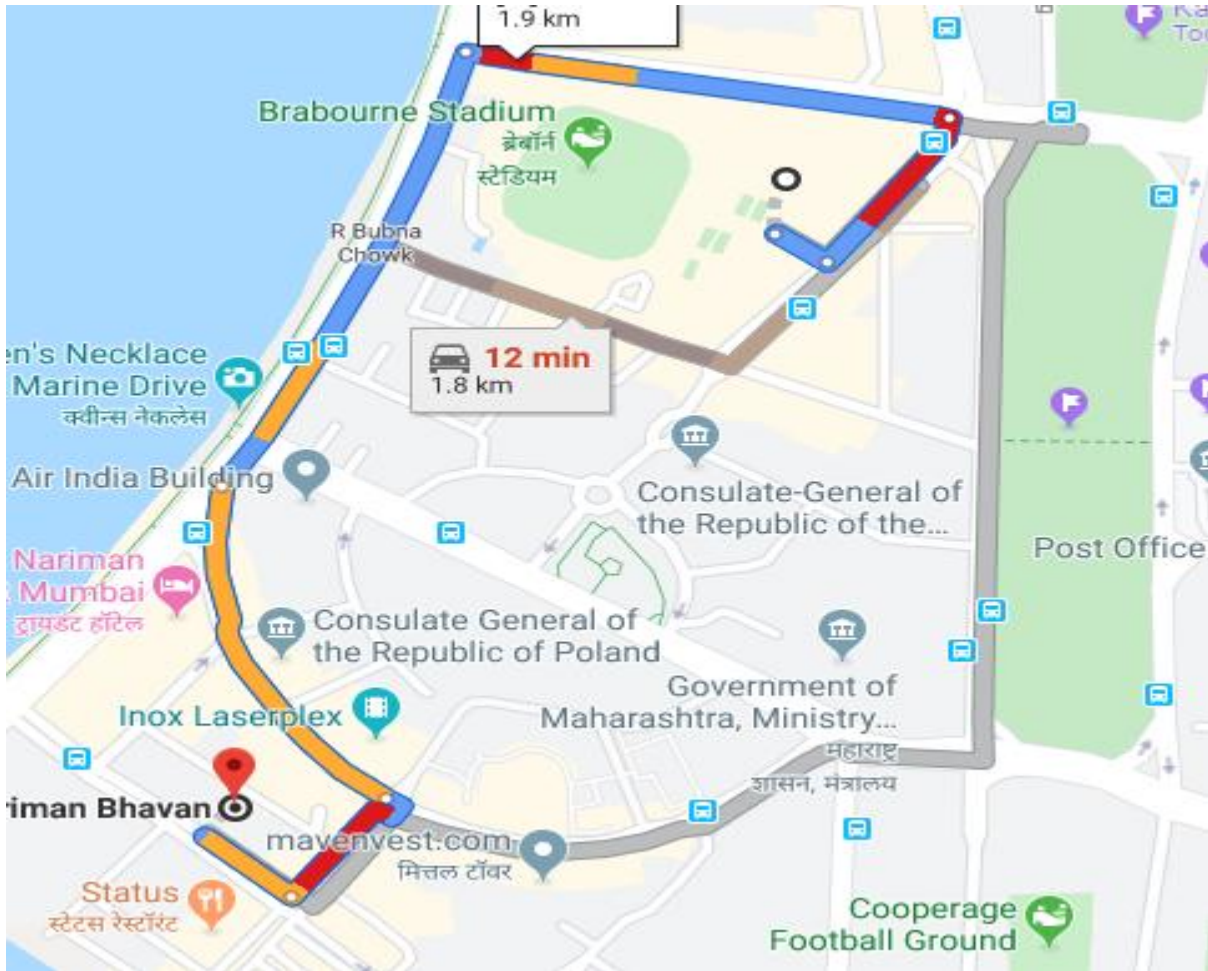
Signed this _____ day of September, 2020

Signature of shareholder

Affix Revenue Stamp Re .1/-

Signature of Proxy holder(s)

Map to the venue of meeting



BOARD'S REPORT

Dear Members,

ABANS FINANCE PRIVATE LIMITED

The Directors are pleased to present this 26th Annual Report of the Company with the Audited Financial Statements of the Company for the financial year ended 31st March, 2020.

FINANCIAL RESULTS (STANDALONE):

The Company's financial performance, for the year ended March 31, 2020 vis-à-vis that of the previous financial year is summarized below:

(Figures in Rs.)

Particulars	Standalone		Consolidated
	Year ended 31 st March 2020	Year ended 31 st March 2019	Year ended 31 st March 2020
Total Income	48,78,38,308	21,30,93,378	23,27,41,50,478
Total Expenses	45,57,51,957	19,21,10,467	22,28,06,92,778
Profit Before Tax	3,20,86,351	2,09,82,911	99,34,57,700
Less: Current Tax	1,10,89,000	58,73,000	4,06,90,515
Deferred Tax	(49,58,358)	(31,18,198)	12,76,69,736
Income Tax earlier years	93,851	97,547	3,93,731
Profit After Tax	2,58,61,858	1,81,30,562	82,47,03,718
Other Comprehensive Income	3,98,302	(39,142)	16,44,81,883
Total Comprehensive Income	2,62,60,160	1,80,91,420	98,91,85,601
Transfer to Special Reserve as per RBI	69,95,703	67,15,177	69,95,703
Proposed Dividend	-	-	-
Profit/(Loss) for the period	1,92,64,457	1,13,73,243	98,21,89,898
Basic EPS	1.04	0.72	32.52
Diluted EPS	1.04	0.72	35.52

STATE OF COMPANY'S AFFAIRS:

Information on the operations and financial performance of the Company has been covered in the Management Discussion and Analysis Report which forms part of this Director's Report as **Annexure – I**.

FINANCIAL PERFORMANCE:

During the year under review, the Company has earned business income of Rs. 48,78,38,308/- as against the business income of Rs. 21,30,93,378/- in the previous financial year. The Profit of the Company for the current financial year is Rs. 2,62,60,160/- as against Rs. 1,80,91,420/- in the previous financial year.

The Directors are continuously looking for avenues for future growth of the Company.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of business of the entity during the financial year under review.

The Company has filed a Scheme of Arrangement of Abans Finance Private Limited (Demerged Company) With Abans Capital Private Limited (Resulting Company) under section 230 to 232 and other applicable provisions of the Companies Act, 2013 before the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with Appointed Date as March 30, 2019. The Hon'ble National Company Law Tribunal, Mumbai Bench is yet to approve the Scheme of Arrangement. On approval of the Scheme the SEBI Regulated Business of the Company conducted through its subsidiaries (i.e. Abans Commodities Private Limited, Abans Broking Services Private Limited and Abans Securities Private Limited) and Trading Business shall stand demerged to the resulting company w.e.f. Appointed date or such other date approved by NCLT, subject to requisite approval of shareholders of the Company and NCLT

DIVIDEND:

With a view to conserving the resources of the Company, your Directors do not propose to declare any dividend for the financial year ended March 31, 2020.

TRANSFER TO RESERVE:

As per the rules and regulations issued by Reserve Bank of India, the Board of Directors of the Company has transferred Rs. 51,72,400/- to Statutory Reserve and Rs. 18,23,303/- to Impairment Reserve.

SHARE CAPITAL:

There has been no change in the issued and paid up capital during the year and after March 31, 2020 till the date of this report.

OVERVIEW OF THE COMPANY'S SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE:

(1) Abans Securities Private Limited (ASPL):

The Company was incorporated in 2007 under Companies Act, 1956, having its registered office in Mumbai. As a SEBI registered entity, the Company is authorized to conduct dealings in Indian equities segment. The Company provides a wide range of innovative brokerage and securities trading solutions and services dealing with Equity Derivative Markets, Off-shore investments, Portfolio Management Services, Investment Banking & Mutual Funds to a diverse client base that includes domestic & foreign institutional investors, portfolio managers and professional traders.

The Company is a member of the National Stock Exchange (NSE), Bombay Stock Exchange (BSE), MCX-Stock Exchange (MCX-SX) & Central Depository Services (India) Limited (CDSL). It is also a Category -1 Merchant Banker approved by SEBI. ASPL is also regulated by the Central Bank of India for making Investments outside the country as per the RBI Guidelines.

(2) Abans Broking Services Private Limited (ABSPL):

The Company was incorporated in 2009 under the Companies Act, 1956 and headquartered in Mumbai. ABSPL is an ISO 9001:2015 certified company for providing Commodity Trading and Broking Services. It offers commodity brokerage services to its customers with a rapidly growing customer base on a pan-India basis. ABSPL is a SEBI regulated entity authorized to conduct dealings in the Indian commodities segment.

(3) Abans Commodities (I) Private Limited (ACIPL):

The Company was incorporated in 2009 under the Companies Act, 1956 and has its registered office at Kanpur. The Company offers commodity brokerage services to its customers. ACIPL is a registered Trading-cum-Clearing member of Multi Commodity Exchange of India Ltd. (MCX).

Pursuant to Section 129(3) of the Companies Act, 2013 a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC – 1 forms part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Appointment of Director:

Mr. Shrinath Chaturvedi was appointed as a Director of the Company with effect from July 19, 2019

Mr. Kalpesh Darji was appointed as an Additional Independent Director on July 31, 2020

Key Managerial Personnel:

- (1) Mr. Karan Vijay Jain was appointed as the Chief Financial Officer (CFO) with effect from March 1, 2020
- (2) Mr. Mahesh Kumar Cheruveedu was appointed as the Chief Executive officer (CEO) with effect from February 20, 2020
- (3) Ms. Ritika Jain resigned as the Company Secretary with effect from February 20, 2020
- (4) Mr. Rajendra Sawant was appointed as the Company Secretary with effect from February 20, 2020

BOARD EVALUATION:

As per the provisions of the Companies Act, 2013, the Company has laid down Performance Assessment Process and parameters for the evaluation of the performance of the Board, Committees thereof, and individual Directors. The performance evaluation is undertaken annually as per the requirements of the Act.

AUDITORS:

(1) Statutory Auditors:

At the Annual General Meeting held on 26th September, 2015, M/s Paresh Rakesh & Associates, Chartered Accountants, having Firm Registration No. 119728W, were appointed as Statutory Auditors of the Company for a period of five years. The term of existing Auditors is until the conclusion of ensuing Annual General Meeting.

Further, based on the recommendation of the Audit Committee, the Board of Directors of the Company at its Meeting held on July 31, 2020, approved the appointment of M/s Paresh Rakesh & Associates as the Statutory Auditors of the Company for a second term of five consecutive years commencing from the conclusion of the ensuing Twenty Sixth AGM up to the conclusion of the Thirty First AGM of the Company to be held in 2025, subject to the approval of the Members of the Company at the ensuing AGM.

M/s Paresh Rakesh & Associates have expressed their willingness to act as the Auditors of the Company and have further confirmed that, if appointed, the said appointment would be in conformity with the provisions of Section 139 read with Section 141 of the Act, along with the Rules made thereunder.

The Board recommends the appointment of M/s Paresh Rakesh & Associates as Statutory Auditors of the Company as set out in the Notice of the ensuing Annual General Meeting for the approval of the Members.

(2) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s S. P Date & Associates, Practicing Company Secretaries, (CP No.: 14217), to undertake the Secretarial Audit of the Company for FY 2019-20.

AUDIT REPORTS:

(1) Statutory Auditors' Report for FY 2019-20:

The Auditors Report to the Shareholders for the year under review does not contain any qualification, reservation, adverse comments or disclaimers. The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Companies Act, 2013

(2) Secretarial Audit Report for FY 2019-20:

The report of the Secretarial Auditor is annexed to this report as **Annexure - II**. The report does not contain any qualification, reservation, adverse comments or disclaimers.

ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY:

The Financial Statement is prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended. Accordingly, the first Ind AS financial Statement shall be for the financial year 2019-20 with comparables for the financial year 2018-19.

For all periods upto and including the year 31st March 2019 the company prepared its financial statements in accordance with Companies (Accounting Standard) Rules, 2006 (as amended) notified under the Act read with Rule 7 of the Companies (Accounts) Rule 14 (as amended), guidelines issued by the RBI and other generally accepted accounting principles in India (collectively referred to as 'Indian GAAP' or 'Previous GAAP').

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

The transition to Ind AS has resulted in changes in presentation of the financial statements, disclosure in the notes thereto and accounting policies and principles. An explanation of how the transition from previous GAAP to Ind AS has affected the Group's Balance Sheet and Statement of Profit & Loss is set out in Note 2 of Notes to Financial Statements.

The Group has elected to apply the derecognition criteria under Ind AS with retrospective effect

- (1) Business combinations prior to the Ind AS transition date of 1 April 2018 are recorded using previous GAAP principles, consequently the requirements of Ind AS 103 are not applied
- (2) Property, plant and equipment and intangible assets are measured at their previous GAAP carrying value. The Group has assessed that the previous GAAP accounting approximates, at 1 April 2018, the accounting that would have resulted, had Ind-AS been applied retrospectively.
- (3) In the separate financial statements of the company, investments in subsidiaries can be measured at transition date: (a) at cost (determined in accordance with Ind-AS 27); or (b) at deemed cost (fair value or previous GAAP carrying amount). SHCIL has adopted the deemed cost (previous GAAP carrying amount) exemption for investment in subsidiaries

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company's internal financial control system is designed to ensure orderly and efficient conduct of its business, compliance with law and regulations including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting record, and the timely preparation of reliable financial information

During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

HUMAN RESOURCE:

Abans Group considers people as its biggest asset and 'Believing in People' is at the heart of its human resource strategy. It has put concerted efforts in talent management and succession planning practices, strong performance management and learning & training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership.

The group has established an organization structure that is agile and focused on delivering business results. Your Company strongly believes in fostering a culture of trust and mutual respect in all its employees. With regular communication and sustained efforts, it is ensured that employees are aligned on common objectives and have the right information on business evolution.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection on all working days, during business hours, at the Registered Office of the Company. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

The current workforce breakdown structure has a good mix of employees at all levels. Your Board confirms that the remuneration is as per the remuneration policy of the Company.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWW Act), the Abans Group has formulated and adopted "Anti Sexual Harassment Policy"

As required under the SHWW Act, the Company has constituted an Internal Complaints Committee comprising of officials of the Company. The Committee is responsible for ensuring compliance in terms of provisions of the Act, from time to time

During the year under review, no complaints were received

PARTICULARS OF EMPLOYEES:

The Company being Private Company, provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable. There was no remuneration paid to the Directors during the year under review.

MEETINGS OF THE BOARD OF DIRECTORS:

During the year under review, Forty Four (Forty Four) Board Meetings were convened and duly held. The details of the same are provided in the Corporate Governance Report, which forms part of this Report.

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

CORPORATE GOVERNANCE:

The Corporate Governance philosophy at ABANS Group is to not only adhere to the statutory requirements in letter but also in spirit, in order to enhance and retain investors' trust. The Company is conscious and continues to voluntarily formulate and comply with the best governance principle to ensure creation of long term value for its stakeholders on sustainable basis. The Company relentlessly strives to align its vision and business strategy with the welfare and best interests of all its stakeholders.

Your Company believes in the concept of good corporate governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholder's value. With this objective, the Company has put in place various policies, systems and processes to achieve transparency, business ethics and compliance with applicable laws

The report on Corporate Governance is annexed as **Annexure – III**.

NON-ACCEPTANCE OF PUBLIC DEPOSITS:

The Company is a Systemically Important Non - Deposit Taking Non-Banking Finance Company. It has not accepted any public deposits during the financial year 2019-20 and shall not accept any deposits from the public without obtaining prior approval from the Reserve Bank of India.

COMPLIANCES OF RBI GUIDELINES:

The company continues to comply with the applicable regulations and guidelines of the Reserve Bank of India as applicable to a Systemically Important Non - Deposit Taking Non-Banking Finance Company ('NBFC-ND-SI'). The company has submitted returns with RBI on timely basis.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Since the Company does not fall under the criteria stated under Section 135 of the Companies Act, 2013 the Company has not developed or implemented a policy for Corporate Social Responsibility. In view of the same no CSR initiative was undertaken by the Company.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, an extract of annual return in Form MGT-9 is annexed hereto and forms part of this Report as **Annexure – IV**.

DETAILS OF FRAUD REPORTED BY AUDITOR:

No fraud u/s 143(12) of the Companies Act, 2013 was reported by the Auditors.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT U/S. 186 OF THE COMPANIES ACT, 2013:

The Company being a Non Banking Financial Company, provisions of Section 186 of the Companies Act, 2013 are not applicable to the Company.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

The contracts or arrangements with related parties referred to in sub section (1) of section 188 entered into by the Company during the financial year ended March 31, 2020 are at the arm's length basis and in the Company's ordinary course of business. Thus, Form AOC-2 is not applicable.

MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

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

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

Particulars required to be furnished under Section 134 read with Companies (Accounts) Rules, 2014 are as under:

- (1) Part A and B pertaining to conservation of energy and technology absorption are not applicable to the Company. The Company is however, constantly pursuing its goal of technological up-gradation in a cost effective manner for delivering quality customer service.
- (2) During the year under review there were no Foreign Exchange earnings and outgo.

RISK MANAGEMENT POLICY:

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

MEMBER OF CREDIT INFORMATION COMPANIES (CICs):

The Company is a member of Credit Information Bureau (India) Limited (CIBIL), Equifax Credit Information Services Pvt Ltd (Equifax), Experian Credit Information Company of India Private Limited (Experian) and Crif Highmark Credit Information Services Private Limited (CRIF) and the Company submits data to all CICs on monthly basis.

CAPITAL ADEQUACY:

The Company is well capitalized and has capital adequacy ratio of 25.50 % as on March 31, 2020 as against the minimum regulatory requirement of 15% for Non-Deposit taking Systemically Important NBFCs.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) of the Companies Act, 2013 the Board of Directors of the Company confirms that:

- (a) In the preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date.

- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the annual accounts on a 'going concern' basis.
- (e) The Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

ACKNOWLEDGMENT:

The Directors of the Company would like to express their sincere appreciation for the assistance and co-operation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers at all levels.

For and on behalf of the Board of Directors
Abans Finance Private Limited

Sd/-
Abhishek Bansal
Director
DIN: 01445730

Sd/-
Shriyam Bansal
Director
DIN: 03481102

Date: July 31, 2020
Place: Mumbai

ANNEXURES:

- (1) Management Discussion and Analysis Report – Annexure – I
- (2) Secretarial Audit Report - Annexure II
- (3) Corporate Governance Report – Annexure III
- (4) Extract of Annual Return – Annexure IV

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**OVERVIEW:**

Abans Finance Private Limited is part of Abans Group of Companies and is a Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI). It is engaged in advisory services like Investment Banking, Corporate Finance, Project Finance, Trade Finance and providing Business & Retail Loans against collateral security of immovable property, agri stocks, liquid assets like shares, other financial assets, gold jewelry, etc. We provide our clients with trading finance solutions which help them expand and diversify their financial portfolio.

MACROECONOMIC ENVIRONMENT:

India's GDP growth in FY 2019-20 continued on a downward growth trajectory which had begun in Q1FY19. The nation has been facing several structural stresses such as, sluggish private investment for more than six years, significant decline in savings rate for more than seven years and highest unemployment rate in the past 45 years. A broad-based consumption breakdown further accentuated the slowdown. The COVID-19 induced lockdown/social distancing measures started in March 2020 and put 75% of the overall economic activity into standstill. It consequently hastened the downward trajectory of GDP growth in Q4FY20 to 3.1%. For FY 2019-20, India's GDP growth declined to 4.2%, a 11 year low, as compared to 6.1% in FY 2018-19.

On the sectoral front, deceleration in industrial and services activities contributed to the slowdown in GDP while growth in agriculture & allied activities accelerated during the year on the back of bountiful monsoon rainfall.

The slowdown in GDP growth had an adverse impact on Government revenue collections and the COVID-19 induced lockdown further exacerbated the situation. While revenues have suffered, the government expenditures rose significantly on account of additional costs arising from the virus containment efforts and enforcing the lockdown. Thus, actual fiscal deficit of the central government widened to 4.6% of GDP in FY 2019-20 which was significantly higher than its revised fiscal deficit target of 3.8% of GDP.

Financial markets remained jittery in FY 2019-20 due to domestic economic slowdown, concerns on fiscal slippage and geopolitical tensions. Weaknesses in overall economic activity also put pressure on business growth of lenders including NBFCs. The spread of COVID-19 in March 2020, further heightened uncertainties for Q4FY20.

OPPORTUNITIES AND THREATS:

Phasing out of lockdown/social distancing measures at a slower pace coupled with relatively tepid policy response could result in deeper recession in FY21 as compared to all 'recessions' the country has ever experienced.

Such deep recession will increase the perception of credit risk and the consequent risk aversion could clog the credit channels. Rating agencies expect microfinance, unsecured loans and MSME borrowers (including the loans against property segment) will continue to be severely impacted for a prolonged period due to weak credit profile of borrowers amid a gradual economic recovery.

Sharp decline in government revenue receipts due to the extended lockdown and growth slowdown coupled with rising need for fiscal support will throw a spanner in the works of both Union and State Government finances. The combined fiscal deficit of the Government may reach 12% of GDP in FY21. This can raise the risks of a subsequent ratings outlook downgrade, given the mix of low growth and rising deficit.

OPERATIONAL PERFORMANCE:

Even before the COVID-19 related slowdown, FY20 was a difficult year for the economy in general and more specifically the NBFC sector. NBFCs were impacted with a demand slowdown in core sectors, liquidity issues in the market, downgrades and solvency challenges and issues arising out of over-leveraging in certain geographical areas in the Micro Loans segment.

Despite the challenges in the external environment, your Company sailed through the storm and stayed afloat. This can be credited to your Company's underlying core strengths of focused businesses and ability to raise adequate resources at the right cost.

OUTLOOK FOR FY 2020-21:

As per an ICRA Report, the outlook for NBFCs looks negative as the COVID-19 related slowdown in economic activity would further aggravate the already subdued demand environment. The adverse impact of COVID-19 has overshadowed global macroeconomic outlook. Several multilateral agencies have projected recession for the global economy in the calendar year 2020 with the IMF (International Monetary Fund) warning of the worst global recession in almost a century.

If the spread of virus is contained within a reasonable time, impact on growth is likely to be for the short-term and it should recover in the second half of FY 2020-21. Simulative measures announced by the major global central banks and governments of many countries would help counter the impact on growth to some extent. Further, this combination of a weak near-term growth, liquidity easing and low commodity prices, bodes well for global rates and inflation, which may remain lower for an extended period and may also result in lower yields in India.

To avert steeper decline in economic growth, major countries have used a mix of monetary and fiscal tools to ensure liquidity and credit flow to their economies. In India, while the RBI has been doing the heavy lifting, various policy measures announced by the Government in its Economic Package are perceived to be more useful in the medium to long term.

The nature of lockdown observed in India is amongst the strictest in the world, considering the domestic policy space to control its negative impact is limited. The consequent steeper decline in economic activities could adversely affect credit intermediaries and financial markets. Moreover, the broad-based economic slowdown will put pressure on the asset quality of lenders.

Your Company is continuously reviewing the evolving situation in the light of COVID-19 and playing a responsible role in minimizing the adverse impact of the pandemic on its businesses and the stakeholders' interests. Adapting to the 'new normal' of conducting business, your Company realigned the work priorities by placing highest importance on risk controls. The Company will constantly identify and address bottlenecks to achieve higher cost optimization and efficiencies.

RISKS AND CONCERNS:

The Company has a strong Risk Management System for identification, monitoring, mitigation and reporting of the risks associated with its operations. These are comprehensively documented in policy statements of the Company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company's internal control system is designed to ensure orderly and efficient conduct of its business, compliance with law and regulations including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting record, and the timely preparation of reliable financial information

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

- (1) The revenue from operations has increased to Rs. 48,78,38,308/- for the year as compared to Rs. 31,30,93,378/- during the previous year.
- (2) Operating Overheads (including depreciation) has increased to Rs. 45,57,51,957/- for the year ended March 31, 2020 as against Rs. 19,21,10,467/- for the previous year.
- (3) The Company has achieved Profit before Tax (PBT) of Rs. 3,20,86,351/- as against Rs. 2,09,82,911/- for the previous year.
- (4) The Profit after Tax (PAT) is Rs. 2,58,61,858/- during the year as against Rs. 1,81,30,562/- for the previous year.
- (5) The Company has maintained Capital Adequacy Ratio at 25.50% which is above 15% prescribed by RBI for NBFCs.
- (6) An amount of Rs. 51,72,400/- was transferred to Reserve Fund pursuant to Section 45(1)(c) of the Reserve Bank of India Act, 1934.

HUMAN RESOURCE:

The Company offers its employees a dynamic and rewarding work culture to drive innovation and entrepreneurship. An empowered talent pool helps the organisation progress in a fast-changing operating context. Nurturing people is a key organisational goal and leadership mandate. The Company undertakes various employment engagement initiatives and regular reviews to encourage teams to outperform. Go-getters are also recognized for their contribution. Training and employee motivation are integral to the Company's policy.

As on March 31, 2020 the Company had 28 employees on its payroll. The Board of Directors places on record their appreciation to all the employees of the Company for their sustained efforts, dedication and hard work during the year.

For and on behalf of the Board of Directors
Abans Finance Private Limited

Sd/-
Abhishek Bansal
Director
DIN: 01445730

Sd/-
Shriyam Bansal
Director
DIN: 03481102

Date: July 31, 2020
Place: Mumbai

S. P. Date & Associates

Company Secretaries

I/501 Pranay Nagar, Ram Mandir Road (Extn.), Near Vazira Naka,

Borivali (West), Mumbai – 400 092

E-mail: shridate24@gmail.com Mobile: +91 98209 37505

SECRETARIAL AUDIT REPORT

Form No. MR-3

Secretarial Audit Report for the Financial Year ended 31ST March 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Abans Finance Private Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ABANS FINANCE PRIVATE LIMITED** (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of the Companies Act, 2013 and the rules made thereunder:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable during the Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

S. P. Date & Associates

Company Secretaries

I/501 Pranay Nagar, Ram Mandir Road (Extn.), Near Vazira Naka,

Borivali (West), Mumbai – 400 092

E-mail: shridate24@gmail.com Mobile: +91 98209 37505

- c)* The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2018; (Not Applicable during the Audit Period)
- d)* The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable during the Audit Period)
- e)* The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable during the Audit Period)
- f)* The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g)* The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable during the Audit Period)
- h)* The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; (Not Applicable during the Audit Period)
- i)* The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I have also examined compliance with the applicable clauses of the following:

- (i)* Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii)* The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

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

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

Majority of decisions of the Board and committee meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committees thereof as the case may be. There were no dissenting views of any member of the Board or committees thereof during the period under review.

S. P. Date & Associates

Company Secretaries

I/501 Pranay Nagar, Ram Mandir Road (Extn.), Near Vazira Naka,

Borivali (West), Mumbai – 400 092

E-mail: shridate24@gmail.com Mobile: +91 98209 37505

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

I further report that during the audit period there were no specific events / actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For S. P. DATE & ASSOCIATES
Company Secretaries

Sd/-

SHRIKRISHNA PANDURANG DATE
(Company Secretary in Practice)
ACS No. 2018; C.P. No. 14247

Place: Mumbai

Date: 31 July 2020

UDIN: A002018B000535661

‘Annexure A’

To,
The Members,
ABANS FINANCE PRIVATE LIMITED

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S. P. DATE & ASSOCIATES
Company Secretaries

Place: Mumbai
Date: 31 July 2020
UDIN: A002018B000535661

Sd/-
SHRIKRISHNA PANDURANG
(Company Secretary in Practice)
ACS No. 2018; C.P. No. 14247

CORPORATE GOVERNANCE REPORT

I. PHILOSOPHY ON CODE OF GOVERNANCE:

The Corporate Governance philosophy at ABANS Group is to not only adhere to the statutory requirements in letter but also in spirit, in order to enhance and retain investors’ trust. The Company is conscious and continues to voluntarily formulate and comply with the best governance principle to ensure creation of long term value for its stakeholders on sustainable basis. The Company relentlessly strives to align its vision and business strategy with the welfare and best interests of all its stakeholders.

Your Company believes in the concept of good corporate governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholder’s value. With this objective, the Company has put in place various policies, systems and processes to achieve transparency, business ethics and compliance with applicable laws.

II. BOARD CONSTITUTION:

- (1) As on March 31, 2020, the Company’s Board comprised three (3) Directors. Mr. Abhishek Bansal is the Promoter Director of the Company and Mrs. Shriyam Bansal is the spouse of Mr. Abhishek Bansal. None of the other directors were / are related with any other directors of the Company.
- (2) During the year under review, Mr. Shrinath Chaturvedi was appointed as a Director of the Company with effect from July 19, 2019.
- (3) As on March 31, 2020, the Composition of the Board is as per the below table:

Name of the Director	Category	Directorship in Other Indian Companies		Number of Committee Memberships held	
		Public Companies	Others	Number of Committee Memberships held	Number of Committee Chairmanships held
Mr. Abhishek Pradeepkumar Bansal	Non – Executive Director	1	18	1	-
Mrs. Shriyam Bansal	Non – Executive Director	1	19	1	-
Mr. Shrinath Chaturvedi*	Non – Executive Director	-	-	-	-

* Appointed with effect from July 19, 2019

- (4) The names of other listed companies where directorship is held by Board members as on March 31, 2020 is as per the below table:

Name of the Director	Name of the Company
Mr. Abhishek Pradeepkumar Bansal	Abans Enterprises Limited
Mrs. Shriyam Bansal	Abans Enterprises Limited

- (5) Attendance of each director at the meeting of the Board of Directors and the last Annual General Meeting, during their tenure is as per the below table:

Name of the Director	Number of Board Meetings		Last Annual General Meeting Attendance
	Held	Attended	
Mr. Abhishek Pradeepkumar Bansal	44	44	Yes
Mrs. Shriyam Bansal	44	44	Yes
Mr. Shrinath Chaturvedi*	37	37	No

* Appointed with effect from July 19, 2019

- (6) Other Information on Directors:

- (a) None of the Directors on the Board is a Director in more than 10 public companies or is a member in more than 10 Committees or Chairperson of more than 5 Committees.
- (b) Mr. Abhishek Bansal and Mrs, Shriyam Bansal hold 1,568 and 7,840 Equity Shares of the Company respectively.
- (c) The Board of Directors of the Company bring to the fore a vast range of skills and experience from various fields, functions and sectors, which enhance the governance framework and Board's decision making process. The Board has identified the below mentioned skills/ area of expertise / competencies required in the context of Company's business and the industry it operates:
- Understanding on the Commodity Markets / Commodity Derivatives Markets
 - Operations and Risk Management of Securities Trading
 - Human resources / people management
 - Corporate Governance, Compliance, Accounting Standards and Taxation
 - Accounting & financial expertise
 - Global Trade and its dynamics
 - Strategic Planning, Business Operations and Business Development

The Company has an experienced and competent Board and all the above mentioned skills/ expertise/competencies are available with the Board as a whole.

III. BOARD MEETINGS:

During FY 2019-20, Forty Four (44) Board Meetings were held. The details of Board meetings held are tabled below:

Sr. No	Date of the Board Meeting	Board Strength	No. of Directors present
1	April 24, 2019	2	2
2	May 3, 2019	2	2
3	May 22, 2019	2	2
4	June 10, 2019	2	2
5	June 17, 2019	2	2
6	June 20, 2019	2	2
7	July 8, 2019	2	2
8	July 26, 2019	3	3
9	July 31, 2019	3	3
10	August 1, 2019	3	3
11	August 27, 2019	3	3
12	August 28, 2019	3	3
13	September 7, 2019	3	3
14	September 10, 2019	3	3
15	September 11, 2019	3	3
16	October 22, 2019	3	3
17	December 10, 2019	3	3
18	December 13, 2019	3	3
19	December 20, 2019	3	3
20	December 27, 2019	3	3
21	December 30, 2019	3	3
22	January 2, 2020	3	3
23	January 3, 2020	3	3
24	January 6, 2020	3	3
25	January 7, 2020	3	3
26	January 9, 2020	3	3
27	January 10, 2020	3	3
28	January 22, 2020	3	3
29	February 4, 2020	3	3
30	February 6, 2020	3	3
31	February 7, 2020	3	3
32	February 10, 2020	3	3
33	February 11, 2020	3	3
34	February 14, 2020	3	3
35	February 20, 2020	3	3
36	February 27, 2020	3	3
37	February 28, 2020	3	3
38	March 2, 2020	3	3
39	March 3, 2020	3	3
40	March 5, 2020	3	3
41	March 6, 2020	3	3
42	March 9, 2020	3	3
43	March 12, 2020	3	3
44	March 30, 2020	3	3

IV. COMMITTEES OF THE BOARD:

(1) Audit Committee:

The Company has constituted an Audit Committee on July 26, 2019 in accordance with the provisions of Para 3 of the Non- Banking Financial Corporate Governance (Reserve Bank) Directions, 2015, Non-Banking Financial Company - Systematically Important – Non-Deposit taking Company (Reserve Bank) Directions, 2016 (Master Directions) issued by Reserve Bank of India, and Section 177 of the Companies Act, 2013.

The composition and the details of attendance are as follows:

Sr. No.	Name of the Director	Number of Meetings	
		Held	Attended
(a)	Mr. Shrinath Chaturvedi (Chairman)	2	2
(b)	Mr. Abhishek Pradeepkumar Bansal (Member)	2	2
(c)	Mrs. Shriyam Bansal (Member)	2	2

The Audit Committee has the same powers, functions and duties as laid down in Section 177 of the Companies Act, 2013.

Additionally, as per the provisions of the Master Circular – Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, the Committee must ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Non Banking Financial Company.

(2) Nomination and Remuneration Committee:

The Company has constituted a Nomination and Remuneration Committee on July 26, 2019 in accordance with the provisions of Para 3 of the Non- Banking Financial Corporate Governance (Reserve Bank) Directions, 2015, Non-Banking Financial Company - Systematically Important – Non-Deposit taking Company (Reserve Bank) Directions, 2016 (Master Directions) issued by Reserve Bank of India, Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The composition and the details of attendance are as follows:

Sr. No.	Name of the Director	Number of Meetings	
		Held	Attended
(a)	Mr. Shrinath Chaturvedi (Chairman)	1	1
(b)	Mr. Abhishek Pradeepkumar Bansal (Member)	1	1
(c)	Mrs. Shriyam Bansal (Member)	1	1

The following is the brief description of terms of reference of Nomination and Remuneration Committee:

- formulate the criteria for determining qualifications, positive attributes and independence of a director;
- identify and recommend to the Board of Directors, the appointment of persons considered capable and fit for the role of a director based on the criteria so formulated;
- evaluation of Directors' performance; - recommend to the Board of Directors a policy relating to the remuneration for the directors, key managerial personnel and other senior employees of the Company;
- ensure 'fit and proper' status of proposed/ existing directors.

(3) RISK MANAGEMENT COMMITTEE:

The Company has constituted a Risk Management Committee on January 16, 2018 and comprises of the following members

- (a) Mr. Abhishek Bansal – Chairman
- (b) Mrs. Shriyam Bansal – Member

During FY 2019-20, no Risk Management Committee meeting were held.

The terms of reference of the Risk Management Committee are:

- to manage the integrated risk,
- to formulate and implement the Risk Management Policy of the Company

(4) IT Strategy Committee:

The Company has constituted a IT Strategy Committee on July 26, 2019 in accordance with the provisions of Para 1.1 of the Master Direction - Information Technology Framework for the NBFC Sector issued by Reserve Bank of India.

The composition and the details of attendance are as follows:

Sr. No.	Name of the Director	Number of Meetings	
		Held	Attended
(a)	Mr. Shrinath Chaturvedi (Chairman)	1	1
(b)	CIO	1	1
(c)	CTO	1	1

Some of the roles and responsibilities include:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

V. REMUNERATION POLICY:

The Company follows a policy on remuneration of Directors and Senior Management Employees and selection criteria for appointment of Directors. The Policy has been approved by the Nomination and Remuneration Committee and the Board. The Policy is available on the website of the Company (www.abans.co.in)

The salient features of the Remuneration policy of the Company is as under:

(1) Objective of the Policy:

- The key objective of the Remuneration Policy is to enable a framework that allows competitive and fair rewards for the achievement of key deliverables
- The composition of remuneration of the Company consists of fixed and incentive pay in alignment with the provisions of the Companies Act, 2013

(1) Significant provisions of the Policy:

- The policy outlines the details of what constitutes managerial remuneration
- The policy mentions the role of the Nomination and Remunerations Committee (NRC) and statutory provisions considered while formulating the Remuneration Policy
- Remuneration Pattern: Remuneration structure for WTDs, KMPs, Senior Management and Non- Executive Directors/Independent Directors
- Selection criteria for appointment of Directors

VI. REMUNERATION TO DIRECTORS:

During FY 2018-19, no payments were made to Non – Executive Directors of the Company and there were no pecuniary relationships or transactions with its Non- Executive Directors.

VII. GENERAL BODY MEETING:

(1) Annual General Meetings:

The last three Annual General Meetings (AGM) of the Company were held at Registered office of the Company situated at. 36, 37, 38A, 3rd Floor, 227, Nariman Bhavan, Backbay Reclamation, Nariman Point, Mumbai – 400 021 on following schedules:

AGM	Year ended as on	AGM Date	Time	Whether any Special Resolution passed or not
25 th AGM	March 31, 2019	September 30, 2019	3.30 pm	No
24 th AGM	March 31, 2018	September 30, 2018	4.00 pm	No
23 rd AGM	March 31, 2017	September 29, 2017	4.30 pm	Yes

(2) No Special Resolution was passed through Postal Ballot during FY 2019-20.

VIII. MEANS OF COMMUNICATION:

(1) Financial Result:

The Company has listed its Non – Convertible Debentures (NCDs) on the Bombay Stock Exchange. Therefore, pursuant to Regulation 52 of Listing Regulations, the Company has furnished within the prescribed timeline the Annual Audited Financial Results to BSE through its web based portal i.e BSE Listing Centre.

All periodical compliance filings and corporate announcements for investor perusal are filed electronically on the BSE Listing Centre.

(2) Newspaper Publication:

The NCDs of the Company are listed on BSE with effect from March 12, 2020. Therefore, the provisions of the SEBI Listing Regulations as applicable for the Annual Audited Financial Results are being complied with. The Annual Financial results of the Company were published in the Free Press Journal (English Language) and Mumbai Lakshadweep (Marathi Language).

(3) Company Website:

Pursuant to Regulation 62 of the Listing Regulations, the Company's website www.abans.com contains all the information meant for the Debenture holders is available, including information on Directors, financial results, annual reports, corporate announcements and various policies of the Company.

(4) **Annual Report:**

The annual report containing, inter-alia, the audited financial statement, Board's report, Auditors' Report, the Management Discussion and Analysis report and other important information is circulated to shareholders and other stakeholders of the Company.

IX. GENERAL SHAREHOLDER INFORMATION:

AGM – Date, Time and Venue	September 30, 2019 at 3.30 pm at the registered office of the Company situated at 36, 37, 38A, 3rd Floor, 227, Nariman Bhavan, Backbay Reclamation, Nariman Point, Mumbai – 400 021
Financial Year	April 1, 2019 to March 31, 2020
Dividend payment date	No Dividend was declared
Name and address of the Stock Exchange(s)	The Company has listed its Non – Convertible Debentures (NCDs) on the Bombay Stock Exchange Limited
Listing fees payment status:	The Company has paid the listing fees, to the Stock Exchanges for the financial year 2020-21
Stock Code	959331
Registrar & transfer agents:	Link Intime India Pvt Ltd C-101, 247, Park, L B S Marg, Vikhroli (West), Mumbai – 400 083
Market Price Data	Not Applicable
Performance in comparison to BSE Sensex	Not Applicable
Share Transfer System	Not Applicable
Distribution of Shareholding	Not Applicable
Dematerialization of Shares and Liquidity	Not Applicable
Outstanding GDR/ADR/Warrants /Convertible Instruments, conversion date and likely impact on equity	Not Applicable
Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	Not Applicable
Utilization of Funds raised through Preferential Allotment/ Qualified Institutions Placement	During the year under review, the Company has not raised any funds by way of Preferential Allotment/ Qualified Institutions Placement

Details of shares lying in the suspense account:	Particulars	No. of Shareholders	No. of Shares
	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL	NIL
	Number of shareholders who approached the Company for transfer of shares from the suspense account during the year	NIL	NIL
	Number of shareholders to whom shares were transferred from the suspense account during the year	NIL	NIL
	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL	NIL
Credit Ratings for Debt Instruments	Market Linked Debentures: PP MLD BBB- (PP-MLD Triple B Minus) by CARE Ratings Ltd		
Address for correspondence	Abans Finance Private Limited 36,37,38A, 3rd Floor, 227, Nariman Bhavan, Backbay Reclamation, Nariman Point, Mumbai – 400 021 Tel : 022 –6817 0000 Fax: 022 – 6179 0010		

X. OTHER DISCLOSURES:

- (1) As on March 31, 2020, the Company did not have any material significant related party transactions having a potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in the audited financial statements.
- (2) There were no other instances of non-compliance by the Company on any matter related to the capital markets, resulting in disciplinary action against the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority, during the last three years.
- (3) The Company has a vigil mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of our code of conduct and confirms that no personnel have been denied access to the Audit Committee.
- (4) The Company has complied with mandatory applicable requirements specified in the SEBI (LODR) Regulations, 2015.
- (5) The Company has not raised funds through preferential allotment or qualified institutions placement during the year.

- (6) All the recommendations made by Committee's of the Board during FY 2019-20 were accepted by the Board.
- (7) Total Fees for all services to the Statutory Auditor as follows:

Particulars	Amount (In Rs.)
Statutory Audit Fees	2,12,150/-
Tax Audit Fees	50,000/-

- (8) During the financial year, there were no complaints received in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

For and on behalf of the Board of Directors
Abans Finance Private Limited

Sd/-
Abhishek Bansal
Director
DIN: 01445730

Sd/-
Shriyam Bansal
Director
DIN: 03481102

Date: July 31, 2020
Place: Mumbai

EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]
I. REGISTRATION AND OTHER DETAILS:

CIN	:	U51219MH1995PTC231627
Registration Date	:	11/01/1995
Name of the Company	:	ABans Finance Private Limited
Category / Sub-Category of the Company	:	Category: Company Limited by Shares Sub Category: Non-Govt Company
Address of the Registered office and contact details	:	36, 37, Floor-3, Plot-227, Nariman Bhavan, Vinayak Kumar Shah Marg, NCPA, Nariman Point, Mumbai 400021
Whether listed company	:	Debt Listed on BSE Limited
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Link Intime India Pvt Ltd Mr. Amit Dabhade C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Financial Services Sector – NBFC	64990	97%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of shares held
1	ABans Holdings Private Limited (Formerly ABans Vanijya Private Limited)	U74900MH2009PTC231660	Holding	91.77 %
2	ABans Securities Private Limited	U67120MH2007PTC176260	Subsidiary	100 %
3	ABans Broking Services Private Limited	U74990MH2009PTC190201	Subsidiary	100 %
4	ABans Commodities (I) Private Limited	U74990UP2009PTC044177	Subsidiary	100 %

I SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	9408	9408	0.041	-	9408	9408	0.04	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	23190720	23190720	99.932	-	23196992	23196992	91.77	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	-	23200128	23200128	99.973	-	23206400	23206400	91.81	-
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	23200128	23200128	99.973	-	23206400	23206400	91.81	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-

(2)Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	3136	3136	0.014	-	2070926	2070926	8.19	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-								
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	3136	3136	0.014	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2):	-	6272	6272	0.028		2070926	2070926	8.19	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	6272	6272	0.028		2070926	2070926	8.19	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	23206400	23206400	100	-	25277326	25277326	100	-

ii. SHAREHOLDING OF PROMOTERS:

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Abhishek Bansal	1568	0.01	-	1568	0.01	-	-
2	Shriyam Bansal	7840	0.03	-	7840	0.03	-	-
3	ABans Vanijya Private Limited	23190720	99.93	-	23196992	91.77	-	-
	Total	23200128	99.97	-	23206400	91.81	-	-

iii. CHANGE IN PROMOTERS' SHAREHOLDING:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	23190720	99.93	-	-
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/ sweat equity etc)	-	-	6272	8.16
	At the End of the year	23190720	99.93	23196992	91.77

iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Teesta Retail Private Limited				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	-	-	2070926	8.19

v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Abhishek Bansal				
	At the beginning of the year	1568	0.01	1568	0.01
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	1568	0.01	1568	0.01

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2.	Mrs. Shriyam Bansal				
	At the beginning of the year	7840	0.03	7840	0.03
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	7840	0.03	7840	0.03

II INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment for FY 2019-20:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-			
i) Principal Amount	-	2,36,58,50,526	-	2,36,58,50,526
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	2,36,58,50,526	-	2,36,58,50,526
Change in Indebtedness during the financial year	-			
Addition	9,37,00,000	2,33,30,55,995	-	2,42,67,55,995
Reduction	-96,98,857	2,40,00,71,147	-	2,39,03,72,290
Net Change	8,40,01,143	-6,70,15,152	-	1,69,85,991
Indebtedness at the end of the financial year	-			
i) Principal Amount	8,40,01,143	2,29,88,35,373	-	2,38,28,36,516
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8,40,01,143	2,29,88,35,373	-	2,38,28,36,516

III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. *Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL*

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Abhishek Bansal	Shriyam Bansal	
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

REMUNERATION TO OTHER DIRECTORS: NIL

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		_____	_____	
	1. Independent Directors	-	-	-
	Fee for attending board / committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	-	-	-
		-	-	-
	2. Other Non-Executive Directors	-	-	-
	Fee for attending board / committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	-	-	-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act	-	-	-

B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	12,36,196	83,378	13,19,574
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	12,36,196	83,378	13,19,574

7. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

For and on behalf of the Board of Directors
Abans Finance Private Limited

Sd/-
Abhishek Bansal
 Director
 DIN: 01445730

Sd/-
Shriyam Bansal
 Director
 DIN: 03481102

Place: Mumbai
 Date: July 31, 2020

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Abans Finance Pvt Ltd Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of Abans Finance Pvt Ltd (“the Company”), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “Standalone Financial Statements”).

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at , 31st March 2020 , its Profit including Other Comprehensive Income and its Cash flows, and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements :

Sr	Key Audit Matters	How our audit addressed the Key Audit Matter
1	<p><i>Impairment of financial assets and Corporate Guarantee (CG) Issued (expected credit losses) (as described in Note Nos. 6 and 26 of the standalone financial statements)</i></p>	
	<p>Ind AS 109 requires the Company to recognise impairment loss allowance towards its financial assets (designated at amortised cost and corporate guarantee issued) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including:</p> <ul style="list-style-type: none"> • unbiased, probability weighted outcome under various scenarios; • time value of money; • impact arising from forward looking macro-economic factors and; • availability of reasonable and supportable information without undue costs. • Calculation of probability of default / Loss given default. • Determination of exposure at default • Complexity of disclosures <p>Applying these principles involves significant estimation in various aspects, such as:</p> <ul style="list-style-type: none"> • grouping of borrowers based on homogeneity, security by using appropriate statistical techniques; • staging of loans and estimation of behavioural life; • determining macro-economic factors impacting credit quality of receivables; • Estimation of losses for loan products / corporate guarantee with no / minimal 	<p>We read and assessed the Company’s accounting policies for impairment of financial assets and their compliance with Ind AS 109.</p> <ul style="list-style-type: none"> • We tested the criteria for staging of loans/CG based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. • We have reviewed the procedure followed and analysis done by the management in reviewing the security coverage of the loans given and verified on sample basis. • We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation. • Testing the controls over ‘Governance Framework’ in line with the RBI guidance. • Testing of review controls over measurement of impairment allowances and disclosures in financial statements • Tested the ECL model, including assumptions and underlying computation.

	<p>historical defaults. Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.</p> <ul style="list-style-type: none"> • There are many data inputs required by the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. In some cases, data is unavailable and reasonable alternatives have been applied to allow calculations to be performed. 	
<p>2</p>	<p><i>Impairment assessment for Investments in subsidiaries (as described in Note No. 8 of the standalone financial statements)</i></p>	
	<p>As detailed in Note no. 7, the Company has investment in equity shares, preference share and Compulsory Convertible Debentures in subsidiary companies amounting to INR 63,00,34,462/-. Such investments are carried at cost as per Ind AS 27 – Separate Financial Statements and are individually assessed for impairment as per Ind AS 36 – Impairment of Assets. Such impairment assessment commences with management’s evaluation on whether there is an indication of impairment loss. As part of such evaluation, management considers financial information, liquidity and solvency position of investments in subsidiaries. Management also considers other factors such as assessment of company’s operations, business performance and modifications, if any, by the auditors of such subsidiaries. Based on such evaluation the Company has not made impairment provisions against the above investment. We focused on this area due to investments being spread in multiple geographical areas and are subject to annual impairment assessment.</p>	<p>Our audit procedures, in respect of testing impairment assessment for investments in subsidiaries, included the following:</p> <ul style="list-style-type: none"> • Obtained understanding of the process, evaluated the design and tested operating effectiveness of controls in respect of impairment assessment of investments in subsidiaries. • held discussions with management regarding appropriate implementation of policy on impairment. • reconciled financial information mentioned in impairment assessment to underlying source details. Also, assessed of management’s estimates considered in such assessment. • obtained and read latest financial statements of subsidiaries. Noted key financial attributes. • We evaluated the impairment assessment performed by management.

3	<i>Valuation of Market Linked Debentures (as described in Note No.14 & 15 of the standalone financial statements)</i>	
	<p>The Company has issued Market Linked Debentures (MLD) during current year linked to the levels of Nifty / Equity share. The outstanding balance of MLD as on March 31, 2020 is INR 1,60,29,10,690/-. The Company has done an internal valuation of the outstanding MLD using internal valuation techniques. Considering that internal valuation of MLD is significant to overall financial statements and the degree of management's judgement involved in the estimate, any error in the estimate could lead to material misstatement in the financial statements. Therefore, it is considered as a key audit matter.</p>	<ul style="list-style-type: none"> • Audit procedures included an assessment of internal controls over valuation methodologies, inputs, judgments made and assumptions used by management in determining fair valuation of MLD. • Assessed and reviewed the fair valuation of MLD by the Company for compliance with Ind AS. • Compared resulted valuations against independent sources and externally available market valuation data.

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

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

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement Of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

- (c) The standalone Balance Sheet, the standalone statement of profit and loss (including other comprehensive income, the standalone statement of changes in equity and the standalone statement of cash flow dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the IND-AS specified under section 133 of the Act.
- (e) On the basis of written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any material pending litigations which would impact on its financial position except as disclosed in note no. 26.1 in the Financial Statements.
 - ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Paresh Rakesh & Associates
Chartered Accountants
FRN: 119728W

Sd/-

Rakesh Chaturvedi

Partner

M. no: 102075

UDIN: 20102075AAAAFU9215

Date: 31st July 2020

Place: Mumbai

Abans Finance Pvt Ltd

“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date.

- (1) In respect of its Fixed Assets :
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - (b) According to explanation provided to us the company has carried out physical verification of fixed assets, which in our opinion appears to be reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification
 - (c) According to the information, explanations and records given to us, Immovable properties owned by the Company, are held in the name of the Company as at the balance sheet date.

- (2) Since, the Company Does not have any Inventory, the clause (ii) of paragraph 3 of the Order is not applicable to the Company.

- (3) In respect of the, Unsecured Loans granted by the Company to entities covered in the register maintained under Section 189 of the Companies Act, 2013:
 - (a) In our opinion and according to the information and explanations provided to us, the terms and conditions of the grant of such loans are prima facie not prejudicial to the Company’s interest.
 - (b) The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.

- (4) In respect of Investment made Loan given Security Given Guarantee provided by the Company:
 - (a) The Company has complied with the provisions of section 185
 - (b) The Company being an NBFC has complied with the provisions of section 186 to the extent applicable to the Company.

- (5) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

- (6) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the

Act in respect of the activities undertaken by the Company.

- (7) (a) According to the records examined by us, the Company has regularly deposited, undisputed statutory dues including Direct Taxes, Indirect Taxes and any other statutory dues with appropriate authorities and there were no outstanding dues as at 31st March 2020 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, and according to the books and records as produced and examined by us following disputed amount of tax demand have not been deposited with concern authorities as on 31st March,2020.

Description of Tax not Paid	Year	Amount	Authority where Appeal isPending
Income Tax	A Y 2014-15	5,59,650	CIT (Appeal)

- (8) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
- (9) According to Information and explanations as produced before us, the amount raised via Term Loan during the year has been applied for the purpose for which it was obtained. The Company has not raised any money during the Year via Initial of Further Public Offer.
- (10) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (11) The company is a private limited company and hence provision of section 197 read with schedule V of the companies Act are not applicable. Accordingly, paragraph 3(xi) of the order is not applicable.
- (12) In our opinion company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.

- (13) In our opinion and according to the information and explanations given to us, in respect of transactions with related parties:
- (a) All transactions with related parties are in compliance with sections 177 of the Act.
 - (b) Company is in compliance with the section 188 of the Act and details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (14) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of clause 3(xiv) of the Order is not applicable to the Company.
- (15) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- (16) In our opinion and according to the information and explanations given to us, the Company has carried on the NBFC business during the Year and has obtained Registration Certificate under section 45-IA of the Reserve Bank of India Act, 1934.

For Paresh Rakesh & Associates
Chartered Accountants
FRN: 119728W

Sd/-
Rakesh Chaturvedi
Partner
M. no: 102075
UDIN: 20102075AAAAFU9215

Date: 31st July 2020
Place: Mumbai

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

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

We have audited the Internal Financial Control over financial reporting of Abans Finance Pvt Ltd (“the company”) as of 31st March 2020, in conjunction with our audit of the standalone financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls:

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

Auditor’s Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, 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 controls, both applicable to an audit of Internal Financial Controls and, 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.

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

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

Meaning of Internal Financial Controls Over Financial Reporting:

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting:

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

Opinion:

In our opinion, considering nature of business, size of operations and organizational structure of the entity, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020 based on the Internal Control over Financial reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the ICAI.

For Paresh Rakesh & Associates
Chartered Accountants
FRN: 119728W

Sd/-

Rakesh Chaturvedi

Partner

M. no: 102075

UDIN: 20102075AAAAFU9215

Date: 31st July 2020

Place: Mumbai

Abans Finance Private Limited
CIN:U51219MH1995PTC231627
Standalone Balance Sheet as at 31st March 2020

Particulars	Note	(Amounts in Rs)			
		No.	March 31, 2020	March 31, 2019	April 01, 2018
ASSETS					
Financial Assets					
(a) Cash and cash equivalents	3		1,63,37,584	4,86,33,935	13,62,460
(b) Derivative financial instruments	4		-	2,10,499	-
(c) Receivables	5				
(i) Trade Receivable			3,85,23,465	1,67,42,347	-
(ii) Other Receivables			1,99,110	15,62,237	3,35,706
(d) Loans	6		4,29,11,00,779	4,24,26,09,504	1,25,66,74,835
(e) Investments	7		63,00,34,462	63,00,34,462	29,42,26,943
(f) Other Financial assets	8		22,57,956	4,51,430	-
			4,97,84,53,356	4,94,02,44,414	1,55,25,99,944
Non-Financial Assets					
(a) Current tax assets (Net)	9		72,05,956	8,97,142	7,70,250
(b) Deferred tax Assets (Net)	10		81,72,950	32,14,592	96,394
(c) Property, Plant and Equipment	11		13,57,69,798	13,92,63,576	13,97,40,588
(d) Other non-financial assets	12		5,89,140	3,52,420	4,97,805
			15,17,37,844	14,37,27,730	14,11,05,037
Total Assets			5,13,01,91,200	5,08,39,72,144	1,69,37,04,981
LIABILITIES AND EQUITY					
LIABILITIES					
Financial Liabilities					
(a) Derivative financial instruments	4		1,29,88,999	-	-
(b) Payables	13				
(i) Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises			-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			-	-	-
(ii) Other Payables					
(i) total outstanding dues of micro enterprises and small enterprises			-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			4,43,961	31,03,733	53,98,638
(c) Debt Securities	14		1,09,90,73,156	-	-
(d) Borrowings (Other than Debt Securities)	15		77,99,25,826	2,36,58,50,526	-
(e) Subordinated Liabilities	16		50,38,37,534	-	-
Non-Financial Liabilities					
(a) Provisions	17		1,17,49,470	1,34,20,210	70,42,408
(b) Other non-financial liabilities	18		2,42,928	59,28,509	16,06,189
EQUITY					
(a) Equity Share capital	19		25,27,73,260	25,27,73,260	23,20,64,000
(b) Other Equity	20		2,46,91,56,066	2,44,28,95,906	1,44,75,93,746
Total Liabilities and Equity			5,13,01,91,200	5,08,39,72,144	1,69,37,04,981

Significant Accounting Policies
Notes to Financial Statements

1
2 - 54

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

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

For and Behalf of the Board

Sd/-

Abhishek Bansal
Director
DIN : 01445730

Sd/-

Shriyam Bansal
Director
DIN : 03481102

Sd/-

Rakesh Chaturvedi
Partner
Membership No: 102075
Mumbai
Date: 31-07-2020
UDIN: 20102075AAAAFU9215

Sd/-

Mahesh Cheruveedu
Chief Executive Officer

Sd/-

Karan Jain
Chief Financial Officer

Sd/-

Rajendra Sawant
Company Secretary

Abans Finance Private Limited
Standalone Statement of Profit & Loss for the year ended 31st March 2020

Particulars	Note No.	(Amount in Rs.)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from Operations			
Interest Income	21	47,38,61,088	20,44,48,726
Rental Income		77,40,000	76,63,226
Sale of Products (Net)		-	5,77,800
Net Gain on Fair Value Changes	22	46,07,882	4,03,626
Reversal of Impairment Allowance on Loan		16,29,338	-
Total Revenue from operations (I)		48,78,38,308	21,30,93,378
Expenses			
Finance Costs	23	34,94,61,831	4,88,73,588
Employee Benefits Expenses	24	3,41,79,618	2,87,33,496
Depreciation, amortization and impairment	11	37,75,109	33,74,177
Others expenses	25	6,83,35,399	11,11,29,206
Total Expenses (II)		45,57,51,957	19,21,10,467
Profit/(loss) before tax (III=I-II)		3,20,86,351	2,09,82,911
Less: Tax Expense (IV):			
Current Tax		1,10,89,000	58,73,000
Earlier Year		93,851	97,547
Deferred Tax		(49,58,358)	(31,18,198)
Profit/(loss) for the period from continuing operations (V=III-IV)		2,58,61,858	1,81,30,562
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement gain/(loss) on defined benefit plan		3,98,302	(39,142)
Income tax relating to items that will not be reclassified to profit or loss		-	-
Other Comprehensive Income		3,98,302	(39,142)
Total Comprehensive Income		2,62,60,160	1,80,91,420
Earnings per equity share (for continuing operations)			
Basic (Rs.)		1.04	0.72
Diluted (Rs.)		1.04	0.72

Significant Accounting Policies

1

Notes to Accounts

2 - 54

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

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

For and Behalf of the Board

Sd/-

Sd/-

Abhishek Bansal
Director
DIN : 01445730

Shriyam Bansal
Director
DIN : 03481102

Sd/-

Sd/-

Sd/-

Sd/-

Rakesh Chaturvedi
Partner
Membership No: 102075
Mumbai
Date: 31-07-2020
UDIN: 20102075AAAAFU9215

Mahesh Cheruveedu
Chief Executive Officer

Karan Jain
Chief Financial Officer

Rajendra Sawant
Company Secretary

Abans Finance Private Limited
Standalone Cash Flow Statement for the period from 1st April 2019 to 31st Mar 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(Amount in Rs.)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before tax as per Statement of Profit and Loss	3,20,86,351	2,09,82,911
Adjusted for :		
Depreciation	37,75,109	33,74,177
Provision against Loan	(16,29,338)	54,18,810
Remeasurement gain/(loss) on defined benefit plan	3,98,302	(39,142)
Increase / (Decrease) in Derivatives financial instruments	1,31,99,498	(2,10,499)
Increase / (Decrease) in Payables	(26,59,772)	(22,94,905)
Increase / (Decrease) in Debt Securities	1,09,90,73,156	-
Increase / (Decrease) in Other Borrowings	(1,08,20,87,166)	2,36,58,50,526
Increase / (Decrease) in Provision	(41,402)	9,58,992
Increase / (Decrease) in Other Liabilities	(56,85,581)	43,22,320
Decrease/ (Increase) in Receivables	(2,04,17,991)	(1,79,68,878)
Decrease/ (Increase) in Loans & Advances	(4,84,91,275)	(2,98,59,34,669)
Decrease/ (Increase) in Other Current Assets	(20,43,246)	(3,06,045)
	(4,66,09,706)	(62,68,29,313)
Cash Generated from Operations	(1,45,23,355)	(60,58,46,402)
Taxes Paid	1,74,91,665	60,97,439
Net Cash from Operating Activities (A)	<u>(3,20,15,020)</u>	<u>(61,19,43,841)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Asset	(2,81,331)	(28,97,165)
Sale of Investments	-	(33,58,07,519)
Net Cash from Investing Activities (B)	<u>(2,81,331)</u>	<u>(33,87,04,684)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity shares	-	86,40,000
Share premium received on issue of Equity shares	-	98,92,80,000
Net Cash from Financing Activities (C)	<u>-</u>	<u>99,79,20,000</u>
Net cash and cash equivalents (A + B + C)	<u>(3,22,96,351)</u>	<u>4,72,71,475</u>
Cash and cash equivalents at beginning of the period	4,86,33,935	13,62,460
Cash and cash equivalents at end of the period	1,63,37,584	4,86,33,935

Notes:-

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

	March 31, 2020	March 31, 2019
Cash Balance	1,63,129	1,63,129
Cheque in hand	85,94,051	
Balance with Bank	75,80,404	4,84,70,806
	<u>1,63,37,584</u>	<u>4,86,33,935</u>

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

For and Behalf of the Board

Sd/-
Rakesh Chaturvedi
Partner
Membership No: 102075
Mumbai
Date: 31-07-2020
UDIN: 20102075AAAAFU9215

Sd/-
Mahesh Cheruveedu
Chief Executive Officer

Sd/-
Karan Jain
Chief Financial Officer

Sd/-
Shriyam Bansal
Director
DIN : 03481102

Abans Finance Private Limited
Statement of Changes in Equity as at 31st March 2020

A Equity Share Capital

Equity shares of INR 10/- each,
issued subscribed and fully paid up

As at April 01, 2018

Changes in Equity Share Capital during the year

As at March 31, 2019

Changes in Equity Share Capital during the year

As at March 31, 2020

	No of Shares	Amount in Rs
As at April 01, 2018	2,32,06,400	23,20,64,000
Changes in Equity Share Capital during the year	20,70,926	2,07,09,260
As at March 31, 2019	<u>2,52,77,326</u>	<u>25,27,73,260</u>
Changes in Equity Share Capital during the year	-	-
As at March 31, 2020	<u>2,52,77,326</u>	<u>25,27,73,260</u>

B Other Equity

Particulars	Securities Premium	Impairment Reserve *	Reserve Fund U/S 45-IC (1) of RBI Act, 1934 **	Retained Earnings	Other Comprehensive Income	Non-Cumulative Compulsory Convertible Preference Shares	Total
As at April 1, 2018	3,79,86,910	-	39,11,219	1,16,95,617	-	1,39,40,00,000	1,44,75,93,746
Profit for the year	-	-	-	1,81,30,562	-	-	1,81,30,562
Other Comprehensive Income	-	-	-	-	(39,142)	-	(39,142)
Total Comprehensive Income	-	-	-	1,81,30,562	(39,142)	-	1,80,91,420
Transfer to Reserve Fund U/S 45-IC (1) Of RBI Act, 1934	-	-	19,75,500	(19,75,500)	-	-	-
Transfer to Impairment Reserve	-	47,39,677	-	(47,39,677)	-	-	-
Premium of Issue of Shares	2,37,12,10,740	-	-	-	-	-	2,37,12,10,740
Converted into Equity Shares during the period	-	-	-	-	-	(1,39,40,00,000)	(1,39,40,00,000)
As at April 1, 2019	<u>2,40,91,97,650</u>	<u>47,39,677</u>	<u>58,86,719</u>	<u>2,78,50,679</u>	<u>(39,142)</u>	-	<u>2,44,28,95,906</u>
Profit for the year	-	-	-	2,58,61,858	-	-	2,58,61,858
Other Comprehensive Income	-	-	-	-	3,98,302	-	3,98,302
Total Comprehensive Income	-	-	-	2,58,61,858	3,98,302	-	2,62,60,160
Transfer to Reserve Fund U/S 45-IC (1) Of RBI Act, 1934	-	-	51,72,400	(51,72,400)	-	-	-
Transfer to Impairment Reserve	-	18,23,303	-	(18,23,303)	-	-	-
Premium of Issue of Shares	-	-	-	-	-	-	-
As at March 31, 2020	<u>2,40,91,97,650</u>	<u>65,62,980</u>	<u>1,10,59,119</u>	<u>4,85,40,137</u>	<u>3,59,160</u>	-	<u>2,46,91,56,066</u>

Note:

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

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

As per our attached report of even date

For and Behalf of the Board

For Paresh Rakesh & Associates

Chartered Accountants
Firm Registration No. 119728W

Sd/-

Sd/-

Abhishek Bansal
Director
DIN : 01445730

Shriyam Bansal
Director
DIN : 03481102

Sd/-

Sd/-

Sd/-

Sd/-

Rakesh Chaturvedi
Partner
Membership No: 102075
Mumbai
Date: 31-07-2020
UDIN: 20102075AAAAFU9215

Mahesh Cheruveedu
Chief Executive Officer

Karan Jain
Chief Financial Officer

Rajendra Sawant
Company Secretary

Abans Finance Private Limited

Note 1: Significant Accounting Policies and Notes to Accounts forming part of Financial Statement for year ended March 31, 2020

1) Nature of Operations

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

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

The Companies registered office is situated at Mumbai, India

2) Summary of the significant accounting policies

(a) Basis of Preparation

The Financial Statement is prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended. Accordingly, the first Ind AS financial Statement shall be for the financial year 2019-20 with comparables for the financial year 2018-19 (Refer Note no. 2 for information on Ind AS adoption).

For all periods upto and including the year 31st March 2019 the company prepared its financial statements in accordance with Companies (Accounting Standard) Rules, 2006 (as amended) notified under the Act read with Rule 7 of the Companies (Accounts) Rule 14 (as amended), guidelines issued by the RBI and other generally accepted accounting principles in India (collectively referred to as 'Indian GAAP' or 'Previous GAAP').

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

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

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

The functional and presentation currency of the company is Indian rupees. This financial statement is presented in Indian rupees. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

(b) Use of estimates

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

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

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

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

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

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

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

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

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

(d) Impairment of non-financial assets

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

(e) Cash and cash equivalents

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

(f) Provisions and Contingencies

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

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

Any reimbursement that the Company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

(g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Recognition, initial measurement and derecognition :-

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

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

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

Classification and subsequent measurement of financial assets

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

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

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

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

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

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

3. Equity instruments

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

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

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

Impairment of financial assets

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

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

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

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

1. Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 29 days are classified as stage 1. The Company has identified zero bucket and bucket with DPD less than or equal to 29 days as two separate buckets.

2. Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD equal to 30 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Company has identified cases with DPD equal to or more than 30 days and less than or equal to 59 days and cases with DPD equal to or more than 60 days and less than or equal to 89 days as two separate buckets.

3. Stage 3: Lifetime ECL – credit impaired

Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD equal to or more than 90 days are classified as stage 3.

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

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

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

1. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.

2. Qualitative test: Accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress.

3. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met.

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

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

Derecognition of Financial Assets

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

1) the rights to receive cash flows from the asset have expired, or

2) the Company has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

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

Classification and subsequent measurement of financial liabilities

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

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

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

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

Derivative financial instruments

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

Derecognition of Financial Liabilities

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

(h) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial Statement are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

(i) Revenue recognition

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

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

(j) Foreign currencies Transaction and translation

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

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

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

(k) Leases

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

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

(l) Income taxes

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

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

(m) Borrowing costs

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

(n) Employee benefits

1. Provident Fund

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

2. Gratuity

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

3. Compensates Absences

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

(o) Earnings per share

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

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

(p) Segment Reporting Policies:

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

Abans Finance Private Limited

Notes to the Standalone Financial Statements for the year ended 31st March 2020

Note 2: Transition to Ind AS

Reconciliation of Equity as previously reported under IGAAP to Ind AS as at 1st April, 2018

Particulars	(Amounts in Rs)		
	I GAAP	April 01, 2018 Ind AS Adj	Ind AS
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	13,62,460	-	13,62,460
(b) Receivables			
(i) Trade Receivable	-	-	-
(ii) Other Receivables	3,35,706	-	3,35,706
(c) Loans	1,25,66,74,835	-	1,25,66,74,835
(d) Investments	29,42,26,943	-	29,42,26,943
(e) Other Financial assets	-	-	-
	1,55,25,99,944	-	1,55,25,99,944
Non-Financial Assets			
(a) Current tax assets (Net)	7,70,250	-	7,70,250
(b) Deferred tax Assets (Net)	96,394	-	96,394
(c) Property, Plant and Equipment	13,97,40,588	-	13,97,40,588
(d) Other non-financial assets	4,97,805	-	4,97,805
	14,11,05,037	-	14,11,05,037
Total Assets	1,69,37,04,981	-	1,69,37,04,981
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(a) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(ii) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	53,98,638	-	53,98,638
(b) Debt Securities	-	-	-
(c) Borrowings (Other than Debt Securities)	-	-	-
(d) Subordinated Liabilities	-	-	-
Non-Financial Liabilities			
(a) Provisions	37,20,147	33,22,261	70,42,408
(b) Other non-financial liabilities	16,06,189	-	16,06,189
EQUITY			
(a) Equity Share capital	23,20,64,000	-	23,20,64,000
(b) Other Equity	1,45,09,16,007	(33,22,261)	1,44,75,93,746
Total Liabilities and Equity	1,69,37,04,981	-	1,69,37,04,981

Abans Finance Private Limited
Notes to the Standalone Financial Statements for the year ended 31st March 2020
Reconciliation of Equity as previously reported under IGAAP to Ind AS as at 31st March, 2019

Particulars	(Amounts in Rs)		
	I GAAP	March 31, 2019 Ind AS Adj	Ind AS
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	4,86,33,935	-	4,86,33,935
(b) Derivative financial instruments		2,10,499	2,10,499
(b) Receivables			
(i) Trade Receivable	1,67,42,347	-	1,67,42,347
(ii) Other Receivables	15,62,237	-	15,62,237
(c) Loans	4,24,26,09,504	-	4,24,26,09,504
(d) Investments	63,00,34,462	-	63,00,34,462
(e) Other Financial assets	4,51,430	-	4,51,430
	4,94,00,33,915	2,10,499	4,94,02,44,414
Non-Financial Assets			
(a) Current tax assets (Net)	8,97,142	-	8,97,142
(b) Deferred tax Assets (Net)	32,73,153	(58,561)	32,14,592
(c) Property, Plant and Equipment	13,92,63,576	-	13,92,63,576
(d) Other non-financial assets	3,52,420	-	3,52,420
	14,37,86,291	(58,561)	14,37,27,730
Total Assets	5,08,38,20,206	1,51,938	5,08,39,72,144
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(a) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(ii) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	31,03,733	-	31,03,733
(b) Debt Securities	-	-	-
(c) Borrowings (Other than Debt Securities)	2,36,58,50,526	-	2,36,58,50,526
(d) Subordinated Liabilities	-	-	-
Non-Financial Liabilities			
(a) Provisions	1,81,59,887	(47,39,677)	1,34,20,210
(b) Other non-financial liabilities	59,28,509	-	59,28,509
EQUITY			
(a) Equity Share capital	25,27,73,260	-	25,27,73,260
(b) Other Equity	2,43,80,04,291	48,91,615	2,44,28,95,906
Total Liabilities and Equity	5,08,38,20,206	1,51,938	5,08,39,72,144

Abans Finance Private Limited**Notes to the Standalone Financial Statements for the year ended 31st March 2020****Reconciliation of Statement of Profit and Loss as previously reported under IGAAP to Ind AS for the Year Ended 31st March, 2019**

Particulars	(Amount in Rs.)		
	I GAAP	March 31, 2019 Ind AS Adj	Ind AS
Revenue from Operations			
Interest Income	20,44,48,726		20,44,48,726
Rental Income	76,63,226		76,63,226
Sale of Products (Net)	5,77,800		5,77,800
Net Gain on Fair Value Changes	1,93,127	2,10,499	4,03,626
Total Revenue from operations (I)	21,28,82,879	2,10,499	21,30,93,378
Expenses			
Finance Costs	4,88,73,588		4,88,73,588
Employee Benefits Expenses	2,87,72,638	(39,142)	2,87,33,496
Depreciation, amortization and impairment	33,74,177		33,74,177
Others expenses	11,91,91,144	(80,61,938)	11,11,29,206
Total Expenses (II)	20,02,11,547	(81,01,080)	19,21,10,467
Profit/(loss) before tax (III=I-II)	1,26,71,332	83,11,579	2,09,82,911
Less: Tax Expense (IV):			
Current Tax	58,73,000		58,73,000
Earlier Year	97,547		97,547
Deferred Tax	(31,76,759)	58,561	(31,18,198)
Profit/(loss) for the period from continuing operations (V=III-IV)	98,77,544	82,53,018	1,81,30,562
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement gain/(loss) on defined benefit plan	-	(39,142)	(39,142)
Income tax relating to items that will not be reclassified to profit or loss	-	-	-
Other Comprehensive Income	-	(39,142)	(39,142)
Total Comprehensive Income	98,77,544	82,13,876	1,80,91,420
Earnings per equity share (for continuing operations)			
Basic (Rs.)	0.39		0.72
Diluted (Rs.)	0.39		0.72

***The previous GAAP figures have been reclassified to conform to Ind AS presentation requirement for the purpose of this note.**

The transition to Ind AS has resulted in changes in presentation of the financial statements, disclosure in the notes thereto and accounting policies and principles. The accounting policies set out in Note 2 above have been applied in preparing financial statements for the year ended March 31, 2019 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Group's Balance Sheet and Statement of Profit & Loss is set out in Note above

- Business combinations prior to the Ind AS transition date of 1 April 2018 are recorded using previous GAAP principles, consequently the requirements of Ind AS 103 are not applied

- Property, plant and equipment and intangible assets are measured at their previous GAAP carrying value. The Group has assessed that the previous GAAP accounting approximates, at 1 April 2018, the accounting that would have resulted, had Ind-AS been applied retrospectively.

- In the separate financial statements of the company, investments in subsidiaries can be measured at transition date: (a) at cost (determined in accordance with Ind-AS 27); or (b) at deemed cost (fair value or previous GAAP carrying amount). SHCIL has adopted the deemed cost (previous GAAP carrying amount) exemption for investment in subsidiaries

The Group has elected to apply the derecognition criteria under Ind AS with retrospective effect

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Note 3: Cash and Cash Equivalent			
Cash on Hand	1,63,129	1,63,129	1,63,130
Cheque in hand	85,94,051	-	-
Balance with Bank	75,80,404	4,84,70,806	11,99,330
TOTAL	1,63,37,584	4,86,33,935	13,62,460
Note 4: Derivatives Financial Instruments			
Equity Derivatives			
Notional Amount	1,16,88,338	4,43,08,551	-
Fair Value - Assets	-	2,10,499	-
Fair Value - Liabilities	(1,10,47,205)	-	-
Total (A)	(1,10,47,205)	2,10,499	-
Nifty Futures			
Notional Amount	6,08,38,763	-	-
Fair Value - Assets	-	-	-
Fair Value - Liabilities	(19,41,794)	-	-
Total (B)	(19,41,794)	-	-
TOTAL Fair Value - Asset / (Liability) (A+B)	(1,29,88,999)	2,10,499	-
Note 5: Receivables			
Trade Receivables			
Receivables considered good - unsecured	2,55,34,466	1,69,52,846	-
Less: Unrealized (Gain) / Loss (Refer note 4)	1,29,88,999	(2,10,499)	-
	3,85,23,465	1,67,42,347	-
Other Receivables			
Receivables considered good - unsecured	1,99,110	15,62,237	3,35,706
	1,99,110	15,62,237	3,35,706
TOTAL	3,87,22,575	1,83,04,584	3,35,706
Note 6: Loans			
Working Capital Loans / Inter-Corporate Deposit in India - at amortised cost			
- Public Sector	-	-	-
- Others			
Secured	1,85,08,75,482	2,62,67,58,095	-
Unsecured	2,44,02,25,297	1,61,58,51,409	1,25,66,74,835
Total Loans in India	4,29,11,00,779	4,24,26,09,504	1,25,66,74,835
Working Capital Loans / Inter-Corporate Deposit outside India - at amortised cost			
- Public Sector	-	-	-
- Others	-	-	-
Total Loans Outside India	-	-	-
TOTAL	4,29,11,00,779	4,24,26,09,504	1,25,66,74,835
Note 6.1: Credit Quality of Assets			
Low credit risk	4,29,11,00,779	4,24,26,09,504	1,25,37,94,835
Significant increase in credit risk	-	-	28,80,000
Credit-impaired	-	-	-
TOTAL	4,29,11,00,779	4,24,26,09,504	1,25,66,74,835
Note 7: Investments			
INVESTMENTS:			
<u>Investment in Equity Instruments</u>			
Unquoted- In wholly owned subsidiary- valued at cost			
Abans Securities Private Limited*			
March 31st, 2020 24,15,000 equity shares at face value of 10/- each	18,31,57,400	-	-
March 31st, 2019 24,15,000 equity shares at face value of 10/- each	-	18,31,57,400	-
April 01st, 2018 24,14,000 equity shares at face value of 10/- each	-	-	18,26,81,250

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Abans Commodities (I) Pvt Limited*			
March 31st, 2020 50,00,000 equity shares at face value of 10/- each	5,39,29,214	-	-
March 31st, 2019 50,00,000 equity shares at face value of 10/- each	-	5,39,29,214	-
April 01st, 2018 49,99,700 equity shares at face value of 10/- each	-	-	5,39,21,765
Abans Broking Services Pvt Limited*			
March 31st, 2020 41,35,000 equity shares at face value of 10/- each	5,29,47,848	-	-
March 31st, 2019 41,35,000 equity shares at face value of 10/- each	-	5,29,47,848	-
April 01st, 2018 41,33,500 equity shares at face value of 10/- each	-	-	5,29,23,928
Abans Agri Warehousing & Logistics Pvt Limited*			
March 31st, 2020 NIL	-	-	-
March 31st, 2019 NIL	-	-	-
April 01st, 2018 1,00,000 equity shares at face value of 10/- each	-	-	47,00,000
Other Investments			
Investment in Preference Shares			
Unquoted- In wholly owned subsidiary- valued at cost			
Abans Broking Services Limited			
March 31st, 2020 1,20,00,000 preference shares of '10/- Each	12,00,00,000	-	-
March 31st, 2019 1,20,00,000 preference shares of '10/- Each	-	12,00,00,000	-
April 01st, 2018 NIL	-	-	-
Investment in Compulsory Convertible Debentures**			
Unquoted- In wholly owned subsidiary- valued at cost			
Abans Broking Services Pvt Limited			
March 31st, 2020 Compulsory Convertible Debentures of F.V. Rs.10 Lac each	22,00,00,000	-	-
March 31st, 2019 NIL	-	22,00,00,000	-
April 01st, 2018 NIL	-	-	-
TOTAL	63,00,34,462	63,00,34,462	29,42,26,943
* Including 1 share held by Mr.Abhishek Bansal as Nominee of Abans Finance Private Limited			
** Each CCD having face value of ` 10 Lakh each shall be converted into such number of equity shares of face value ` 10/- each at any time before the expiry of 10 (Ten) years from the date of allotment of debenture at a conversion price of Rs. 415/- or a price which may be arrived at the time of conversion based on mutually agreed international acceptable valuation method which is permissible at the time of conversion in accordance with the applicable of Provisions of Law.			
The Company has filed a Scheme of Arrangement of Abans Finance Private Limited (Demerged Company) With Abans Capital Private Limited (Resulting Company) under section 230 to 232 and other applicable provisions of the Companies Act, 2013 before the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with Appointed Date as March 30, 2019. The Hon'ble National Company Law Tribunal, Mumbai Bench is yet to approve the Scheme of Arrangement. On approval of the Scheme the SEBI Regulated Business of the Company conducted through its subsidiaries (i.e. Abans Commodities Private Limited, Abans Broking Services Private Limited and Abans Securities Private Limited) and Trading Business shall stand demerged to the resulting company w.e.f. Appointed date or such other date approved by NCLT, subject to requisite approval of shareholders of the Company and NCLT			
Note 8: Other Financial Asset			
Interest receivable on loan	22,57,956	4,51,430	-
TOTAL	22,57,956	4,51,430	-
Note 9: Current tax assets (Net)			
Advance Tax & TDS (Net of provision for tax)	72,05,956	8,97,142	7,70,250
TOTAL	72,05,956	8,97,142	7,70,250
Note 10: Deferred Tax Assets (Net)			
Difference of Depreciation on Fixed Assets	2,95,002	1,78,889	96,394
Unrealized Loss on Fair Value	32,69,071	-	-
Provision for Employee Benefit	2,88,940	-	-
Provision for Impairment - Loans	43,19,937	30,35,703	-
Closing Deferred Tax Asset	81,72,950	32,14,592	96,394
Movement in Net deferred tax Asset during the year	49,58,358	31,18,198	-

Abans Finance Private Limited**Notes to the Standalone Financial Statements as at 31st March 2020****Note: 11-Property, Plant & Equipment****(Amt in Rs.)**

	Buildings	Air Conditioner	Furniture and fittings	Office Equipments	TOTAL
Gross Block:					
As at April 01, 2018	14,05,91,198	10,88,146	71,97,302	4,43,994	14,93,20,640
Additions	-	-	-	28,97,165	28,97,165
Disposal / Adjustments	-	-	-	-	-
As at March 31, 2019	14,05,91,198	10,88,146	71,97,302	33,41,159	15,22,17,805
Additions	-	24,000	80,605	1,76,726	2,81,331
Disposal / Adjustments	-	-	-	-	-
As at March 31, 2020	14,05,91,198	11,12,146	72,77,907	35,17,885	1,19,07,938
Depreciation and Impairment:					
As at April 01, 2018	66,64,023	6,20,243	20,48,428	2,47,358	95,80,052
Additions	22,21,341	2,06,748	6,83,744	2,62,344	33,74,177
Disposal / Adjustments	-	-	-	-	-
As at March 31, 2019	88,85,364	8,26,991	27,32,172	5,09,702	1,29,54,229
Additions	22,21,341	2,08,268	6,87,965	6,57,536	37,75,109
Disposal / Adjustments	-	-	-	-	-
As at March 31, 2020	1,11,06,705	10,35,259	34,20,137	11,67,238	56,22,634
Net Block:					
As at April 01, 2018	13,39,27,175	4,67,903	51,48,874	1,96,636	13,97,40,588
As at March 31, 2019	13,17,05,834	2,61,155	44,65,130	28,31,457	13,92,63,576
As at March 31, 2020	12,94,84,493	76,887	38,57,770	23,50,647	13,57,69,798

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Note 12: Other Non Financial Asset			
Prepaid Expenses	46,814	2,52,420	1,55,555
Balance with Government Authorities	4,42,326	-	-
Security Deposit	1,00,000	1,00,000	3,42,250
TOTAL	5,89,140	3,52,420	4,97,805

Note 12.1: Security Deposit of Rs. 1,00,000 is given against Electricity and Rs. 2,42,250 against renovation for registered office

Note 13: Payables

Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
Other Payables			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,43,961	31,03,733	53,98,638
TOTAL	4,43,961	31,03,733	53,98,638

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

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

Particulars	As at	As at	As at
	March 31, 2020	March 31, 2019	April 01, 2018
Note 14: Debt Securities in India			
At Fair Value through Profit & Loss			
Secured			
Privately Placed Market Linked Non-Convertible Debentures (Refer Note 14.1)	8,40,01,143	-	-
Unsecured			
Privately Placed Market Linked Non-Convertible Debentures (Refer Note 14.2)	1,01,50,72,013	-	-
TOTAL	1,09,90,73,156	-	-

Note: 14.1 Privately Placed Market Linked Non Convertible Debentures - Secured

Sr. No	Series	Issue Date	Redemption Date	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
				Units	Face Value (Rs.)	Units	Face Value (Rs.)	Units	Face Value (Rs.)
1	Series A	31-Jul-19	30-Sep-22	15	15,00,000	-	-	-	-
2	Series B	27-Aug-19	09-Dec-22	13	13,00,000	-	-	-	-
3	Series C	28-Aug-19	31-Oct-22	12	12,00,000	-	-	-	-
4	Series D	11-Sep-19	24-Dec-22	300	3,00,00,000	-	-	-	-
5	Series E	10-Dec-19	14-Dec-20	5	5,00,000	-	-	-	-
6	Series F	13-Dec-19	17-Dec-20	10	10,00,000	-	-	-	-
7	Series G	20-Dec-19	22-Feb-23	8	8,00,000	-	-	-	-
8	Series G	20-Dec-19	23-Apr-23	8	8,00,000	-	-	-	-
9	Series H	30-Dec-19	04-Mar-23	35	35,00,000	-	-	-	-
10	Series I	03-Jan-20	07-Jan-21	10	10,00,000	-	-	-	-
11	Series J	07-Jan-20	12-Mar-23	5	5,00,000	-	-	-	-
12	Series J	07-Jan-20	11-Jan-21	5	5,00,000	-	-	-	-
13	Series K	10-Jan-20	14-Jan-21	8	8,00,000	-	-	-	-
14	Series L	22-Jan-20	26-Jan-21	5	5,00,000	-	-	-	-
15	Series M	14-Feb-20	19-Apr-23	9	9,00,000	-	-	-	-
16	Series N Type I	27-Feb-20	02-May-23	10	10,00,000	-	-	-	-
17	Series N Type II	27-Feb-20	11-Jun-23	5	5,00,000	-	-	-	-
18	Series N Type III	27-Feb-20	25-Feb-21	10	10,00,000	-	-	-	-
19	Series O	27-Feb-20	13-May-23	400	4,00,00,000	-	-	-	-
20	Series P Type I	02-Mar-20	12-Jun-23	5	5,00,000	-	-	-	-
21	Series P Type II	02-Mar-20	06-May-23	5	5,00,000	-	-	-	-
22	Series Q	03-Mar-20	07-May-23	5	5,00,000	-	-	-	-
23	Series R	05-Mar-20	09-May-23	10	10,00,000	-	-	-	-
24	Series S	09-Mar-20	13-May-23	5	5,00,000	-	-	-	-
25	Series T	11-Mar-20	16-Mar-21	4	4,00,000	-	-	-	-
26	Series U	13-Mar-20	17-May-23	15	15,00,000	-	-	-	-
27	Series V	31-Mar-20	14-Jul-23	15	15,00,000	-	-	-	-
TOTAL				937	9,37,00,000	-	-	-	-

*Secured against Loans and Advances

*Coupon rate of "NCDs" varies with Market Movement in Nifty and underlying equity wherever applicable, with maximum cap on coupon as detailed below:

Series at Sr. No.	Max Cap on Coupon	Approx Annualised Rate	Principle Protection
5,6,10,12,13,14,18,25	10.50	10.40%	-
1,3,7,9,11,15,16,21,22,23,24,26	50.00	15.80%	-
19	56.00	17.50%	Yes
2,4,8,17,20,27	75.00	22.80%	-

Note: 14.2 Privately Placed Market Linked Non Convertible Debentures - Unsecured

Sr. No	Series	Issue Date	Redemption Date	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
				Units	Face Value (Rs.)	Units	Face Value (Rs.)	Units	Face Value (Rs.)
1	Series 1	06-Feb-20	04-Mar-29	400	40,00,00,000	-	-	-	-
2	Series 2	07-Feb-20	05-Mar-29	200	20,00,00,000	-	-	-	-
3	Series 3	11-Feb-20	09-Mar-29	400	40,00,00,000	-	-	-	-
TOTAL				1,000	1,00,00,00,000	-	-	-	-

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

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

Particulars	As at	As at	As at
	March 31, 2020	March 31, 2019	April 01, 2018
Note 15: Borrowings (Other than Debt Securities)			
At Amortised Cost			
Inter Corporate Deposit - in India			
Unsecured			
Related Party	-	-	-
Others	77,99,25,826	2,36,58,50,526	-
Total Borrowings in India	77,99,25,826	2,36,58,50,526	-
Inter Corporate Deposit - outside India			
Related Party	-	-	-
Others	-	-	-
Total Borrowings outside India	-	-	-
TOTAL	77,99,25,826	2,36,58,50,526	-

Note: 15.1 Terms of Borrowings

All the borrowings are for a period of 1 year

Rate of interest is 10% pa

Interest is payable annually along with principal

Note 16 Subordinated Liabilities

At Fair Value through Profit & Loss

Unsecured

Privately placed subordinated (Tier II) redeemable market linked debentures

(Refer Note 16.1)

	50,38,37,534	-	-
TOTAL	50,38,37,534	-	-

Note: 16.1 Privately placed subordinated (Tier II) redeemable market linked debentures - Unsecured

Sr. No	Series	Issue Date	Redemption Date	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
				Units	Face Value (Rs.)	Units	Face Value (Rs.)	Units	Face Value (Rs.)
1	Series 1	03-Mar-20	03-Dec-29	500	50,00,00,000	-	-	-	-
	TOTAL			500	50,00,00,000	-	-	-	-

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

** Subordinated to the claims of other creditors and shall rank after all other debts and liabilities of the Company and will be paid only on maturity or shall be paid after discharging all other outstanding debts and liabilities of the Company in the event of winding up or liquidation.

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Note 17: Provisions			
Provision for Leave Encashment	3,49,166	4,23,699	-
Provision for Gratuity	7,98,881	7,65,750	2,30,457
Provision for Impairment loss allowance (Loans)	1,06,01,423	1,22,30,761	68,11,951
TOTAL	1,17,49,470	1,34,20,210	70,42,408
Note 18: Other Non Financial Liabilities			
Duties & Taxes	2,42,928	59,28,509	16,06,189
TOTAL	2,42,928	59,28,509	16,06,189
Note 19: Equity Share Capital			
Authorised			
Equity Share			
March 31st, 2020- 16,35,00,000 Nos- face value of 10/- each	1,63,50,00,000	-	-
March 31st, 2019- 16,35,00,000 Nos- face value of 10/- each	-	1,63,50,00,000	-
April 01st, 2018- 2,35,00,000 Nos- face value of 10/- each	-	-	23,50,00,000
Non-Cumulative Compulsory Convertible Preference Shares			
March 31st, 2020- NIL	-	-	-
March 31st, 2019- NIL	-	-	-
April 01st, 2018- 14,00,00,000 Nos- of 10/- each fully paid up	-	-	1,40,00,00,000
TOTAL	1,63,50,00,000	1,63,50,00,000	1,63,50,00,000
Issued, Subscribed and Paid up:			
Equity shares			
March 31st, 2020- 2,52,77,326 Nos- face value of 10/- each	25,27,73,260	-	-
March 31st, 2019- 2,52,77,326 Nos- face value of 10/- each	-	25,27,73,260	-
April 01st, 2018- 2,32,06,400 Nos- face value of 10/- each	-	-	23,20,64,000
TOTAL	25,27,73,260	25,27,73,260	23,20,64,000
Note 19.1: Reconciliation of number of shares outstanding is set out below:			
Equity Shares :			
At the beginning of the period	2,52,77,326	2,32,06,400	2,32,06,400
Addition during the period	-----	20,70,926	-----
Outstanding at the end of the period	2,52,77,326	2,52,77,326	2,32,06,400
Note 19.2: The details of shareholders holding more than 5% shares :			
Equity Shares:			
Name of the Shareholder			
Abans Holdings Pvt Ltd (No. of Shares)	2,31,96,992	2,31,96,992	2,31,90,720
Abans Holdings Pvt Ltd (% held)	92%	92%	100%
Teesta Retail Pvt Ltd (No. of Shares)	20,70,926	20,70,926	-
Teesta Retail Pvt Ltd (% held)	8%	8%	0%
Terms / Rights attached to Equity Shares			
The company has only one class of equity share have been having a par value of Rs.10 each holder of equity share is entitled to one vote per share. The company declares and pays dividend if any, in Indian Rupee. The dividend proposed if any, by the board of Directors is subject to the approval of the share holders at the ensuing Annual General meeting accept in case of interim dividend. In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of remaining assets of the company after distribution of preferential amount. The distribution will be in proportion to the number of equity shares held by the share holders.			
Note 19.3 : Number of Shares allotted as fully paid up for consideration other than cash by way of bonus shares :			
The aggregate number of bonus shares issued in the last five years immediately preceding the balance sheet date. Date of Bonus issue : 25/09/2012			
Note 20: Other Equity			
Non-Cumulative Compulsory Convertible Preference Shares			
March 31st, 2020- NIL	-	-	-
March 31st, 2019- NIL	-	-	-
April 01st, 2018- 13,94,00,000 Nos- of 10/- each fully paid up	-	-	1,39,40,00,000
Closing Balance	-	-	1,39,40,00,000

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Securities Premium			
Opening Balance	2,40,91,97,650	3,79,86,910	3,79,86,910
Less: Share Issue Expenses incurred during the year	-----	-----	-----
Add : On Shares Issued & Converted into Equity during the year	-----	2,37,12,10,740	-
Closing Balance	2,40,91,97,650	2,40,91,97,650	3,79,86,910
Impairment Reserve			
Opening Balance	47,39,677	-	-
Add: Transferred from provision	18,23,303	47,39,677	-
Closing Balance	65,62,980	47,39,677	-
Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934			
Opening Balance	58,86,719	39,11,219	39,11,219
Add: Transferred from retained earnings	51,72,400	19,75,500	-
Closing Balance	1,10,59,119	58,86,719	39,11,219
Retained Earnings			
Opening Balance	2,31,11,002	1,16,95,617	1,16,95,617
Add : Profit for the year	2,58,61,858	1,81,30,562	-
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	(51,72,400)	(19,75,500)	-
Transfer to Impairment Reserve	(18,23,303)	(47,39,677)	-
Closing Balance	4,19,77,157	2,31,11,002	1,16,95,617
Other Comprehensive Income			
Opening Balance	(39,142)	-	-
Add : Other comprehensive income for the year	3,98,302	(39,142)	-
Closing Balance	3,59,160	(39,142)	-
TOTAL	2,46,91,56,066	2,44,28,95,906	1,44,75,93,746

Note 20.1: Reconciliation of number of shares outstanding is set out below:

Non-Cumulative Compulsorily Convertible Preference Shares :

Name of the Shareholder

Teesta Retail Private Limited	0.00%	0.00%	100.00%
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6% Non-Cumulative Compulsorily Convertible Preference Shares :

At the beginning of the period	-----	13,94,00,000	-----
Addition during the period	-----	-----	13,94,00,000
Converted into Equity Shares during the period	-----	13,94,00,000	-----
Outstanding at the end of the period	-----	-----	13,94,00,000

Note 20.2: Terms of Preference shares:

- i) The NCCCPS holders shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to repayment of capital.
- ii) Until conversion, the NCCCPS shall be non-participating in the surplus assets and profits which may remain after the entire capital has been repaid on winding up of the company
- iii) The NCCCPS shall not carry any voting rights on any resolutions placed before the company even if the dividend is not paid for a period of 2 years or more
- iv) The NCCCPS shall be compulsorily converted into equity shares at the end of 20 years from the date of allotment or on earlier date as may be mutually decided between the parties at the Conversion Price which shall be Higher of:
 - a. Fair Market Value as on the date of Conversion or
 - b. Book Value on the date of Conversion or
 - c. At Rs.1149/- being Fair value as per Valuation report dated 10th January, 2018.
- v) The NCCCPS were fully converted into Equity shares as on March 31, 2019.

Note 20.3: Security Premium

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

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

Note 20.4: Impairment Reserve

Impairment Reserve is the difference of allowance under Ind AS 109 is and provisions required as per IRACP. If impairment allowance under Ind AS 109 is lower than the provisions requires as per IRACP, the difference is appropriated from net profit or loss after tax to Impairment Reserve.

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

Abans Finance Private Limited

Notes to the Standalone Financial Statements for the period ended 31st March, 2020

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Note 21: Interest Income		
At amortised cost		
Interest on Loans	47,38,61,088	20,44,48,726
TOTAL	47,38,61,088	20,44,48,726
Note 22: Net gain/ (loss) on fair value changes		
Net Gain on financial instruments measured at fair value through profit or loss		
Market Linked Debentures	46,07,882	
Derivative Instruments	-	4,03,626
TOTAL	46,07,882	4,03,626
Note 22.1 Net Gain on financial instruments at fair value through profit or loss		
Realised	46,07,882	1,93,127
Unrealized	-	2,10,499
	46,07,882	4,03,626
Note 23: Finance Costs		
Interest expenses on financial liabilities measured at amortised cost		
Interest on borrowings	20,90,40,299	4,88,69,259
Other borrowing costs	14,04,21,531	4,329
TOTAL	34,94,61,831	4,88,73,588
Note 24: Employee Benefits and Expenses		
Salaries and Wages	3,34,88,086	2,69,75,227
Contribution to Gratuity ,Leave Encashment and Provident Fund	6,75,998	17,37,187
Staff Welfare	15,534	21,082
TOTAL	3,41,79,618	2,87,33,496
Note 25: Establishment and Other Expenses		
Net Loss on derivatives financial instruments measured at fair value through profit or loss	5,06,48,288	-
Provision on loan	-	54,18,810
Bad Debts	-	28,80,000
Rent Expenses	87,98,129	28,47,288
Electricity Expenses	14,65,070	1,98,540
Society Maintenance charges	1,38,636	1,28,103
Telecommunication Expenses	3,05,162	2,94,074
Contribution to Electoral Bonds	-	9,00,00,000
Travelling & Conveyance	1,33,790	22,61,310
Legal & Professional Fees	8,96,629	15,74,371
Property Tax	2,71,535	2,71,535
Sundry Expenses	19,10,274	6,25,695
Business Development Expenses	25,52,370	18,38,275
Repairs & Maintenance	2,37,093	8,77,871
Franking, Stamping & Registration Charges	1,65,810	46,299
License Fee and ROC Expenses	5,50,464	5,05,797
Professional Development	-	11,61,238
Payment to Auditors		
- Statutory Audit Fees	2,12,150	1,50,000
- Tax Audit Fees	50,000	50,000
TOTAL	6,83,35,399	11,11,29,206

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

Note 26: Contingent Liabilities :

	March 31, 2020	March 31, 2019	April 01, 2018
i Corporate Guarantee given to bank & NBFC for Fund based and non-Fund based credit facilities extended to the Subsidiary and group companies	2,83,68,00,000	1,85,20,00,000	2,00,20,00,000
ii Claim against company not acknowledged as debts (Refer Note 26.1)	5,59,650	5,59,650	5,59,650
26.1 Income Tax Liability for Assessment Year 2014-15 Rs. 5,59,650/- . This represents the demands made by Income Tax authorities which in opinion of company are not sustainable and hence are appealed against with appropriate authority by discharging payment of 15% of demand i.e. Rs. 83,950/-			

Note 27: Earning Per Share :

Particulars	March 31, 2020	March 31, 2019
A Face Value of the shares (`)	10	10
B Outstanding No. of Equity Shares	2,52,77,326	2,52,77,326
C Weighted Average no. of shares	2,52,77,326	2,33,43,644
D Net Profit after tax as per statement of profit and loss	2,62,60,160	98,77,543
E Basic Earnings Per Share (`) (E = D / C)	1.04	0.42
F Weighted Average no. of shares (Diluted)	2,52,77,326	2,33,43,644
G Diluted Earnings Per Share	1.04	0.42

Note 28: Related Party Disclosure :

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

Category	Particulars	Name of the Party
1	Holding Company	Abans Holdings Pvt Ltd (previously known as Abans Vanija Pvt Ltd)
2	Subsidiary Companies (Direct / Indirect)	Abans Broking Services Pvt Ltd Abans Commodities (I) Pvt Ltd Abans Securities Pvt Ltd
3	Key Management Personnel	Abhishek Bansal Shriyam Bansal Shrinath Chaturvedi (from 19-07-2019) Karan Jain (from 01-03-2020) Mahesh Kumar Cheruveedu (from 20-02-2020) Rajendra Sawant (from 20-02-2020) Ritika Jain (upto 20-02-2020)
4	Relatives of key management personnel	None
5	Enterprises owned or significantly influenced by key management personnel or their relatives	Abans Jewels Pvt Ltd Abans Realty & Infrastructure Pvt Ltd Abans Agriwarehousing & Logistics Pvt Ltd Abans Enterprise Ltd Abans Metals Pvt Ltd Cultured Curio Jewels Pvt Ltd Lifesurge Biosciences Pvt Ltd Zicuro Technologies Pvt Ltd
6	Enterprises owned or significantly influenced by a group of individuals or their relatives who have a control or significant influence over the company	None
7	Individuals owning, directly or indirectly, an interest in the voting power of reporting enterprise that gives them control of significant influence over enterprise and relatives of any such individual	Abhishek Bansal

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

Nature of transactions	Relationship Category	March 31, 2020	March 31, 2019	April 01, 2018
Investments				
Abans Agriwarehousing & Logistics Pvt Ltd	5	-	-	47,00,000
Abans Broking Services Pvt Ltd - CCD	2	22,00,00,000	22,00,00,000	-
Abans Broking Services Pvt Ltd	2	5,29,47,848	5,29,47,848	5,29,23,928
Abans Securities Pvt Ltd	2	18,31,57,400	18,31,57,400	18,26,81,250
Abans Commodities (I) Pvt Ltd	2	5,39,29,214	5,39,29,214	5,39,21,765
Total		51,00,34,462	51,00,34,462	29,42,26,943
Investment in Preference Shares				
Abans Broking Services Pvt Ltd	2	12,00,00,000	12,00,00,000	-
Total		12,00,00,000	12,00,00,000	-
Loans & advances				
Abans Jewels Pvt Ltd	5	10,00,00,000	-	-
Cultured Curio Jewels Pvt Ltd	5	96,64,96,000	1,27,09,60,230	2,61,706
Lifesurge Biosciences Pvt Ltd	5	9,48,05,300	-	-
Zicuro Technologies Pvt Ltd	5	8,80,22,479	-	-
Total		1,24,93,23,779	1,27,09,60,230	2,61,706

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

Debt Securities issued during the year and discount on such issue		March 31, 2020	March 31, 2019	April 01, 2018
<u>Marked linked debentures - Secured</u>				
Abans Broking Services Pvt Ltd	2	9,22,00,000	-	-
(Discount on issue Rs. 52,10,500)				
<u>Marked linked debentures - Unsecured</u>				
Abans Securities Pvt Ltd	2	1,00,00,00,000		
(Discount on issue Rs. 9,00,00,000)				
Total		1,09,22,00,000	-	-
Subordinated Debts issued during the year and discount on such issue				
<u>Marked linked debentures - Unsecured</u>				
Abans Securities Pvt Ltd	2	50,00,00,000	-	-
(Discount on issue Rs. 4,50,00,000)				
Total		50,00,00,000	-	-
Corporate guarantee given by reporting enterprise				
Abans Securities Pvt Ltd	2	74,00,00,000	74,00,00,000	74,00,00,000
Abans Broking Services Pvt Ltd	2	58,67,00,000	58,20,00,000	55,20,00,000
Abans Commodities (I) Pvt Ltd	2	61,01,00,000	53,00,00,000	71,00,00,000
Cultured Curio Jewels Private Limited	5	90,00,00,000	-	-
Total		2,83,68,00,000	1,85,20,00,000	2,00,20,00,000
Interest Income				
Cultured Curio Jewels Private Limited	5	13,68,52,150	21,78,033	
Abans Jewels Private Limited	5	95,43,779	3,53,755	
Lifesurge Biosciences Private Limited	5	61,61,408	-	
Zicuro Technologies Private Limited	5	33,50,131	-	
Total		15,59,07,468	25,31,788	
Rent Income				
Abans Broking Services Pvt Ltd	2	19,80,000	19,80,000	
Abans Commodities (I) Pvt Ltd	2	19,80,000	19,80,000	
Abans Realty & Infrastructure Pvt Ltd	5	7,56,000	7,56,000	
Abans Securities Pvt Ltd	2	16,20,000	16,20,000	
Abans Jewels Pvt Ltd	5	5,04,000	5,04,000	
Abans Holdings Pvt Ltd	1	1,68,000	1,68,000	
Abans Agri Warehousing & Logistics Pvt Ltd	5	1,68,000	1,68,000	
Abans Metals Pvt Ltd	5	1,26,000	1,26,000	
Abans Enterprise Ltd	5	1,68,000	1,68,000	
Cultured Curio Jewels Pvt Ltd	5	1,68,000	1,68,000	
Zicuro Technologies Pvt Ltd	5	1,02,000	-	
Total		77,40,000	76,38,000	
Salary of KMP / Directors remuneration				
Karan Jain	3	83,378	-	
Rajendra Sawant	3	8,29,256	-	
Ritika Jain	3	4,06,940	-	
Total		13,19,574	-	

Note 29: Segment Information:

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

	March 31, 2020	March 31, 2019
1. Segment Revenue		
a) Segment - Financial	48,00,98,308	20,48,52,352
b) Segment - Rent	77,40,000	76,63,226
c) Segment - Others / un allocable	-	5,77,800
Total	48,78,38,308	21,30,93,378
Less: Inter Segment Revenue	-	-
Net Sales / Income from Operations	48,78,38,308	21,30,93,378
2. Segment Results		
Profit / (Loss) before tax and interest from each segment		
a) Segment - Financial	41,60,81,129	18,84,93,724
b) Segment - Rent	73,62,551	76,63,226
c) Segment - Others / un allocable	(4,18,95,498)	(12,63,00,451)
Total	38,15,48,182	6,98,56,499
Less		
Finance cost	(34,94,61,831)	(4,88,73,588)
Total profit before exceptional item & tax	3,20,86,351	2,09,82,911
3. Capital Employed		
Segment Assets		
a) Segment - Financial	4,98,58,23,201	5,03,77,86,117
b) Segment - Rent	11,26,51,509	-
c) Segment - Others / un allocable	3,17,16,490	4,61,86,027
Total	5,13,01,91,200	5,08,39,72,144
Segment Liabilities		
a) Segment - Financial	2,40,68,70,899	2,37,01,43,091
b) Segment - Rent	-	-
c) Segment - Others / un allocable	13,90,975	1,81,59,887
Total	2,40,82,61,874	2,38,83,02,978

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

Note 30: Employee Benefits

A. Gratuity (Defined Benefit Plan)

i) General Description:

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

Particulars	March 31, 2020	March 31, 2019		
ii) Change in the present value of the defined benefit obligation				
Opening defined benefit obligation	7,65,750	2,30,457		
Current service cost	3,73,496	4,78,534		
Interest cost	57,937	17,617		
Actuarial (gain) / loss due to remeasurement on change in assumptions	66,968	7,209		
Experience (gain) / loss on plan liability	(4,65,270)	31,933		
Benefits paid and transfer out	-	-		
Contributions by employee	-	-		
Transfer in	-	-		
Closing defined benefit obligation	7,98,881	7,65,750		
iii) Breakup of Actuarial gain/loss				
Actuarial [gain]/ loss arising from change in demographic assumption	185	-		
Actuarial [gain]/ loss arising from change in financial assumption	66,783	7,209		
Actuarial [gain]/ loss arising from experience adjustment	(4,65,270)	31,933		
iv) Expenses/ [Incomes] recognised in the Statement of Profit and Loss:				
Current service cost	3,73,496	4,78,534		
Past service cost	-	-		
(Gains) / losses - on settlement	-	-		
Interest cost / (Income) on benefit obligation	57,937	17,617		
Net expenses/ [benefits]	4,31,433	4,96,151		
v) Other Comprehensive Income				
Actuarial (Gain)/Loss recognized for the period due to change in assumptions	(3,98,302)	39,142		
Asset limit effect	-	-		
Return on plan assets excluding net interest	-	-		
Unrecognized Actuarial (Gain) / Loss from previous period	-	-		
Total Actuarial (Gain)/Loss recognized in OCI	(3,98,302)	39,142		
vi) Movement in net liabilities recognised in Balance Sheet:				
Opening net liabilities	7,65,750	-		
Expenses as above [P & L Charge]	4,31,433	4,96,151		
Benefits Paid	-	-		
Other Comprehensive Income (OCI)	(3,98,302)	39,142		
Liabilities/ [Assets] recognised in the Balance Sheet	7,98,881	5,35,293		
vii) Amount recognized in the balance sheet:				
PVO at the end of the year	7,98,881	5,35,293		
Fair value of plan assets at the end of the year	-	-		
Deficit	(7,98,881)	(5,35,293)		
Unrecognised past service cost	-	-		
(Liabilities)/Assets recognized in the Balance Sheet	(7,98,881)	(5,35,293)		
viii) Principal actuarial assumptions as at Balance sheet date:				
<u>Discount rate</u>	7.55%	6.60%		
[The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the currency and terms of the post-employment benefit obligations].				
<u>Annual increase in salary cost</u>	9.00%	9.00%		
[The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market].				
<u>Employee Attrition Rate (Past Services (PS))</u>	10.00%	10.00%		
<u>Decrement adjusted remaining working life (years)</u>	8.23	8.52		
Sensitivity analysis:				
March 31, 2020	<u>Salary Escalation rate</u>			
	<u>Discount rate of 1%</u>	<u>of 1%</u>	<u>Attrition rate of 50%</u>	<u>Mortality rate of 10%</u>
Impact on statement of Profit & Loss increase in rate	7,28,587	8,76,989	6,88,487	7,98,634
Impact on statement of Profit & Loss of decrease in rate	8,79,663	7,29,439	9,53,148	7,99,129

B. Compensated absence (long term employee benefits)

i) General description:-

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

Particulars	March 31, 2020	March 31, 2019
ii) Asset and Liability (Balance Sheet position)		
Present value of obligation	(3,49,166)	(4,07,203)
Fair value of plan assets	-	-
Surplus/(Deficit)	(3,49,166)	(4,07,203)
Effects of asset ceiling	-	-
Net Asset/ (Liability)	(3,49,166)	(4,07,203)

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

	March 31, 2020	March 31, 2019		
iii) Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013				
Current Liability (Short Term)	32,798	-		
Non-current Liability (Long term)	3,16,368	-		
Present value of the obligation at the end	3,49,166	-		
iv) Expenses Recognized in the Statement of Profit and Loss				
Present value of obligation as at the beginning	(4,07,203)	-		
Present value of obligation as at the end	3,49,166	-		
Benefit Payment	16,496	-		
Actual return on plan asset	-	-		
Acquisition adjustment	-	-		
Expense recognized	(41,541)	-		
v) Principal actuarial assumptions as at Balance sheet date:				
Discount rate	6.60%	-		
[The rate of discount is considered based on market yield on Government Bonds				
Annual increase in salary cost	9.00%	-		
[The estimates of future salary increases are considered in actuarial valuation,				
Sensitivity analysis:				
March 31, 2020				
	Discount rate of 1%	Salary Escalation rate of 1%	Attrition rate of 50%	Mortality rate of 10%
Impact on statement of Profit & Loss increase in rate	3,23,697	3,77,095	3,34,624	3,49,030
Impact on statement of Profit & Loss of decrease in rate	3,78,045	3,24,008	3,74,307	3,49,030

C. Defined Contribution Plans

The Company also has certain defined contribution plans. Contributions payable by the Company to the concerned Government authorities in respect of Provident Fund are charged to Statement of Profit and Loss. The obligation of the Company is limited to the amount contributed and it has no contractual or any constructive obligation. Amount recognized during the year as contribution in statement of Profit & Loss is Rs. 622,140/- and Rs 730,872/- for the year ended March 31, 2020 and March 31, 2019.

Note 31: Financial Instruments – Fair Values and Risk Management

A. Accounting classification

March 31, 2020	Fair Value through Profit / (Loss)	Fair Value through OCI	Amortised Cost	Total
Financial assets				
Cash and cash equivalents	-	-	1,63,37,584	1,63,37,584
Receivables	-	-	3,87,22,575	3,87,22,575
Loans	-	-	4,29,11,00,779	4,29,11,00,779
Investments	-	-	-	-
Other Financial assets	-	-	22,57,956	22,57,956
Total Financial Assets	-	-	4,34,84,18,894	4,34,84,18,894
Financial liabilities				
Derivative financial instruments	1,29,88,999	-	-	1,29,88,999
Payables	4,43,961	-	-	4,43,961
Debt Securities	1,09,90,73,156	-	-	1,09,90,73,156
Borrowings (Other than Debt Securities)	-	-	77,99,25,826	77,99,25,826
Subordinated Liabilities	50,38,37,534	-	-	50,38,37,534
Total Financial Liabilities	1,61,63,43,650	-	77,99,25,826	2,39,62,69,476
March 31, 2019				
Financial assets				
Cash and cash equivalents	-	-	4,86,33,935	4,86,33,935
Derivative financial instruments	2,10,499	-	-	2,10,499
Receivables	-	-	1,83,04,584	1,83,04,584
Loans	-	-	4,24,26,09,504	4,24,26,09,504
Other Financial assets	-	-	4,51,430	4,51,430
Total Financial Assets	2,10,499	-	4,30,99,99,453	4,31,02,09,952
Financial liabilities				
Payables	31,03,733	-	-	31,03,733
Debt Securities	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	2,36,58,50,526	2,36,58,50,526
Subordinated Liabilities	-	-	-	-
Total Financial Liabilities	31,03,733	-	2,36,58,50,526	2,36,89,54,259
April 1, 2018				
Financial assets				
Cash and cash equivalents	-	-	13,62,460	13,62,460
Receivables	-	-	3,35,706	3,35,706
Loans	-	-	1,25,66,74,835	1,25,66,74,835
Other Financial assets	-	-	-	-
Total Financial Assets	-	-	1,25,83,73,001	1,25,83,73,001
Financial liabilities				
Payables	53,98,638	-	-	53,98,638
Debt Securities	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	-	-
Total Financial Liabilities	53,98,638	-	-	53,98,638

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

B. Fair value Measurement

Financial instruments measured at FVTPL / FVOCI :

All assets and liabilities for which the fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement are (other than quoted prices) included within Level 1 that are observable for the asset or liability, either directly or indirectly.

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

Financial instruments measured at FVTPL

March 31, 2020

Financial Liabilities

Derivative financial instruments

Payables

Debt Securities

Subordinated Liabilities

Total Financial Liabilities

March 31, 2019

Financial assets

Derivative financial instruments

Total Financial Assets

Financial Liabilities

Payables

Total Financial Liabilities

April 01, 2018

Financial Liabilities

Payables

Total Financial Liabilities

	Level 1	Level 2	Level 3	Total
Derivative financial instruments	1,29,88,999	-	-	1,29,88,999
Payables	-	-	4,43,961	4,43,961
Debt Securities	-	-	1,09,90,73,156	1,09,90,73,156
Subordinated Liabilities	-	-	50,38,37,534	50,38,37,534
Total Financial Liabilities	1,29,88,999	-	1,60,33,54,651	1,61,63,43,650
Derivative financial instruments	2,10,499	-	-	2,10,499
Total Financial Assets	2,10,499	-	-	2,10,499
Payables	-	-	31,03,733	31,03,733
Total Financial Liabilities	-	-	31,03,733	31,03,733
Payables	-	-	53,98,638	53,98,638
Total Financial Liabilities	-	-	53,98,638	53,98,638

Financial instruments measured at amortised cost:

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

C. Financial risk management

Risk management framework

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

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

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

1. Credit risk

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

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

2. Liquidity risk

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

Exposure to liquidity risk

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

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

32 The Company is not registered under any other regulator other than Reserve Bank of India

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

(i) Rating Assigned to	Abans Finance Pvt. Ltd.
(ii) Date of Rating	28th February 2020
(iii) Rating Valid up to	26th August 2020
(iv) Name of the Rating Agency	CARE Ratings Limited
(v) Rating of products	
a) Market Linked Debentures	BBB-

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

35 Off Balance Sheet Exposure Refer Note 26 fo financial statements

36 Details of Assignment transactions undertaken by NBFCs:

	March 31, 2020	March 31, 2019	April 01, 2018
1 No. of accounts*	-	-	-
2 Aggregate value (net of provisions) of accounts sold	-	-	-
3 Aggregate consideration	-	-	-
4 Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
5 Aggregate gain / loss over net book value	-	-	-

37 (a) Non Performing Assets purchased during the year - Nil (Previous Year : Nil)

(b) Non Performing Assets sold during the year - Nil (Previous Year : Nil)

38 Derivative Instruments Exposures

i) Forward Rate Agreement / Interest Rate Swap	-	-	-
ii) Exchange Traded Interest Rate (IR) Derivatives	-	-	-
iii) Disclosures on Risk Exposure in Derivatives			
a) Qualitative Disclosure	-	-	-
b) Quantitative Disclosures			
Equity Derivatives	5,250	2,69,952	-
Nifty Futures	7,125	-	-

39 Exposure to Capital Market

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

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

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

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

Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;

Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources

Bridge loans to companies against expected equity flows / issues;

All exposures to Venture Capital Funds (both registered and unregistered)

40 Additional disclosure - Number of SPVs sponsored by the NBFC for securitisation transactions

1	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	-	-	-
2	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet			
	a) Off-balance sheet exposures			
	First loss	-	-	-
	Others	-	-	-
	b) On-balance sheet exposures			
	First loss	-	-	-
	Others	-	-	-
3	Amount of exposures to securitisation transactions other than MRR			
	a) Off-balance sheet exposures			
	i) Exposure to own securitisations			
	First loss	-	-	-
	loss	-	-	-
	ii) Exposure to third party securitisations			
	First loss	-	-	-
	Others	-	-	-
	b) On-balance sheet exposures			
	i) Exposure to own securitisations			
	First loss	-	-	-
	Others	-	-	-
	ii) Exposure to third party securitisations			
	First loss	-	-	-
	Others	-	-	-

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

	March 31, 2020	March 31, 2019	April 01, 2018
41 Provisions and Contingencies			
Particulars			
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account			
1 Provisions for depreciation on Investment	-	-	-
2 Provision towards NPA	-	-	3,48,000
3 Provision made towards Income tax	1,10,89,000	58,73,000	20,30,000
4 Other Provision and Contingencies - on employee benefits	33,131	9,58,992	8,494
5 Provision / (Reversal) for Standard Assets	(16,29,338)	54,18,810	11,78,430
42 Concentration of Deposits, Advances, Exposures and NPAs			
42.1 Concentration of Deposits (for deposit taking NBFCs)			
Particulars			
1 Total Deposits of twenty largest depositors	-	-	-
2 Percentage of Deposits of twenty largest depositors to total deposits of the applicable NBFC	-	-	-
42.2 Concentration of Advances			
Particulars			
1 Total Advances to twenty largest borrowers	4,29,11,00,779	4,24,26,09,504	1,25,66,74,835
2 Percentage of Advances to twenty largest borrowers to total advances of the applicable NBFC	100%	100%	100%
42.3 Concentration of Exposures			
Concentration of Exposures			
1 Total Exposure to twenty largest borrowers / customers	4,92,11,35,241	4,87,26,43,966	1,55,09,01,778
2 Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	100%	100%	100%
40.4 Concentration of NPAs			
Particulars			
1 Total Exposure to top four NPA accounts	-	-	34,80,000
	0%	0%	100%
43 Sector-wise NPAs			
Particulars			
1 Percentage of NPAs to Total Advances in that sector	0.00%	0.00%	0.28%
2 Agriculture & allied activities	-	-	-
3 MSME	-	-	-
4 Corporate borrowers	-	-	-
5 Services	-	-	-
6 Unsecured personal loans	-	-	34,80,000
7 Auto loans	-	-	-
8 Other personal loans	-	-	-
44 Movement of NPAs			
Particulars			
1 Net NPAs to Net Advances (%)			
2 Movement of NPAs (Gross)			
(a) Opening balance	-	34,80,000	-
(b) Additions during the year	-	-	34,80,000
(c) Reductions during the year	-	34,80,000	-
(d) Closing balance	-	-	34,80,000
3 Movement of Net NPAs			
(a) Opening balance	-	31,32,000	-
(b) Additions during the year	-	-	31,32,000
(c) Reductions during the year	-	31,32,000	-
(d) Closing balance	-	-	31,32,000
4 Movement of provisions for NPAs (excluding provisions on standard assets)			
(a) Opening balance	-	3,48,000	-
(b) Additions during the year	-	-	3,48,000
(c) Reductions during the year	-	3,48,000	-
(d) Closing balance	-	-	3,48,000
45 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)			
1 Name of the Joint Venture/Subsidiary	-	-	-
46 Off-balance sheet SPVs sponsored			
(which are required to be consolidated as per accounting norms)			
1 Name of the SPV sponsored			
(a) Domestic	-	-	-
(b) Overseas	-	-	-
47 Customer Complaints			
1 (a) No. of complaints pending at the beginning of the year	-	-	-
(b) No. of complaints received during the year	-	-	-
(c) No. of complaints redressed during the year	-	-	-
(d) No. of complaints pending at the end of the year	-	-	-
48 Capital to Risk Assets Ratio (CRAR)			
i) CRAR (%)	25.50%	21.70%	NA
ii) CRAR - Tier I Capital (%)	17.37%	21.36%	NA
iii) CRAR - Tier II Capital (%)	8.13%	0.34%	NA
iv) Amount of subordinated debt raised as Tier - II capital	50,38,37,534	-	-
v) Amount raised by issue of Perpetual Debt Instrument	-	-	-

Abans Finance Private Limited
Notes to the Standalone Financial Statements as at 31st March, 2020

49 There is no exposure in real estate sector neither direct nor indirect.

50 Maturity pattern of assets and liabilities:

	March 31, 2020	March 31, 2019	April 01, 2018
Liabilities			
Debt Securities			
Market Linked Debentures			
1 day to 31 days	-	-	-
Over 1 month upto 1 year	57,00,000	-	-
Over 1 year	1,09,33,73,156	-	-
Borrowings from market*			
1 day to 31 days	-	-	-
Over 1 month upto 1 year	77,99,25,826	2,36,58,50,526	-
Over 1 year	-	-	-
Assets			
Advances*			
1 day to 31 days	-	-	-
Over 1 month upto 1 year	4,29,11,00,779	4,24,26,09,504	1,25,66,74,835
Over 1 year	-	-	-
Investments **			
1 day to 31 days	-	-	-
Over 1 month upto 1 year	-	-	-
Over 1 year	-	-	-

*All the loans (borrowing and lending) are for a period of twelve months. However, the same can be called upon/ payable on demand. The Company has designated it to mature in the upto 1 year category due to the substance of the transaction.

** All investments held by the Company are in subsidiary companies and hence long term in nature and do not have a maturity date.

51 Arrangement for Demerger

The Company has filed a Scheme of Arrangement of Abans Finance Private Limited (Demerged Company) With Abans Capital Private Limited (Resulting Company) under section 230 to 232 and other applicable provisions of the Companies Act, 2013 before the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench with Appointed Date as March 30, 2019. The Hon'ble National Company Law Tribunal, Mumbai Bench is yet to approve the Scheme of Arrangement. On approval of the Scheme the SEBI Regulated Business of the Company conducted through its subsidiaries (i.e. Abans Commodities Private Limited, Abans Broking Services Private Limited and Abans Securities Private Limited) and Trading Business shall stand demerged to the resulting company w.e.f. Appointed date or such other date approved by NCLT, subject to requisite approval of shareholders of the Company and NCLT

52 COVID-19

On March 11, 2020, the World Health Organization (WHO) officially declared COVID-19, the disease caused by novel corona virus, a pandemic . It continued to progress and evolve from the year end till the date of signing of the results of the Company. Due to its nature, it is challenging at this juncture, to predict the full extent and duration of its impact on financial performance and business. However, management is closely monitoring the evolution of this pandemic and has evaluated and re-assessed its impact on all major class of assets, liabilities, income and expenditures which are likely to have significant impact on the operations, profitability and continuity of the business. The company has evaluated impact of COVID-19 on its business operations and based on its review there is no significant impact on its financial statements

In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the lending institutions have been permitted to grant a moratorium of three months on payment of all installments and / or interest, as applicable, falling due between 1 March 2020 and 31 August 2020 ('moratorium period') to eligible borrowers in accordance with the Board approved policy. However, no borrowers have made an application to the company to avail the option of moratorium

53 The previous year's figures has been reworked, regrouped, rearranged and reclassified wherever necessary in relation to current year.

54 All figure has been rounded off to the nearest rupee.

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

For and Behalf of the Board

Sd/-

Sd/-

Abhishek Bansal
Director
DIN : 01445730

Shriyam Bansal
Director
DIN : 03481102

Sd/-

Sd/-

Sd/-

Sd/-

Rakesh Chaturvedi
Partner
Membership No: 102075
Mumbai
Date: 31-07-2020
UDIN: 20102075AAAAFU9215

Mahesh Cheruveedu
Chief Executive Officer

Karan Jain
Chief Financial Officer

Rajendra Sawant
Company Secretary

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the Consolidated financial statements of Abans Finance Private Limited (“hereinafter referred to as the Parent Company”) and its subsidiaries (the Parent Company and its subsidiaries together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We would like to draw attention to note no. 41d of the notes to financial statements in relation to the likely Impact of Covid-19 Pandemic on going concern status and adjustments if any required in the consolidated financial statements of the Group, wherein the management believes that no adjustments are required and any likely impact of the same cannot be ascertained on the financial statements of the group and since the management do not foresee any significant impact on status of the group to continue as a going concern, accounts are prepared on going concern basis.

Our opinion is not qualified in the above matter.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements :

Sr	Key Audit Matters	How our audit addressed the Key Audit Matter
1	<i>Impairment of financial assets (expected credit losses) (as described in Note Nos. 6 of the consolidated financial statements)</i>	
	<p>Ind AS 109 requires the Group to recognise impairment loss allowance towards its financial assets (designated at amortised cost) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including:</p> <ul style="list-style-type: none"> • unbiased, probability weighted outcome under various scenarios; • time value of money; • impact arising from forward looking macro-economic factors and; • availability of reasonable and supportable information without undue costs. • Calculation of probability of default / Loss given default. • Determination of exposure at default • Complexity of disclosures <p>Applying these principles involves significant estimation in various aspects, such as:</p> <ul style="list-style-type: none"> • grouping of borrowers based on homogeneity, security by using appropriate statistical techniques; • staging of loans and estimation of behavioural life; 	<p>We read and assessed the Group's accounting policies for impairment of financial assets and their compliance with Ind AS 109.</p> <ul style="list-style-type: none"> • We tested the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. • We have reviewed the procedure followed and analysis done by the management in reviewing the security coverage of the loans given and verified on sample basis. • We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation. • Testing the controls over 'Governance Framework' in line with the RBI guidance. • Testing of review controls over measurement of impairment

	<ul style="list-style-type: none"> determining macro-economic factors impacting credit quality of receivables; Estimation of losses for loan products / corporate guarantee with no / minimal historical defaults. Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter. There are many data inputs required by the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. In some cases, data is unavailable and reasonable alternatives have been applied to allow calculations to be performed. 	<p>allowances and disclosures in financial statements</p> <ul style="list-style-type: none"> Tested the ECL model, including assumptions and underlying computation.
<p>2</p>	<p><i>Valuation of Market Linked Debentures (as described in Note No.16 & 17 of the consolidated financial statements)</i></p>	
	<p>The Parent Company has issued Market Linked Debentures (MLD) during current year linked to the levels of Nifty / Equity share. The outstanding balance of MLD as on March 31, 2020 is INR 1,60,29,10,690/-. The Parent Company has done an internal valuation of the outstanding MLD using internal valuation techniques. Considering that internal valuation of MLD is significant to overall financial statements and the degree of management's judgement involved in the estimate, any error in the estimate could lead to material misstatement in the financial statements. Therefore, it is considered as a key audit matter.</p>	<ul style="list-style-type: none"> Audit procedures included an assessment of internal controls over valuation methodologies, inputs, judgments made and assumptions used by management in determining fair valuation of MLD. Assessed and reviewed the fair valuation of MLD by the Parent Company for compliance with Ind AS. Compared resulted valuations against independent sources and externally available market valuation data.

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

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

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

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

Management's Responsibility for the Financial Statements

The Parent'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 consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows of the company and the Consolidated Statement of Changes in Equity in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND-AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that we are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors of the Companies in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

Other Matters

- (i) We did not audit the financial statements of 6 subsidiary companies included in the consolidated financial statements, whose financial statements reflect total assets of INR 4875509336/- as on March 31, 2020, which reflects group's share of net profit (and other comprehensive income) of INR. 57,89,70,062/- and net cash outflow of INR 12,17,07,081/- for the year ended March 31, 2020. These financial statements and other financial information have been audited by other auditor whose reports have been furnished to us by the Parent Company's Management, and our opinion on the consolidated financial statements to the extent they have been derived from such audited financial statements / financial information is based solely on the reports of such other auditor.

Our opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub section (3) of section 143 of the Act, in so far it relates to the aforesaid subsidiary, is based solely on the report of other auditors.

- (ii) The accompanying Consolidated Financial Statements include unaudited financial statements and other unaudited financial information in respect of 1 subsidiary, whose financial statements and other financial information reflect total assets of INR 62,09,739/- as at March 31, 2020, and total revenues of INR 39,942/- and net cash (inflows) of INR (60,54,992/-) for the year ended on that date. This unaudited financial statement and other unaudited financial information have been furnished to us by the management.

Our opinion, in so far as it relates to amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statements and other financial information are not material to the Group.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiary and unaudited financial statements certified by management referred to in the Other Matters section above, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditor/management as may be applicable.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the accounting standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2020 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company and its subsidiaries, incorporated in India, refer to our separate Report in “Annexure A” to this report.

- g) In our opinion the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Holding Company and its subsidiaries, incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor and management on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matters' paragraph:
- i. The Group does not have any pending litigations except as detailed in Note no. 33 which would impact on its financial position.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For Pares Rakesh & Associates
Chartered Accountants
Firm Registration no. 119728W

Sd/-
Rakesh Chaturvedi
Partner
Membership No.: 102075

Mumbai
Date: July 31, 2020

“Annexure A” to Independent Auditors’ Report on the Consolidated Financial statements of Abans Finance Private Limited

(Referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.

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

Opinion

We have audited the Internal Financial Control over financial reporting of **Abans Finance Private Limited** (“the company” or “the Parent”) and its subsidiary companies (the Parent Company and its subsidiaries incorporated in India, together referred to as “the Group”) as of March 31, 2020 in conjunction with our audit of the Consolidated Financial statements of the Company for the year then ended

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Management Responsibility for the Internal Financial Controls

The respective Board of Directors of the Parent company, its subsidiary companies and its associate companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls 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 the Standards on Auditing, 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 controls, both applicable to an audit of Internal Financial Controls and, 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.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

In our opinion, considering nature of business, size of operations and organizational structure, the Group has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiaries incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Paresh Rakesh & Associates

Chartered Accountants

Firm Registration no. 119728W

Sd/-

Rakesh Chaturvedi

Partner

Membership No.: 102075

Place: Mumbai

Date: July 31, 2020

ABANS FINANCE PRIVATE LIMITED
CIN:U51219MH1995PTC231627
Consolidated Balance Sheet as at 31st March, 2020

Particulars	Note No.	Amount (₹)
ASSETS		
Financial Assets		
(a) Cash and cash equivalents	2	81,44,11,079
(b) Bank balance other than included in (a) above	3	2,64,24,346
(c) Derivative financial instruments	4	52,13,46,859
(d) Receivables	5	
(i) Trade Receivables		4,66,45,79,140
(ii) Other Receivables		26,58,662
(e) Loans	6	4,54,60,13,038
(f) Investments	7	47,53,27,666
(g) Other Financial assets	8	5,85,52,219
Non-Financial Assets		
(a) Inventories	9	28,83,18,988
(b) Current tax assets (Net)	10	72,29,496
(c) Deferred tax Assets (Net)	11	81,72,950
(d) Property, Plant and Equipment	12	14,46,82,844
(e) Other intangible assets	12	1,13,36,753
(f) Goodwill		5,54,84,050
(g) Other non-financial assets	13	40,21,40,761
TOTAL ASSETS		12,02,66,78,851
LIABILITIES AND EQUITY		
LIABILITIES		
Financial Liabilities		
(a) Payables	14	
(i) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises		-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,96,68,03,940
(ii) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises		-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		10,49,18,968
(b) Debt Securities	15	1,09,90,73,156
(c) Borrowings (Other than Debt Securities)	16	1,42,27,41,985
(d) Subordinated Liabilities	17	50,38,37,534
(e) Other financials Liabilities	18	69,46,18,706
Non-Financial Liabilities		
(a) Current tax liabilities (Net)	19	11,13,122
(b) Provisions	20	3,38,26,009
(c) Deferred Tax Liabilities (Net)	21	15,07,89,293
(d) Other non-financial liabilities	22	4,53,30,748
EQUITY		
(a) Equity Share capital	23	25,27,73,260
(b) Other Equity	24	5,37,91,33,564
(c) Non Controlling Interest		37,17,18,567
Total Liabilities and Equity		12,02,66,78,851

Significant Accounting Policies 1
Notes to Financial Statements 2-41
Significant Accounting Policies and Notes attached thereto form an integral part of Financial Statements

As per our attached report of even date **For and Behalf of the Board**
For Paresh Rakesh & Associates
Chartered Accountants
Firm Registration No. 119728W

Rakesh Chaturvedi
Partner
Membership No: 102075
Mumbai
Date: 31-07-2020

Abhishek Bansal
Director
DIN : 01445730

Shriyam Bansal
Director
DIN : 03481102

Mahesh Cheruveedu
Chief Executive Officer

Karan Jain
Chief Financial Officer

Rajendra Sawant
Company Secretary

ABANS FINANCE PRIVATE LIMITED

CIN:U51219MH1995PTC231627

Consolidated Statement of Profit and loss for the period ended 31st March, 2020

Particulars	Note No.	Amount (₹)
REVENUE AND OPERATIONS :		
(a) Interest Income	25	53,21,86,328
(b) Dividend Income		4,87,871
(c) Rental Income		17,38,100
(d) Net Gain on fair value changes	26	1,34,76,81,021
(e) Sale of Products		21,23,04,62,821
(f) Sale of Services		15,45,86,337
(g) Other Operating Income	27	34,00,408
(h) Reversal of Impairment Allowance on Loan		16,29,338
Total Revenue from Operations		23,27,21,72,224
(a) Other Income	28	19,78,254
TOTAL INCOME		23,27,41,50,478
EXPENSES		
(a) Finance Costs	29	46,15,83,912
(b) Purchase of stock in trade		21,21,62,47,170
(c) Changes in Inventories of finished goods, stock-in-trade and work-in-progress	30	14,52,37,193
(d) Employee Benefit Expenses	31	20,12,61,679
(e) Depreciation, amortization and impairment		1,00,55,998
(f) Other Expenses	32	24,63,06,827
TOTAL EXPENSES		22,28,06,92,778
Profit / (loss) before tax		99,34,57,700
Tax Expense		
(a) Current Tax		4,06,90,515
(b) Earlier Year Tax		3,93,731
(c) Deferred Tax		12,76,69,736
Profit / (loss) for the period		82,47,03,718
Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss		5,18,995
(ii) Income tax relating to items that will not be reclassified to profit or loss		
Subtotal (A)		5,18,995
B (i) Items that will be reclassified to profit or loss		16,39,62,888
(ii) Income tax relating to items that will be reclassified to profit or loss		-
Subtotal (B)		16,39,62,888
Other Comprehensive Income (A + B)		16,44,81,883
Total Comprehensive Income for the period (Comprising Profit (Loss) and other Comprehensive Income for the period)		98,91,85,601
Net Profit attributable to : Owners of the company		82,19,20,839
Net Profit attributable to : Non controlling interest		27,82,879
Other Comprehensive Income attributable to : Owners of the company		16,43,10,231
Other Comprehensive Income attributable to : Non controlling interest		1,71,652
Total Comprehensive Income attributable to : Owners of the company		98,62,31,070
Total Comprehensive Income attributable to : Non controlling interest		29,54,531
Earnings per equity share (for continuing operations)		
Basic (Rs.)		32.52
Diluted (Rs.)		32.52
Earnings per equity share (for discontinued operations)		
Basic (Rs.)		-
Diluted (Rs.)		-
Earnings per equity share (for continuing and discontinued operations)		
Basic (Rs.)		32.52
Diluted (Rs.)		32.52
Significant Accounting Policies	1	
Notes to Financial Statements	2-41	

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

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

For and Behalf of the Board

Rakesh Chaturvedi
Partner
Membership No: 102075
Mumbai
Date: 31-07-2020

Abhishek Bansal
Director
DIN : 01445730

Shriyam Bansal
Director
DIN : 03481102

Mahesh Cheruveedu
Chief Executive Officer

Karan Jain
Chief Financial Officer

Rajendra Sawant
Company Secretary

ABANS FINANCE PRIVATE LIMITED
CIN:U51219MH1995PTC231627
Consolidated Cash Flow Statement for the year ended 31st Mar 2020

Particulars	Amount (₹)
CASH FLOWS FROM OPERATING ACTIVITIES	
Net Profit before tax as per Statement of Profit and Loss	99,34,57,700
Adjusted for :	
Effect of Exchange Rate Change	15,99,85,384
Depreciation	1,00,55,997
Loss on sale of Property Plant & Equipment	6,813
Net Gain on fair value changes	-7,75,90,265
Provision against Loan	-16,29,338
Dividend Income	-4,87,871
Interest income	-54,38,672
Prepaid Expenses	41,85,133
Remeasurement gain/(loss) on defined benefit plan	6,35,966
Employee defined benefit plan expenses	40,62,543
Interest Expenses	5,04,06,345
Operating Profit before Working Capital Changes	1,13,76,49,734
Adjusted for :	
Trade and Other Payables	1,48,35,24,254
Provision	11,89,788
Borrowings	-1,08,20,87,166
Tax Provision	-47,25,971
Debt Securities	1,09,90,73,156
Other Financial Liabilities	-11,32,56,400
Other Non Financial Liabilities	1,89,933
Other Non-Financial Assets	-2,57,81,560
Derivative Financial Instruments	-31,81,94,857
Trade and Other Receivables	-2,13,77,35,672
Loans	-12,09,29,381
Inventories	-6,82,66,449
Investments	3,01,21,666
Other financial assets	37,00,54,687
Cash Generated from Operations	25,08,25,762
Taxes Paid	-2,30,84,800
Net Cash from Operating Activities (A)	22,77,40,963
CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of Property Plant & Equipment	-1,12,07,165
(Increase)/Decrease in Investments	-3,88,406
(Increase)/Decrease in Loans	-15,42,17,078
Dividend	4,87,871
Interest income	54,38,672
Net Cash from Investing Activities (B)	-15,98,86,105
CASH FLOW FROM FINANCING ACTIVITIES	
Interest Expenses	-5,04,06,344
Issue of Shares	-
Equity component of compound financial instrument	40,10,00,000
Borrowings	-11,59,99,677
Net Cash from Financing Activities (C)	23,45,93,978
Net cash and cash equivalents (A + B + C)	30,24,48,836
Cash and cash equivalents at beginning of the period	53,83,86,588
Cash and cash equivalents at end of the period	84,08,35,425

Notes:-

1. Cash flow statement has been prepared under Indirect method as set out in Ind AS 7 as per the Companies (Indian Accounting Standards) Rule 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rule, 2016.

2. Components of cash and cash equivalents at the year end comprise of :

Cash Balance	56,85,731
Cheque in hand	85,94,051
Fixed deposits with maturity less than 3 months	75,68,45,521
Fixed deposits other than above	2,64,24,346
Balance with Bank	4,32,85,776
	84,08,35,425

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

For and Behalf of the Board

Rakesh Chaturvedi
Partner
Membership No: 102075
Mumbai
Date: 31-07-2020

Abhishek Bansal
Director
DIN : 01445730

Shriyam Bansal
Director
DIN : 03481102

Mahesh Cheruveedu
Chief Executive Officer

Karan Jain
Chief Financial Officer

Rajendra Sawant
Company Secretary

ABANS FINANCE PRIVATE LIMITED
Consolidated Statement of Changes in Equity as at 31st March 2020

A Equity Share Capital

	<u>No of Shares</u>	<u>Amount in Rs</u>
Equity shares of INR 10/- each, issued subscribed and fully paid up		
As at March 31, 2019	2,52,77,326	25,27,73,260
Changes in Equity Share Capital during the year	-	-
As at March 31, 2020	2,52,77,326	25,27,73,260

B Other Equity

Particulars	Equity component of compound financial instrument - Compulsory Convertible Debenture	Securities Premium	Capital Reserve	Impairment Reserve *	Reserve Fund U/S 45-IC (1) of RBI Act, 1934 **	Retained Earnings	Other Comprehensive Income	Total
As at April 1, 2019	40,10,00,000	2,40,91,97,666	48,98,202	47,39,677	58,86,719	1,48,11,99,480	8,65,21,623	4,39,34,43,367
Profit for the year	-	-	-	-	-	82,19,20,839	-	82,19,20,839
Other Comprehensive Income	-	-	-	-	-	-	16,43,10,231	16,43,10,231
Total Comprehensive Income	-	-	-	-	-	82,19,20,839	16,43,10,231	98,62,31,070
Transfer to Reserve Fund U/S 45-IC (1) Of RBI Act, 1934	-	-	-	-	51,72,400	(51,72,400)	-	-
Transfer to Impairment Reserve	-	-	-	18,23,303	-	(18,23,303)	-	-
Less : On account of change in holding	-	-	-	-	-	(5,40,873)	-	(5,40,873)
As at Mach 31, 2020	40,10,00,000	2,40,91,97,666	48,98,202	65,62,980	1,10,59,119	2,29,55,83,743	25,08,31,854	5,37,91,33,564

Note:

* Impairment Reserve is the difference of allowance under Ind AS 109 and provisions required as per IRAC Norms. If impairment allowance under Ind AS 109 is lower than the provisions required as per IRAC Norms, the difference is appropriated from net profit or loss after tax to Impairment Reserve.

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

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

As per our attached report of even date

For Paresh Rakesh & Associates

Chartered Accountants

Firm Registration No. 119728W

For and Behalf of the Board

sd

Rakesh Chaturvedi

Partner

Membership No: 102075

Mumbai

Date: 31-07-2020

Abhishek Bansal

Director

DIN : 01445730

Shriyam Bansal

Director

DIN : 03481102

Mahesh Cheruveedu
Chief Executive Officer

Karan Jain
Chief Financial Officer

Rajendra Sawant
Company Secretary

1) Nature of Operations

Abans Finance Private Limited, 'the company', incorporated in Maharashtra, India having its registered office in Mumbai, Maharashtra. The Company is a Systematically Important Non-Deposit Taking Non banking Financial Company ('NBFC'), as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934. Its debt instruments are listed on National Stock Exchange of India Limited. Abans Finance Private Limited along with its subsidiary companies are referred as 'Group' in this Consolidated Financial Statement.

The Group is engaged in advisory services like Investment Banking, Corporate Finance, Project Finance, Trade Finance and providing Business & Retail Loans, unsecured as well as secured against collateral security of immovable property, agri stocks, liquid assets like shares, other financial assets, gold jewellery, etc. and trading in debentures, Securities, derivative instruments, physical commodities and broking services on recognised stock exchanges.

This being the first year of Consolidation, previous year's comparable figures are not provided for.

2) Summary of the significant accounting policies**(a) Basis of Preparation**

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

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

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

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

The functional and presentation currency of the Group is Indian rupees. This financial statement is presented in Indian rupees. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

(b) Basis of Consolidation

The consolidated financial statements include the financial statements of the group companies. The consolidated financial statements have been prepared on the following basis:

- i) The consolidated financial statements of the company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, income, expenses, and cashflows, after fully eliminating intra-group balances and intra-group transactions.
- ii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.
- iii) The carrying amount of parent's investment in each subsidiary and parent's portion of equity of each subsidiary is offset.
- iv) Non-controlling interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in the order to arrive at the net income attributable to shareholders of the group.
- v) Non-controlling interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from the liabilities and the equity of the Company's shareholders.

(c) Use of estimates

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

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

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

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

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

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

Depreciation is recognised by the Group based on applicable law and accounting guidance.

In case of Indian companies depreciation is provided from the date the assets are ready to be put to use, as per written down value (WDV) method over the useful life of the assets, as prescribed under Part C of Schedule II of the Companies Act, 2013 mentioned below.

In case of overseas subsidiaries depreciation is provided according to the requirement of the law and accounting guidance of the country in which company is incorporated.

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

(e) Impairment of non-financial assets

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

(f) Cash and cash equivalents

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

(g) Provisions and Contingencies

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

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

Any reimbursement that the Company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

(h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Recognition, initial measurement and derecognition :-

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

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

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

Classification and subsequent measurement of financial assets

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

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

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

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

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

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

3. Equity instruments

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

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

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

Impairment of financial assets

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

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

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

In case of NBFC companies , the Group applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVTOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

In case of other subsidiary companies, the Group follows Simplified approach for ECL recognition.

1. Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 29 days are classified as stage 1. The Group has identified zero bucket and bucket with DPD less than or equal to 29 days as two separate buckets.

2. Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD equal to 30 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group has identified cases with DPD equal to or more than 30 days and less than or equal to 59 days and cases with DPD equal to or more than 60 days and less than or equal to 89 days as two separate buckets.

3. Stage 3: Lifetime ECL – credit impaired

Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD equal to or more than 90 days are classified as stage 3.

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

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

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

1. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.

2. Qualitative test: Accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress.

3. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met.

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

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

In respect of business other than lending business by holding company, the Group follows 'simplified approach' to recognize loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12 Month ECL, unless there has been a significant increase in Credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the statement of profit and loss.

Derecognition of Financial Assets

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

- 1) the rights to receive cash flows from the asset have expired, or
- 2) the Group has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

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

Classification and subsequent measurement of financial liabilities

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

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

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

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

Derivative financial instruments

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

Derecognition of Financial Liabilities

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

(i) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial Statement are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

(j) Revenue recognition

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

1. Interest income: Interest income from a financial asset is recognised using effective interest rate method.
2. Profit/ (Loss) on derivatives : Profit/ (Loss) on derivatives contracts on account of fair value changes are recognised as either income or expenses as the case may be in the Profit and Loss statement .
3. Sale of goods : Revenue from the sale of product and service is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is exclusive of tax which is collected on behalf of government.
4. Other income: Other income is recognized only when it is reasonably certain that the ultimate collection will be made.

(k) Foreign currencies Transaction and translation

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

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

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

(l) Leases

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

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

(m) Income taxes

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

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the law of the country in which they are incorporated. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

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

(n) Borrowing costs

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

(o) Employee benefits

1. Provident Fund

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

2. Gratuity

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

3. Compensates Absences

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

(p) Earnings per share

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

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

(q) Segment Reporting Policies:

The main business of the Group consists of Financing Activities, Trading in Derivative Contracts and allied activities and Broking Activities. Segments have been identified and reported taking into account nature of products and services, the different risk and returns and internal business reporting system. The accounting Policy adopted for Segment Reporting are in line with Company's Accounting Policy.

ABANS FINANCE PRIVATE LIMITED
Notes to the Consolidated Financial Statements as at 31st March, 2020

Particulars	Amount (₹)
Note 2: Cash and Cash Equivalent	
Cash on Hand	56,85,731
Cheque in hand	85,94,051
Balance with Bank	75,68,45,521
Fixed deposits with maturity less than 3 months (Refer Note 2.1)	4,32,85,776
TOTAL	81,44,11,079
Note 2.1: Fixed Deposit (under Lien)	
For Margin to Exchange	17,70,776
Earmarked towards issue of Bank Guarantee to Exchange **	4,10,15,000
** Bank Gaurantee issued to Exchange against the Margin Obligation is obtained against the earmarked Fixed Deposits out of Clients Funds	
Note 3: Bank Balance other than cash and cash equivalents	
Fixed Deposits with Bank (Refer Note 3.1)	2,64,24,346
TOTAL	2,64,24,346
Note 3.1 Fixed Deposits (Under Lien)	
For Margin & BMC to Exchange	10,00,000
For Bank Overdraft	1,37,44,960
For Mandi License	21,94,472
Earmarked towards issue of Bank Gaurantee to Exchange **	94,30,156
** Bank Gaurantee issued to Exchange against the Margin Obligation is obtained against the earmarked Fixed Deposits out of Clients Funds	
Note 4: Derivatives Financial Instruments	
Equity Derivatives	
Notional Amount	1,37,49,045
Fair Value - Assets	1,94,730
Fair Value - Liabilities	-1,10,47,205
Total (A)	-1,08,52,475
Nifty Futures	
Notional Amount	6,08,38,763
Fair Value - Assets	-
Fair Value - Liabilities	-19,41,794
Total (B)	-19,41,794
Commodity Derivatives	
Notional Amount	5,56,17,72,610
Fair Value - Assets	48,03,72,150
Fair Value - Liabilities	-
Total (C)	48,03,72,150
Currency Derivatives	
Notional Amount	3,96,25,47,462
Fair Value - Assets	5,37,68,978
Fair Value - Liabilities	-
Total (D)	5,37,68,978
TOTAL Fair Value - Asset / Liability	(A+B+C+D)
	52,13,46,859
Note 5: Receivables	
Trade Receivables	
Receivables considered good - unsecured	4,65,97,65,208
Less: Unrealized (Gain) / Loss	48,13,932
	4,66,45,79,140
Other Receivables	
Receivables considered good - unsecured	26,58,662
TOTAL	4,66,72,37,802

ABANS FINANCE PRIVATE LIMITED

Notes to the Consolidated Financial Statements as at 31st March, 2020

Particulars	Amount (₹)
Note 6: Loans	
Working Capital Loans / Inter-Corporate Deposits in India - at amortised cost	
- Public Sector	
- Others	
Secured	1,85,08,75,482
Unsecured	2,51,30,91,695
Total Loans in India	4,36,39,67,177
Inter-Corporate Deposits outside India - at amortised cost	
- Public Sector	
- Others	
Secured	-
Unsecured	18,20,45,861
Total Loans outside India	18,20,45,861
TOTAL	4,54,60,13,038
Note 6.1: Credit Quality of Assets	
Low credit risk	4,54,60,13,038
Significant increase in credit risk	-
Credit-impaired	-
TOTAL	4,54,60,13,038
Note 7: Investments	
Investment - Equity Instruments	
- Quoted (Valued at Fair value through Profit or loss)	
Investment in equity shares held for trading purpose	23,13,402
Investment - Others	
- Gold	47,22,16,599
- Fixed Deposit with Schedule Banks (For Mandi License)	7,28,372
- National Saving Certificate (For Mandi License)	69,293
TOTAL	47,53,27,666
Note 8: Other Financial Asset	
Interest receivable on loan	22,57,956
Other receivables	29,34,626
Margins & balance with brokers	3,54,96,374
Loan to Employee	13,06,549
Interest accrued but not due on fixed deposits	51,50,085
Deposits **	1,14,06,629
TOTAL	5,85,52,219
** It includes deposit with Exchanges and Depository	
Note 9: Inventories	
Stock in Trade	28,83,18,988
TOTAL	28,83,18,988
Note 10: Current tax assets (Net)	
Advance Tax & TDS (Net of provision for tax)	72,29,496
TOTAL	72,29,496
Note 11: Deferred Tax Assets (Net)	
Difference of Depreciation on Fixed Assets	2,95,002
Unrealized Loss on Fair Value	32,69,071
Provision for Employee Benefit	2,88,940
Provision for Impairment - Loans	43,19,937
TOTAL	81,72,950

Note 12 : Property, Plant & Equipment

Particulars	Furniture & Fixtures	Office Equipments	Air Conditioner	Computer Hardware	Plant and Machinery	Office Premises	Electrical Equipments	Motor Car	Motor bike	Buildings	Total
Gross Block											
As at April 1, 2019	1,19,62,971	1,00,91,418	28,47,262	1,82,35,321	1,36,268	4,33,852	10,68,412	58,97,418	27,980	14,05,91,198	19,12,92,100
Additions	1,75,878	2,53,230	28,000	36,51,351	-	-	-	-	-	-	41,08,459
Disposal / Adjustments	-	-	-	-	1,36,268	-	-	-	-	-	1,36,268
As at March 31, 2020	1,21,38,849	1,03,44,648	28,75,262	2,18,86,672	-	4,33,852	10,68,412	58,97,418	27,980	14,05,91,198	19,52,64,291

Depreciation and Impairment:

As at April 1, 2019	70,11,693	49,98,620	24,81,649	1,38,50,444	1,29,455	1,49,194	7,94,615	30,85,115	25,665	88,85,364	4,14,11,814
For the year	8,47,590	16,59,999	2,15,968	33,47,992	-	13,882	1,15,079	8,76,621	616	22,21,341	92,99,088
Disposal	-	-	-	-	1,29,455	-	-	-	-	-	1,29,455
As at March 31, 2020	78,59,283	66,58,619	26,97,617	1,71,98,436	-	1,63,076	9,09,694	39,61,736	26,281	1,11,06,705	5,05,81,447

Net Block:

As at March 31, 2020	42,79,566	36,86,029	1,77,645	46,88,236	-	2,70,776	1,58,718	19,35,682	1,699	12,94,84,493	14,46,82,844
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Note 12 : Intangible Assets

Particulars	Membership Card	Back office software	Computer Softwares	RTU	Total
Gross Block					
As at April 1, 2019	35,36,268	-	1,01,56,492	18,03,939	1,54,96,699
Additions	-	70,00,000	98,707	-	70,98,707
Disposal / Adjustments	-	-	-	-	-
As at March 31, 2020	35,36,268	70,00,000	1,02,55,199	18,03,939	2,25,95,406

Depreciation and Impairment:

As at April 1, 2019	9,51,000	-	94,83,932	66,812	1,05,01,744
For the year	-	3,00,800	2,55,672	2,00,437	7,56,909
Disposal	-	-	-	-	-
As at March 31, 2020	9,51,000	3,00,800	97,39,604	2,67,249	1,12,58,653

Net Block:

As at March 31, 2020	25,85,268	66,99,200	5,15,595	15,36,690	1,13,36,753
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ABANS FINANCE PRIVATE LIMITED

Notes to the Consolidated Financial Statements as at 31st March, 2020

Particulars	Amount (₹)
Note 13: Other Non Financial Asset	
Prepaid Expenses	1,07,83,576
Balance with Government Authorities	2,17,46,859
Security Deposit	36,21,530
Advance recoverable in cash or kind	2,28,668
Advance to Supplier	33,34,12,207
Advance to employee	2,27,874
Other Non Financial Assets	3,21,20,047
TOTAL	40,21,40,761
Note 14: Payables	
Trade Payables	
Total outstanding dues of micro enterprises and small enterprises **	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,96,68,03,940
Other Payables	
Total outstanding dues of micro enterprises and small enterprises **	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,49,18,968
Other Payables-Exchange	
Margin payable to Exchange	1,70,81,08,358
Less: Margin with Exchange #	-74,21,87,625
Less: Fixed Deposit earmarked \$	-96,59,20,733
TOTAL	2,07,17,22,908
<p>** The Company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act,2006. Hence, disclosures which is required in respect of Indian suppliers, if any, relating to amounts unpaid as at the year end together with Interest paid/payable as required under the said Act have not been made.</p> <p>\$ Bank Gaurantee issued to Exchange against the Margin Obligation is obtained against the earmarked Fixed Deposits out of Clients Funds.</p> <p># The Unrealised Gain / (Loss) on unexpired derivate contracts are recognised as Derivative Asset/(Liability) and hence Margin with exchange are exclusive of such Gain/ (Loss). Refer note no. 4 for Derivate Assets/ (Liabilities).</p>	
Note 15: Debt Securities	
At Fair Value through Profit & Loss	
Secured	
Privately Placed Market Linked Non-Convertible Debentures **	8,40,01,143
Unsecured	
Privately Placed Market Linked Non-Convertible Debentures **	1,01,50,72,013
TOTAL	1,09,90,73,156

** Refer Note 14 of Standalone financial statements

ABANS FINANCE PRIVATE LIMITED

Notes to the Consolidated Financial Statements as at 31st March, 2020

Particulars	Amount (₹)
Note 16: Borrowings	
At Amortised Cost	
<u>Unsecured</u>	
Related Party	-
Others	97,93,00,512
	<u>97,93,00,512</u>
<u>Secured</u>	
Related Party	-
Others **	44,34,41,473
	<u>44,34,41,473</u>
Total	<u>1,42,27,41,985</u>
Borrowings in India	1,41,12,07,942
Borrowings outside India	1,15,34,043
	<u>1,42,27,41,985</u>
** Secured by :	
1. Fixed deposits and bank accounts.	
2. Property owned by the director and by Abans Realty & Infrastructure Pvt Ltd along with their Personal Guarantee and Corporate Guarantee of Group Company - Abans Realty & Infrastructure Pvt Ltd & Abans Jewels Pvt Ltd.	
3. Secured loans from others referred above includes Overdraft against Agri Commodity to the extent of Rs. 6.13 Crores which is against pledge of warehouse receipt/ storage receipts on commodities issued by Collateral Manager acceptable to the bank with lien noted in favour of the Bank, Pledge of DWRs/ Commodity Demat Credit in favour of the Bank, Corporate gurantee of the Company and personal gurantee of	
4. Loans are repayable on demand carries interest rate ranging from 7.25% to 12% per annum.	
5. Secured loans from others referred above includes Car loan to the extent of Rs. 18.38 lakhs which is taken for and are secured against four wheeler vehicles and loan are repayable on EMI carries interest rate ranging from 8.12% per annum.	
6. Other Terms : Additionally the Company in accordance with its special resolution dated 29/01/2018 had unconditionally and irrevocably agreed and undertaken to Bank of India to participate in any restructuring upto the amount of ₹ 59 Crores together with unpaid interest if any, as deemed fit by the Bank in accordance with any Scheme as may be formulated by Bank or RBI from time to time in the event of any stress in the account and convert the same into fully paid-up equity shares of the company.	
Note 17: Subordinated liabilities	
<u>Unsecured</u>	
Privately placed subordinated (Tier II) redeemable market linked debentures **	50,38,37,534
Total	<u>50,38,37,534</u>
** Refer Note 16 of Standalone financial statements	
Note 18: Other financial liabilities	
Interest accrued on financial liabilities carried at amortised cost	4,309
Participating Shares	55,47,98,762
Other payable	30,54,492
Creditors payable for expenses	6,92,93,563
Others	6,74,67,580
TOTAL	<u>69,46,18,706</u>
Note 19: Current tax liabilities (Net)	
Provision for Income Tax	11,13,122
TOTAL	<u>11,13,122</u>
Note 20: Provisions	
Provision for Leave Encashment	28,46,648
Provision for Gratuity	94,35,979
Provision for Expenses	1,09,41,959
Provision for Impairment loss allowance (Loans)	1,06,01,423
TOTAL	<u>3,38,26,009</u>

ABANS FINANCE PRIVATE LIMITED

Notes to the Consolidated Financial Statements as at 31st March, 2020

Particulars	Amount (₹)
Note 21: Deferred tax liabilities (Net)	
Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under:	
Deferred Tax Liabilities	
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	-21,20,772
Provision for Employee Benefit	-20,75,338
Unrealised Profit	15,49,85,403
TOTAL	15,07,89,293
Note 22: Other Non Financial Liabilities	
Advance Received from Customers	4,06,05,198
Statutory Liabilities	43,41,010
Other Payables	3,84,540
TOTAL	4,53,30,748
Note 23: Equity Share Capital	
Authorised	
Equity Shares - 16,35,00,000 Nos- face value of Rs. 10/- each	1,63,50,00,000
TOTAL	1,63,50,00,000
Issued, Subscribed and Paid up:	
Equity shares - 2,52,77,326 Nos- face value of Rs. 10/- each	25,27,73,260
TOTAL	25,27,73,260
Note 23.1: Reconciliation of number of shares outstanding is set out below:	
Equity Shares :	
At the beginning of the period	2,52,77,326
Addition during the period	-
Outstanding at the end of the period	2,52,77,326
Note 23.2: The details of shareholders holding more than 5% shares:	
Equity Shares:	
Name of the Shareholder	
Abans Holdings Pvt Ltd (No. of Shares)	2,31,96,992
Abans Holdings Pvt Ltd (% held)	92%
Teesta Retail Pvt Ltd (No. of Shares)	20,70,926
Teesta Retail Pvt Ltd (% held)	8%
Note 24: Other Equity	
Equity component of compound financial instrument - Compulsory Convertible Debenture **	40,10,00,000
Securities Premium	
Opening Balance	2,40,91,97,666
Less: Share Issue Expenses incurred during the year	-
Add : On Shares Issued & Converted into Equity during the year	-
Closing Balance	2,40,91,97,666
Capital Reserve	
Opening Balance	48,98,202
Add : During the year	-
Closing Balance	48,98,202
Impairment Reserve	
Opening Balance	47,39,677
Add: Transferred from provision	18,23,303
Closing Balance	65,62,980
Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	
Opening Balance	58,86,719
Add: Transferred from retained earnings	51,72,400
Closing Balance	1,10,59,119

ABANS FINANCE PRIVATE LIMITED**Notes to the Consolidated Financial Statements as at 31st March, 2020**

Particulars	Amount (₹)
Retained Earnings	
Opening Balance	1,48,11,99,480
Add : Profit for the year	82,19,20,839
Less : On account of change in holding	-5,40,873
Transfer to Reserve Fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-51,72,400
Transfer to Impairment Reserve	-18,23,303
Closing Balance	2,29,55,83,743
Other Comprehensive Income	
Opening Balance	8,65,21,623
Add : Other comprehensive income for the year	16,43,10,231
Closing Balance	25,08,31,854
TOTAL	5,37,91,33,564

**** Terms of Issue :**

- 1) Each CCD having face value of Rs. 10 Lakh each shall be converted into such number of equity shares of face value Rs. 10/- each at any time before the expiry of 10 (Ten) years from the date of allotment of debenture at option of debenture holder at a conversion price which shall be higher of Rs. 415/- or price as on the conversion date.
- 2) Transfer of CCDs are restricted without the written consent of Company and the CCDs shall not carry any voting rights.

ABANS FINANCE PRIVATE LIMITED**Notes to the Consolidated Financial Statements for the period ended 31st March, 2020**

Particulars	Amount (₹)
Note 25: Interest Income	
Interest on Loans	48,15,73,660
Interest on deposit with banks	5,05,27,338
Other Interest Income	85,330
TOTAL	53,21,86,328
Note 26: Net gain on fair value changes	
Net Gain on financial instruments measured at fair value through profit or loss	
Market Linked Debentures	2,12,99,891
Derivative Instruments	1,24,78,04,983
Investment	7,85,76,147
TOTAL	1,34,76,81,021
Note 26.1 Net Gain on financial instruments at fair value through profit or loss	
Realised	38,89,75,879
Unrealized	52,70,46,453
	91,60,22,332
Note 27: Others	
Consultancy Income	13,50,113
Forex Gain	19,64,093
Client / Broker balance W/off	6,014
Account Closure Charges	80,188
TOTAL	34,00,408
Note 28: Other Income	
Sundry Balance Write Back	3,09,851
Interest Income	5,279
Profit on Sale of Investment	-
Forex Gain	6,10,782
Miscellaneous Income	10,52,342
TOTAL	19,78,254
Note 29: Finance Costs	
Interest on borrowings	29,15,03,393
Interest on late deposit of statutory liabilities	10,16,737
Finance cost on lease hold obligations	2,02,986
Other borrowing costs	16,88,60,796
TOTAL	46,15,83,912
Note: 30 Changes in Inventories of finished goods, stock-in-trade and work-in- progress	
Opening Stock in Trade	42,72,37,948
Less: Closing Stock in Trade	28,20,00,755
TOTAL	14,52,37,193

ABANS FINANCE PRIVATE LIMITED**Notes to the Consolidated Financial Statements for the period ended 31st March, 2020**

Particulars	Amount (₹)
<u>Note 31: Employee Benefits and Expenses</u>	
Salaries and Wages	19,19,71,878
Contribution to Gratuity ,Leave Encashment and Provident Fund	61,93,590
Staff Welfare	30,96,211
TOTAL	<u>20,12,61,679</u>
<u>Note 32: Establishment and Other Expenses</u>	
Net Loss on derivatives financial instruments measured at fair value through profit or loss	5,06,48,288
Advertisement Expenses	7,12,479
Brokerage & Commission Expenses	8,02,99,552
CSR Expense	5,07,000
Rent, Rates & Taxes	1,75,71,686
Electricity Expenses	24,09,159
Society Maintenance charges	1,38,636
Telephone & Leaseline Charges	1,06,31,802
Annual Membership Fees	78,137
Processing Fees	35,628
Travelling & Conveyance	41,91,528
Legal & Professional Fees	1,76,16,674
Property Tax	2,71,535
Office & Sundry Expenses	75,92,944
Event,Exhibition & Business Promotion Expenses	91,48,429
Packing & Material Handling Charges	9,90,778
Printing & Stationery	2,10,654
Loss on Discard of Assets	6,813
Demat, Collateral Manager & Warehouse Charges	99,83,726
Exchange Charges	1,26,11,912
Transaction Charges	15,93,197
Freight, Agency Charges & Transportation Charges	46,46,146
Lodging & Boarding	3,29,683
Sundry Balance W/off	80,147
Forex Loss	22,99,659
Ineligible ITC	11,07,180
Insurance Charges	15,52,767
Membership Fees	20,000
Repairs & Maintenance	47,45,038
Utilities	1,94,138
Franking, Stamping & Registration Charges	7,09,604
License Fee and ROC Expenses	6,14,643
<u>Payment to Auditors</u>	
- Statutory Audit Fees	26,32,265
- Tax Audit Fees	1,25,000
TOTAL	<u>24,63,06,827</u>

33	<u>Contingent Liabilities :</u>	<u>Amount (₹)</u>
i	Corporate Guarantee given to bank & NBFC for Fund based and non-Fund based credit facilities extended to the Subsidiary and group companies	90,00,00,000
ii	Claim against company not acknowledged as debts	5,59,650

Income Tax Liability for Assessment Year 2014-15 Rs. 5,59,650/-. This represents the demands made by Income Tax authorities which in opinion of 33.1 company are not sustainable and hence are appealed against with appropriate authority by discharging payment of 15% of demand i.e. Rs. 83,950/-

34	<u>Earning Per Share :</u>	2019-20
	Particulars	
a	Face Value of the shares (Rs.)	10
b	Outstanding No. of Equity Shares	2,52,77,326
c	Weighted Average no. of shares	2,52,77,326
d	Net Profit after tax as per statement of profit and loss	82,19,20,839
e	Basic Earnings Per Share (Rs.) (E = D / C)	32.52
f	Weighted Average no. of shares (Diluted)	2,52,77,326
g	Diluted Earnings Per Share	32.52

35 **Related Party Disclosure :**

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

<u>Category</u>	<u>Particulars</u>	<u>Name of the Party</u>
1	Holding Company	Abans Holdings Pvt Ltd (previously known as Abans Vanijya Pvt Ltd)
2	Key Management Personnel	Abhishek Bansal Shriyam Bansal Shrinath Chaturvedi (from 19-07-2019) Karan Jain (from 01-03-2020) Mahesh Kumar Cheruveedu (from 20-02-2020) Rajendra Sawant (from 20-02-2020) Ritika Jain (upto 20-02-2020)
3	Relatives of key management personnel	None
4	Enterprises owned or significantly influenced by key management personnel or their relatives	Abans Jewels Pvt Ltd Abans Realty & Infrastructure Pvt Ltd Abans Agriwarehousing & Logistics Pvt Ltd Abans Enterprise Ltd Abans Metals Pvt Ltd Cultured Curio Jewels Pvt Ltd Lifesurge Biosciences Pvt Ltd Agrometal Vendibles Pvt Ltd Zicuro Technologies Pvt Ltd
5	Enterprises owned or significantly influenced by a group of individuals or their relatives who have a control or significant influence over the company	None
6	Individuals owning, directly or indirectly, an interest in the voting power of reporting enterprise that gives them control of significant influence over enterprise and relatives of any such individual	Abhishek Bansal

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

<u>Sr. No.</u>	<u>Nature of transactions</u>	<u>Category</u>	<u>Amount (₹)</u>
1	<u>Loans & advances</u>		
	Abans Jewels Pvt Ltd	4	10,00,00,000
	Cultured Curio Jewels Pvt Ltd	4	96,64,96,000
	Lifesurge Biosciences Pvt Ltd	4	9,48,05,300
	Zicuro Technologies Pvt Ltd	4	8,80,22,479
	Total		1,24,93,23,779
2	<u>Other Payables</u>		
	ABans Agriwarehousing & Logistics Private Limited	4	3,60,992
	Abhishek Bansal	2	8,100
	Total		3,69,092
3	<u>Trade Payables</u>		
	Zicuro Technologies Pvt Ltd	4	35,40,000
	Abans Agri Warehousing & Logistics Pvt Ltd	4	55,546
	Total		35,95,546

4	<u>Other Receivables</u>		
	Abhishek Bansal	2	6,57,876
	Agrometal Vendibles Pvt Ltd	4	600
	Total		6,58,476
5	<u>Interest Income</u>		
	Cultured Curio Jewels Private Limited	4	13,68,52,150
	Abans Jewels Private Limited	4	95,43,779
	Lifesurge Biosciences Private Limited	4	61,61,408
	Zicuro Technologies Private Limited	4	33,50,131
	Total		15,59,07,468
6	<u>Rent Income</u>		
	Abans Realty & Infrastructure Pvt Ltd	4	7,56,000
	Abans Jewels Pvt Ltd	4	5,04,000
	Abans Holdings Pvt Ltd	1	1,68,000
	Abans Agri Warehousing & Logistics Pvt Ltd	4	1,68,000
	Abans Metals Pvt Ltd	4	1,26,000
	Abans Enterprise Ltd	4	1,68,000
	Cultured Curio Jewels Pvt Ltd	4	1,68,000
	Zicuro Technologies Pvt Ltd	4	1,02,000
	Total		21,60,000
7	<u>Rent Expense</u>		
	Abhishek Bansal	2	2,85,000
	Abans Realty & Infrastructure Pvt Ltd	4	1,20,000
	Total		4,05,000
8	<u>Purchase</u>		
	Abans Metals Private Limited	4	90,46,310
	Total		90,46,310
9	<u>Sale of Goods</u>		
	Abans Jewels Private Limited	4	1,58,29,75,800
	Abans Enterprises Ltd	4	10,70,12,977
	Total		1,68,99,88,777
10	<u>Sale of Services - Brokerage</u>		
	Abans Jewels Private Limited	4	4,43,296
	Agrometal Vendibles Private Limited	4	99,81,950
	Abans Enterprises Limited	4	4,89,663
	Total		1,09,14,909
11	<u>Storage & Warehousing Charges</u>		
	Abans Agri Warehousing & Logistics Private Limited	4	16,21,602
	Total		16,21,602
12	<u>Salary of KMP / Directors remuneration</u>		
	Karan Jain	2	83,378
	Rajendra Sawant	2	8,29,256
	Ritika Jain	2	4,06,940
	Total		13,19,574
13	<u>Corporate guarantee given by reporting enterprise</u>		
	Cultured Curio Jewels Private Limited	4	90,00,00,000
	Total		2,83,68,00,000
14	<u>Guarantee availed for Borrowings</u>		
	Abhishek Bansal	2	1,84,17,50,000
	Shriyam Bansal	2	50,00,00,000
	Abans Jewels Private Limited	4	35,35,00,000
	Total		2,69,52,50,000

36 Segment Reporting

The Company is operating in three different business segments i.e. Financing Activities, Trading in Derivative Contracts and allied activities and Broking Activities. Segments have been identified and reported taking into account nature of products and services, the different risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

A. PRIMARY SEGMENT INFORMATION :**Particulars**

	Financial	Broking & Consultancy	Trading in Commodities & Dervative	Others / unallocable	Total
1. Segment Revenue					
Total Turnover	48,00,98,308	36,49,56,710	22,49,52,72,368	4,36,79,289	23,38,40,06,675
Inter Segment Turnover	-	-1,74,04,049	-8,64,25,748	-60,26,400	-10,98,56,197
TOTAL INCOME	48,00,98,308	34,75,52,661	22,40,88,46,620	3,76,52,889	23,27,41,50,478
2. Segment Result before finance cost	41,60,81,129	26,87,61,910	95,63,56,163	-18,61,57,590	1,45,50,41,612
Less : Finance Cost					-46,15,83,912
Profit before Tax					99,34,57,700
3. Other Information					
Segment Assets	4,33,76,05,040	1,06,59,70,558	4,77,94,20,090	1,84,36,83,163	12,02,66,78,851
Segment Liabilities	2,39,38,81,900	55,22,17,151	1,96,35,37,316	1,11,34,17,093	6,02,30,53,461

B. SECONDARY SEGMENT INFORMATION :**1. Segment Revenue - External Turnover**

Within India	48,00,98,308	18,92,04,068	20,96,38,87,306	1,79,55,406	21,65,11,45,088
Outside India	-	17,57,52,642	1,42,89,05,378	1,83,47,370	1,62,30,05,390

2. Segment Assets

Within India	4,33,76,05,040	34,67,26,743	2,67,01,43,401	1,11,17,69,861	8,46,62,45,044
Outside India	-	71,92,43,815	2,10,92,76,689	73,19,13,302	3,56,04,33,806

3. Segment Liabilities

Within India	2,39,38,81,900	32,89,91,489	1,93,76,16,628	49,03,05,890	5,15,07,95,907
Outside India	-	22,32,25,663	2,59,20,688	62,31,11,203	87,22,57,553

37 Employee Benefits**A. Gratuity (Defined Benefit Plan)****i) General Description:**

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

Particulars	Amount (₹)
ii) Change in the present value of the defined benefit obligation	
Opening defined benefit obligation	47,39,786
Current service cost	21,86,218
Interest cost	3,58,614
Actuarial (gain) / loss due to remeasurement on change in assumptions	(2,08,874)
Experience (gain) / loss on plan liability	(4,65,270)
Benefits paid and transfer out	(63,132)
Contributions by employee	-
Transfer in	-
Closing defined benefit obligation	65,47,342
iii) Breakup of Actuarial gain/loss	
Actuarial [gain]/ loss arising from change in demographic assumption	994
Actuarial [gain]/ loss arising from change in financial assumption	3,37,773
Actuarial [gain]/ loss arising from experience adjustment	(11,29,882)
iv) Expenses/ [Incomes] recognised in the Statement of Profit and Loss:	
Current service cost	21,86,218
Past service cost	-
(Gains) / losses - on settlement	-
Interest cost / (Income) on benefit obligation	3,58,614
Net expenses/ [benefits]	25,44,832
v) Other Comprehensive Income	
Actuarial (Gain)/Loss recognized for the period due to change in assumptions	(6,74,144)
Asset limit effect	-
Return on plan assets excluding net interest	-
Unrecognized Actuarial (Gain) / Loss from previous period	-
Total Actuarial (Gain)/Loss recognized in OCI	(6,74,144)

vi) Movement in net liabilities recognised in Balance Sheet:	
Opening net liabilities	55,78,731
Expenses as above [P & L Charge]	25,44,832
Benefits Paid	(63,132)
Other Comprehensive Income (OCI)	(6,74,144)
Liabilities/ [Assets] recognised in the Balance Sheet	<u>73,86,287</u>

vii) Amount recognized in the balance sheet:	
PVO at the end of the year	73,86,287
Fair value of plan assets at the end of the year	-
Deficit	(73,86,287)
Unrecognised past service cost	-
(Liabilities)/Assets recognized in the Balance Sheet	<u>(73,86,287)</u>

viii) Principal actuarial assumptions as at Balance sheet date:

Discount rate 6.60% - 7.55%
 [The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the currency and terms of the post-employment benefit obligations].

Annual increase in salary cost 9%
 [The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market].

Employee Attrition Rate (Past Services (PS)) 10% - 15%

Decrement adjusted remaining working life (years) 8.23% - 8.58%

Sensitivity analysis:

March 31, 2020	<u>Discount rate of 1%</u>	<u>Salary Escalation rate of 1%</u>	<u>Attrition rate of 50%</u>	<u>Mortality rate of 10%</u>
Impact on statement of Profit & Loss increase in rate	38,85,874	42,20,652	35,10,933	38,51,500
Impact on statement of Profit & Loss of decrease in rate	38,73,514	35,29,990	44,56,336	38,54,024

B. Compensated absence (long term employee benefits)

i) General description:-

Particulars

ii) Asset and Liability (Balance Sheet position)

Present value of obligation	(5,35,942)
Fair value of plan assets	-
Surplus/(Deficit)	(21,70,610)
Effects of asset ceiling	-
Net Asset/ (Liability)	<u>(21,70,610)</u>

iii) Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

Current Liability (Short Term)	2,53,277
Non-current Liability (Long term)	19,17,333
Present value of the obligation at the end	<u>21,70,610</u>

iv) Expenses Recognized in the Statement of Profit and Loss

Present value of obligation as at the beginning	(9,48,305)
Present value of obligation as at the end	21,70,610
Benefit Payment	1,45,246
Actual return on plan asset	-
Acquisition adjustment	-
Expense recognized	<u>13,67,551</u>

v) Principal actuarial assumptions as at Balance sheet date:

Discount rate 6.60%
 [The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the currency and terms of the post-employment benefit obligations].

Annual increase in salary cost 9.00%
 [The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market].

Sensitivity analysis:

March 31, 2020	<u>Discount rate of 1%</u>	<u>Salary Escalation rate of 1%</u>	<u>Attrition rate of 50%</u>	<u>Mortality rate of 10%</u>
Impact on statement of Profit & Loss increase in rate	20,09,275	23,50,560	20,57,924	21,69,987
Impact on statement of Profit & Loss of decrease in rate	23,56,733	20,11,227	24,15,728	21,71,236

C. Defined Contribution Plans

The Company also has certain defined contribution plans. Contributions payable by the Company to the concerned Government authorities in respect of Provident Fund are charged to Statement of Profit and Loss. The obligation of the Company is limited to the amount contributed and it has no contractual or any constructive obligation. Amount recognized during the year as contribution in statement of Profit & Loss is Rs. 26,81,086/- for the year ended March 31, 2020.

Note 38 : Enterprises Consolidated As Subsidiary In Accordance With Indian Accounting Standard 110 –Consolidated Financial Statements

Sr. No.	Name of the companies	Country	Percentage of ownership interest	Relationship
1	Abans Finance Private Limited	India	NA	Holding Company
2	Abans Securities Private Limited	India	100%	Subsidiary of Abans Finance Private Limited
3	Abans Broking Services Private Limited	India	100%	Subsidiary of Abans Finance Private Limited
4	Abans Commodities(India) Private Limited	India	100%	Subsidiary of Abans Finance Private Limited
5	Abans Global (IFSC) Private Limited	India	100%	Subsidiary of Abans Broking Services Pvt Ltd
6	Abans Global Limited	India	97.47%	Subsidiary of Abans Broking Services Pvt Ltd
7	Abans Middle East DMCC	India	100%	Subsidiary of Abans Securities Private Limited
8	Abans Global Trading DMCC	India	97.47%	Subsidiary of Abans Global Limited
9	Irvin Trading Pte Limited	India	100%	Subsidiary of Abans Broking Services Pvt Ltd
10	Caspian HK Trading Limited	India	100%	Subsidiary of Abans Broking Services Pvt Ltd
11	Abans International Limited	India	97.47%	Subsidiary of Abans Global Limited

Note 39 : Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary

Sr. No.	Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Other Comprehensive Income	
		As % of consolidated net assets	Amount (In lakhs)	As % of Total Profit and Loss	Amount (In Lakhs)	As % of Other Comprehensive Income	Amount (In Lakhs)
	Parent:						
1	Abans Finance Private Limited	36.06%	21,648.64	3.14%	258.62	0.24%	3.98
	Subsidiaries (India) :						
2	Abans Broking Services Private Limited	10.47%	6,283.47	30.95%	2,552.29	-0.04%	-0.66
3	Abans Securities Private Limited	3.48%	2,086.88	4.96%	409.14	-0.07%	-1.17
4	Abans Commodities (I) Pvt Ltd	4.36%	2,617.85	14.30%	1,179.19	0.14%	2.38
5	Abans Global (IFSC) Limited	0.18%	110.17	0.00%	0.29	0.00%	-
	Subsidiaries (Foreign) :						
6	Caspian HK Trading Limited	1.28%	769.20	0.15%	12.30	2.60%	42.77
7	Irvin Trading Pte Limited	-0.01%	-7.99	-0.09%	-7.28	-0.01%	-0.20
8	Abans Global Limited	15.56%	9,339.72	7.92%	653.41	15.70%	258.23
9	Abans Global Trading DMCC	0.00%	1.85	-0.10%	-7.92	0.00%	-0.04
10	Abans International Limited	0.65%	391.04	1.86%	153.02	1.74%	28.55
11	Abans Middle East DMCC	27.98%	16,795.41	36.91%	3,043.97	79.70%	1,310.98

40 Financial Instruments – Fair Values and Risk Management

A. Accounting classification

	<u>Fair Value through Profit / (Loss)</u>	<u>Fair Value through OCI</u>	<u>Amortised Cost</u>	<u>Total</u>
Financial assets				
Cash and cash equivalents			81,44,11,079	81,44,11,079
Bank balance other than included in (a) above			2,64,24,346	2,64,24,346
Derivative financial instruments	52,13,46,859			52,13,46,859
Receivables			4,66,72,37,802	4,66,72,37,802
Loans			4,54,86,71,700	4,54,86,71,700
Investments	3,24,35,059		44,28,92,607	47,53,27,666
Other Financial assets			5,85,52,219	5,85,52,219
Total Financial Assets	55,37,81,918	-	10,55,81,89,753	11,11,19,71,671
Financial liabilities				
Payables	4,43,961	-	2,07,12,78,947	2,07,17,22,908
Debt Securities	1,09,90,73,156	-	-	1,09,90,73,156
Borrowings (Other than Debt)	-	-	1,42,27,41,985	1,42,27,41,985
Subordinated Liabilities	50,38,37,534	-	-	50,38,37,534
Other Financial Liabilities	-	-	69,46,18,706	69,46,18,706
Total Financial Liabilities	1,60,33,54,651	-	4,18,86,39,638	5,79,19,94,289

B. Fair value Measurement

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial liabilities				
Payables	-	-	4,43,961	4,43,961
Debt Securities	-	-	1,09,90,73,156	1,09,90,73,156
Subordinated Liabilities	-	-	50,38,37,534	50,38,37,534
Total Financial Liabilities	-	-	1,60,33,54,651	1,60,33,54,651
Financial assets				
Derivative financial instruments	52,13,46,859	-	-	52,13,46,859
Investments	3,24,35,059	-	-	3,24,35,059
Total Financial Assets	55,37,81,918	-	-	55,37,81,918

C. Financial risk management

Risk management framework :

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

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

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

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

1 Credit Risk

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

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

2 Liquidity Risk

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

Exposure to liquidity risk

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

	<u>Contractual cash flows</u>			
	<u>Less than 1 year</u>	<u>1 year to 3 year</u>	<u>3 year to 5 year</u>	<u>5 year and above</u>
<u>Non-derivative financial liabilities :</u>				
Payables	2,07,17,22,908			
Debt Securities	62,89,522	3,00,47,648	4,76,63,973	1,01,50,72,013
Borrowings (Other than Debt Securities)	1,42,09,03,259	14,43,328	3,95,398	
Subordinated Liabilities				50,38,37,534
Other financials Liabilities	69,46,18,706			

3 Market Risk

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

a. Currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

Sensitivity analysis

A reasonably possible strengthening /weakening of the Indian Rupee against US dollars at March 31 would have affected the measurement of financial instruments denominated in US dollars and affects profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

<u>Particulars</u>	<u>Impact on statement of profit and (loss) - [Net of tax]</u>
USD/INR Strengthening (8.98% Movement)	19,77,17,653
USD/INR Weakening (8.98% Movement)	-19,77,17,653

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

<u>Particulars</u>	<u>Impact on statement of profit and (loss) - [Net of tax]</u>
<u>Borrowings</u>	
Interest rates – increase by 100 basis points (100 bps)	-2,28,32,066
Interest rates – decrease by 100 basis points (100 bps)	2,28,32,066
<u>Loans</u>	
Interest rates – increase by 100 basis points (100 bps)	3,28,24,802
Interest rates – decrease by 100 basis points (100 bps)	-3,28,24,802

41 IMPACT OF COVID 19 ON GOING CONCERN :

- a On March 11, 2020, the World Health Organization (WHO) officially declared COVID-19, the disease caused by novel corona virus, a pandemic. It continued to progress and evolve from the year end till the date of signing of the results of the group. Due to its nature, it is challenging at this juncture, to predict the full extent and duration of its impact on financial performance and business of the group as a whole particularly when the operations of the group are spread across multiple geographical locations. However, management is closely monitoring the evolution of this pandemic and has evaluated and re-assessed its impact on all major class of assets, liabilities, income and expenditures which are likely to have significant impact on the operations, profitability and continuity of the business.
The company has evaluated impact of COVID-19 on its business operations and based on its review there is no significant impact on its financial statements.
- b In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the holding company - lending institutions have been permitted to grant a moratorium of three months on payment of all installments and / or interest, as applicable, falling due between 1 March 2020 and 31 August 2020 ('moratorium period') to eligible borrowers in accordance with the Board approved policy. However, no borrowers have made an application to the company to avail the option of moratorium.
- c Group's activities other than lending consists of broking on the online exchanges, general trading in physical commodities, securities and derivative contracts on recognised stock exchange which does not have material impact of Covid-19 except on physical commodities which has temporary impact due to restrictions on physical movement of goods due to lockdown imposed by respective governments. However the management is of the view, this being temporary in nature will not have any substantial impact on long term business prospects of the company.
- d The effect if any, of the impact of Covid is not ascertainable and predictable at this juncture and thus the management believes that no adjustments can be made on account of the same. Hence, considering all the above factors, management do not foresee any significant impact on status of the group to continue as a going concern and hence the accounts are prepared on going concern basis.

Abans Finance Private Limited

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

(pursuant to Section 129 (3) of the Companies Act, 2013 read with rule 3 of the Company (Accounts) Rules, 2014)

(Rs. in lakhs)

Sr. No.	Name	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of shareholding (in %)
1	Abans Commodities (I) Private Limited	500.00	2,117.85	9,306.44	6,688.59	0.69	62,406.77	1,574.29	395.10	1,179.19	-	100.00%
2	Abans Broking Services Private Limited	413.50	10,156.21	27,530.80	16,961.08	4,288.34	116,145.31	3,379.39	848.12	2,531.27	-	100.00%
3	Abans Securities Private Limited	241.50	2,153.13	6,994.20	4,599.57	330.88	33,145.49	571.21	162.06	409.14	-	99.96%

Notes:

- 1 The Financial Year of the Subsidiaries is for 12 months i.e. from April 01, 2019 to March 31, 2020
- 2 The company does not have any Associates during the year
- 3 The company does not have any Joint Ventures during the year
- 4 The Reporting Currency of the Subsidiaries is Indian Rupees (INR)



ABANS FINANCE PRIVATE LIMITED

36/37/38A, Nariman Bhavan, Backbay Reclamation, Nariman Point, Mumbai 400 021

CIN: U51219MH1995PTC231627

+91 22 68354100  **abansfinance@abans.co.in**  **www.abans.co.in**