

SAMUNNATI FINANCE PRIVATE LIMITED

CIN: U65990TN2021PTC146392

**Annual Report
FY 2021-22**

Index

S. No	Particulars	Page No
1	Notice of the Annual General Meeting	3
2	Directors' Report	9
3	Independent Auditors' Report	16
4	Balance Sheet	23
5	Statement of Profit and Loss	24
6	Statement of Cash Flow	25
7	Statement of Changes in Equity	26
8	Notes forming part of the Financial Statements	27

NOTICE OF THE FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF SAMUNNATI FINANCE PRIVATE LIMITED

NOTICE is hereby given that the First Annual General Meeting (“AGM”) of Samunnati Finance Private Limited (the “Company”) will be held on Monday, September 5, 2022 at 4.00 P.M. IST through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) in compliance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder read with General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 02/2022 dated May 05, 2022 (hereinafter collectively referred to as “Circulars”) and other applicable circulars issued by the Ministry of Corporate Affairs (“MCA”), to transact the businesses set out below. Members participating through the VC / OAVM facility shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013. The proceedings of the AGM will be recorded at the Registered Office of the Company situated at Baid Hi Tech Park, 7th Floor, No 129B, East Coast Road, Thiruvanmiyur, Chennai - 600 041.

In compliance with the Circulars issued by the MCA, the Notice of the AGM and the Audited Financial Statements for the Financial Year 2021-22, along with the Reports of the Board of Directors and Auditors thereon and other documents required to be attached thereon is being circulated to the Members of the Company through electronic mode.

ORDINARY BUSINESS:

ITEM NO. 1 - TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022 ALONG WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON

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

“RESOLVED THAT the Audited Financial Statements of the Company along with the Reports of the Board of Directors and Auditors thereon for the Financial Year ended March 31, 2022, as circulated to the Members and laid before the Meeting, be and are hereby approved and adopted.”

ITEM NO. 2 - TO CONSIDER AND APPROVE APPOINTMENT OF M/S PKF SRIDHAR & SANTHANAM LLP AS STATUTORY AUDITORS OF THE COMPANY

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

Samunnati Finance Private Limited

Regd. Office & Corporate Office:
Baid Hi-Tech Park, 7th floor, No. 129-B,
ECR Road, Thiruvanmiyur, Chennai – 600041.

P +91-044-66762400
E info@samunnati.com
W www.samunnati.com

CIN - U65990TN2021PTC146392

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and as recommended by the Board of Directors, the consent of Members be and is hereby accorded for the appointment of M/s PKF Sridhar & Santhanam LLP, Chartered Accountants (Registration No. 003990S / S200018), as the Statutory Auditors of the Company for a period of 5 (Five) years to hold office from the conclusion of the 1st Annual General Meeting till the conclusion of the 6th Annual General Meeting of the Company (FY 2022-23 to FY 2026-27).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to negotiate and fix the remuneration of Statutory Auditors for FY 2022-23 to FY 2026-27.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question or clarification that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

SPECIAL BUSINESSES:

ITEM NO. 3 - TO CONSIDER AND APPROVE APPOINTMENT OF MR. CHITTUR SUBRAMANIAN RAMAKRISHNAN (DIN: 09371306) AS DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass with or without modifications, the following as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force) read with the Articles of Association of the Company, Mr. Chittur Subramanian Ramakrishnan (DIN: 09371306), who was appointed as an Additional Director of the Company on October 29, 2021 and who holds the office till the conclusion of this Annual General Meeting, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question or clarification that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

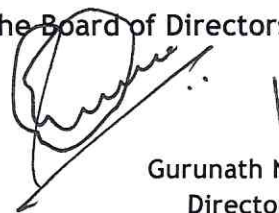
ITEM NO. 4 - TO CONSIDER AND APPROVE APPOINTMENT OF MR. THYAGARAJAN SUBRAMANIAN (DIN: 09371374) AS DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass with or without modifications, the following as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force) read with the Articles of Association of the Company, Mr. Thyagarajan Subramanian (DIN: 09371374), who was appointed as an Additional Director of the Company on October 29, 2021 and who holds the office till the conclusion of this Annual General Meeting, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question or clarification that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By Order of the Board of Directors



Gurunath N
Director
DIN: 02799586

Place: Chennai
Date: 04.08.2022



NOTE:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY SUBJECT TO PROVISIONS OF THE ARTICLES OF ASSOCIATION. However, as per the Circulars issued by MCA, the entitlement for appointment of proxy has been dispensed with for the General Meetings conducted through VC / OAVM. Accordingly, the Attendance Slip, Proxy Form and Route Map have not been annexed to this Notice of AGM.
- 2) Corporate Members intending to nominate their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- 3) The explanatory statement as required under Section 102 of the Companies Act, 2013 is annexed hereto and forms an integral part of the Notice.
- 4) Members may kindly note that since the Annual General Meeting of the Company is scheduled to be held through VC / OAVM, the login credentials shall be shared with the Members along with the instructions for logging in, to their registered mail ids. In case of any clarifications in this regard, Members can reach out to us at secretarial@samunnati.com or 044-66762400.
- 5) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 read with rules issued thereunder shall be available electronically for inspection.

ANNEXURE TO THE NOTICE

A. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statement contains all the material facts relating to the Special Businesses as set out in this Notice:

ITEM NO.3: TO CONSIDER AND APPROVE APPOINTMENT OF MR. CHITTUR SUBRAMANIAN RAMAKRISHNAN (DIN: 09371306) AS DIRECTOR OF THE COMPANY

Mr. Chittur Subramanian Ramakrishnan (DIN 09371306) was appointed as an Additional Director of the Company at the Meeting of Board of Directors of the Company held on October 29, 2021.

As per the provisions of Section 161 of the Companies Act, 2013 ("the Act"), an Additional Director of the Company shall hold office up to the date of the next Annual General Meeting. Accordingly, Mr. Chittur Subramanian Ramakrishnan holds office as Director of the Company until the date of this AGM.

Considering the expertise and performance during his tenure and after taking note of the consents and disclosures received, the appointment of Mr. Chittur Subramanian Ramakrishnan as Director of the Company is being placed before the Members for their approval.

The Board recommends passing of the resolution at Item No.3 of the Notice as an Ordinary Resolution.

A brief profile and other information as required under the Secretarial Standards are disclosed under Para - B of this statement.

Except Mr. Chittur Subramanian Ramakrishnan, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution as set out in Item No. 3.

ITEM NO.4: TO CONSIDER AND APPROVE APPOINTMENT OF MR. THYAGARAJAN SUBRAMANIAN (DIN 09371374) AS DIRECTOR OF THE COMPANY

Mr. Thyagarajan Subramanian (DIN: 09371374) was appointed as an Additional Director of the Company at the Meeting of Board of Directors of the Company held on October 29, 2021.

As per the provisions of Section 161 of the Companies Act, 2013 ("the Act"), an Additional Director of the Company shall hold office up to the date of the next Annual General Meeting. Accordingly, Mr. Thyagarajan Subramanian holds office as Director of the Company until the date of this AGM.

Considering the expertise and performance during his tenure and after taking note of the consents and disclosures received, the appointment of Mr. Thyagarajan Subramanian as Director of the Company is being placed before the Members for their approval.

The Board recommends passing of the resolution at Item No. 4 of the Notice as an Ordinary Resolution.

A brief profile and other information as required under the Secretarial Standards are disclosed under Para - B of this statement.

Except Mr. Thyagarajan Subramanian, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution as set out in Item No. 4.

B. DISCLOSURE UNDER SECRETARIAL STANDARDS 2 ON GENERAL MEETINGS

Name of the Director	Mr. Chittur Subramanian Ramakrishnan	Mr. Thyagarajan Subramanian
DIN	09371306	09371374
Date of Birth	20/05/1971	03/04/1955
Age	51 years	67 years
Qualification(s)	Certified Associate of the Indian Institute of Bankers and Degree in Bachelor of Science (Mathematics)	B. Sc., MBA, CAIIB, Certificate in Mutual Fund
Date of Appointment (Initial Appointment)	October 29, 2021	October 29, 2021
Nature of his expertise in specific functional areas	<p>A banker with over 28 years of experience in the banking and financial services industry.</p> <p>Served as the Zonal Head of Internal Audit at ICICI Bank Limited before moving to Dhanalaxmi Bank Ltd in 2010 and held various senior positions.</p> <p>Also, served as the Chief Risk Officer of Dhanalaxmi Bank Limited before joining Samunnati Financial Intermediation Limited as Head - Internal Control & Compliance in 2019</p>	<p>He worked in the Reserve Bank of India since 1976 in various capacities and retired as General Manager in 2015.</p> <p>He was also engaged in rural development and rural finance as part of his job profile with the Reserve Bank of India.</p>
Number of Board Meetings attended during FY 2021-22	Two	One
Inter-se relationship with any other directors and KMPs of the Company	None	None
Directorships in other Companies	Nil	Nil
Number of shares held in the Company	Nil	Nil
Details of remuneration sought to be paid	Not Applicable	Not Applicable
Details of remuneration last drawn	Nil	Nil

DIRECTORS REPORT

Dear Members,

Your Directors are pleased to present the First Annual Report together with the Audited Financial Statements of Samunnati Finance Private Limited (“the Company”) for the year ended March 31, 2022.

A. FINANCIAL PERFORMANCE

The summarised financial performance of your Company is given in the table below.

(INR MN)

Particulars	For the period Sept 22, 2021 to March 31, 2022
Revenue from Operations (A)	-
Other Income (B)	0.38
Total Income (A+B)	0.38
<u>Expenditure</u>	
Total Expenses	0.35
Profit / (Loss) before Tax	0.03
Less: Tax expenses:	
1. Current tax	-
2. Deferred tax	-
Profit/ (Loss) after tax	0.03
Other Comprehensive Income	-
Total Comprehensive Income/ (Loss) for the year	0.03

B. SUMMARY OF OPERATIONS

Your Company had not commenced operations as of March 31, 2022. During the year under review, the Other Income of the Company was INR 0.38 MN and the total expenses were INR 0.35 MN resulting in Profit after Tax of INR 0.03 MN.

C. COMPANY OVERVIEW

The Company was incorporated on September 22, 2021 as a Private Limited Company under the provisions of the Companies Act 2013, with its registered office in Chennai. The Company is a wholly owned subsidiary of Samunnati Financial Intermediation & Services Private Limited.

The Company will engage in the business of providing Financial Assistance and improving access to finance to underserved geographies and customer segments by providing or arranging loans and advances. The Company is in the process of obtaining Registration/License from the Reserve Bank of India (RBI), to operate as a Non-Banking Finance company (NBFC). The NBFC business of Samunnati Financial Intermediation & Services Private Limited would be transferred to the Company by way of a slump sale, as part of the Scheme of Arrangement that the Company has entered into, upon the Scheme becoming effective.

D. COMPOSITE SCHEME OF ARRANGEMENT

The Board of Directors of the Company had at the Meeting held on October 29, 2021, approved the Composite Scheme of Arrangement (“Scheme”) for:

- (a) the slump sale (i.e., transfer and vesting) of the Business Undertaking of Samunnati Financial Intermediation & Services Private Limited as a going concern into the Company, pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013, and
- (b) Post giving effect to (a) above, the amalgamation of Samunnati Agro Solutions Private Limited into Samunnati Financial Intermediation & Services Private Limited, pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013.

Further to this, the abovesaid Companies had filed a joint application before the National Company Law Tribunal, Chennai (“NCLT”) on December 04, 2021, seeking its directions for convening of the Meetings of concerned stakeholders and for dispensation of Meetings wherever approvals of the particular class of stakeholders had already been filed with the NCLT.

In this connection, NCLT had passed an order dated March 29, 2022 [CA/(CAA)/118(CHE)2021] (“NCLT Order”) directing Samunnati Financial Intermediation & Services Private Limited and Samunnati Agro Solutions Private Limited to convene the Meetings of the concerned stakeholders on May 4, 2022 seeking their approval for implementation of the Scheme and for dispensation of Meetings of stakeholders where their consent had been filed with NCLT. The NCLT had dispensed with the Meeting of equity shareholders as the Company had submitted the consents from the equity shareholders with NCLT.

Subsequently, the Company had, along with Samunnati Financial Intermediation & Services Private Limited and Samunnati Agro Solutions Private Limited filed a joint petition before the NCLT on May 13, 2022. The matter is now pending hearing before NCLT.

E. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

No material changes and commitment that affect the financial position of the Company have occurred between the end of the financial year to which the financial statements relate and the date of this report.

F. DIVIDEND

The Company has not commenced business and hence no dividend has been recommended by the Directors for the year under review.

G. TRANSFER TO RESERVES

Your Company has not made any transfers to reserves during the year under review.

H. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year 2021-22.

I. NON-ACCEPTANCE OF DEPOSITS

During the year under review, your Company has neither invited nor accepted any deposits from public in terms of Section 73 of the Companies Act, 2013 and consequently, no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2022.

J. INTERNAL FINANCIAL CONTROL OVER FINANCIAL REPORTING

The Company has not commenced business operations. The Internal Financial Controls would be put in place upon commencement of business operations.

K. SHARE CAPITAL

The Company was incorporated during the year. The Authorised Share Capital of the Company as on March 31, 2022 was INR 2,50,00,000 consisting of 25,00,000 equity shares of Rs. 10 each and paid-up share capital was INR 2,50,00,000 consisting of 25,00,000 equity shares of Rs. 10 each.

The details of the opening and closing Authorised and Paid-up Capital of the Company is mentioned below:

Particulars	Opening (April 01, 2021)	Closing (March 31, 2021)
Authorised Capital (INR)	Not Applicable	2,50,00,000/-
Paid Up Capital (INR)	Not Applicable	2,50,00,000/-

L. DISCLOSURE UNDER SECTION 67(3)(C) OF THE COMPANIES ACT, 2013

The disclosure with regard to voting rights not exercised directly by the employees of the Company as required under Section 67(3)(c) of Companies Act, 2013 read with rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is not applicable to the Company.

M. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any Equity Shares with differential rights during FY 2021-22.

N. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS / SWEAT EQUITY SHARES

The Company has not issued any Employee Stock options or Sweat Equity Shares during FY 2021-22.

O. EXTRACT OF THE ANNUAL RETURN

In accordance with Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 ('the Act'), the annual return in Form MGT-7 is placed on the website of the Company and is available on <https://site.samunnati.com/annual-returns/>

P. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2022, the Board comprised of the following Directors:

S.No	Name	DIN	Category
1	Mr. Anil Kumar S G	01189011	Director
2	Mr. Gurunath N	02799586	Director
3	Mr. Ramakrishnan C S	09371306	Additional Director
4	Mr. Thyagarajan Subramanian	09371374	Additional Director

Q. DETAILS OF MEETINGS OF THE BOARD

The Board of Directors of the Company met 3 (Three) times during the financial year 2021-2022 as given below:

BOARD MEETINGS		
S. No.	Date of Meeting	No. of Directors who attended the meeting
1.	September 24, 2021	2/2
2.	October 29, 2021	4/4
3.	February 22, 2022	4/4

R. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given loans, guarantee or provided any security in connection with loan to any person or any other body corporate.

S. REGULATORY COMPLIANCE

The Company has complied with all the mandatory regulatory requirements under the Companies Act, 2013 and other applicable statutes and regulations.

T. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Your Company had no subsidiary/Joint Venture/Associate Company as of March 31, 2022.

U. RELATED PARTY TRANSACTIONS

There was no transaction with related parties under Section 188 of the Companies Act, 2013 during the financial year 2021-22. Therefore, the disclosure in Form AOC-2, under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules 2014, is not part of this Report.

V. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

The Board of Directors of the Company had at the Meeting held on October 29, 2021, approved the Composite Scheme of Arrangement ("Scheme") for:

- (a) the slump sale (i.e., transfer and vesting) of the Business Undertaking of Samunnati Financial Intermediation & Services Private Limited as a going concern into the Company, pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013, and
- (b) Post giving effect to (a) above, the amalgamation of Samunnati Agro Solutions Private Limited into Samunnati Financial Intermediation & Services Private Limited, pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013.

Further to this, the abovesaid Companies had filed a joint application before the National Company Law Tribunal, Chennai (“NCLT”) on December 04, 2021, seeking its directions for convening of the Meetings of concerned stakeholders and for dispensation of Meetings wherever approvals of the particular class of stakeholders had already been filed with the NCLT.

In this connection, NCLT had passed an order dated March 29, 2022 [CA/(CAA)/118(CHE)2021] (“NCLT Order”) directing Samunnati Financial Intermediation & Services Private Limited and Samunnati Agro Solutions Private Limited to convene the Meetings of the concerned stakeholders on May 4, 2022 seeking their approval for implementation of the Scheme and for dispensation of Meetings of stakeholders where their consent had been filed with NCLT. The NCLT had dispensed with the Meeting of equity shareholders as the Company had submitted the consents from the equity shareholders with NCLT.

Subsequently, the Company had along with Samunnati Financial Intermediation & Services Private Limited and Samunnati Agro Solutions Private Limited filed a joint petition before the NCLT on May 13, 2022. The matter is now pending hearing before NCLT.

W. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has no employees and therefore the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable.

X. STATUTORY AUDITORS, THEIR REPORT AND FINANCIAL STATEMENTS

The report of the Statutory Auditors along with the Financial Statements together with the Notes to the Financial Statement is enclosed to this report. The observations made in the Auditors’ Report are self-explanatory, contain no qualification, reservations, adverse remarks and disclaimers and therefore do not call for any further comments.

In the first Board Meeting held on September 24, 2021, M/s PKF Sridhar & Santhanam LLP, Chartered Accountants (Registration No. 003990S / S200018), were appointed as Statutory Auditors of the Company till the conclusion of first Annual General Meeting of the Company.

The Board of Directors have, at their Meeting held on August 04, 2022, recommended the appointment of M/s PKF Sridhar & Santhanam LLP, Chartered Accountants (Reg No. 003990S / S200018) as Statutory Auditors of the Company for a term of 5 (Five) years. The same is being placed before the Members at the ensuing Annual General Meeting for approval. The Notice convening the Annual General Meeting, sets out the details.

Y. DETAILS OF FRAUDS REPORTED BY THE STATUTORY AUDITORS

During the year under review, the Statutory Auditors of the Company have examined the books as required under Section 143(12) of the Companies Act, 2013 and have not identified any frauds by or against the Company.

Z. DETAILS OF PENALTIES / FINES / LATE FEES PAID BY THE COMPANY

No penalty, fine or late fee has been levied on the Company during the financial year 2021-22.

AA. COST AUDITOR AND COST AUDIT REPORT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

BB. SECRETARIAL AUDIT

The provisions of Section 204 of the Companies Act, 2013 relating to Secretarial audit is not applicable to the Company.

CC. COMPLIANCE WITH THE SECRETARIAL STANDARDS

The Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

DD. HUMAN RESOURCES

As on March 31, 2022, the Company had no employees on its payroll.

EE. RISK MANAGEMENT

The Company has not commenced business operations and hence the Company has not identified any element of risk which may threaten the existence of the Company.

FF. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company.

GG. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors, based on the representations received from the operating management after due enquiry, confirm that:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the Company as March 31, 2022 and of the profit and loss of the Company for that period;

- c) The Directors had taken proper and sufficient care to the best of their knowledge and ability 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 had prepared the annual accounts on a going concern basis;
- e) The Board of Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

HH. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has not commenced operations and hence does not consume energy. The Company has not made any capital investment on energy conservation equipment during the year under review. The Company has no Foreign Technology Absorption during the period under review.

During the year, the Company has not incurred any expenditure in foreign currency and does not have any foreign exchange earnings.

II. ACKNOWLEDGEMENT

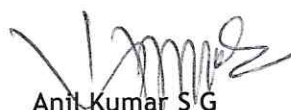
Your Directors thank the Members and auditors of the Company for their continued support. Your Directors also thank the Central and State Governments and other statutory authorities for their support.

For Samunnati Finance Private Limited



Gurunath Neelamani
Director
DIN: 02799586

Place: Chennai
Date: 04.08.2022



Anil Kumar S G
Director
DIN: 01189011

INDEPENDENT AUDITORS' REPORT

To the Members of Sammunati Finance Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sammunati Finance Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report but does not include the financial statements and our auditors' report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit or otherwise appears to be materially misstated. When we read the reports containing the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Responsibilities of the Management and Those Charged with Governance for Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

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

Auditors' 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 auditors' 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 our opinion under section 143(3)(i) of the Companies Act, 2013 on whether the company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such control
- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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.

Other Matters

Since this is the first set of financial statements prepared by the Company after incorporation, prior period comparatives have not been disclosed (Refer Note 2.01 of Financial statements).

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) Pursuant to MCA notification dated 13th June 2017, reporting on adequacy of the internal financial controls with reference to the financial statements is exempted for this company.



(g) 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, 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 pending litigations as at 31 March 2022 which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The company is not required to transfer the amount to the Investor Education and Protection Fund during the year ended 31 March 2022; and
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

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

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

- v. The Company has not paid or declared dividend during the year and until the date of this report.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

Since the Company is a private limited company, the provisions of Section 197 of the Companies Act, 2013 are not applicable to it. Accordingly, reporting on the compliance with the provisions of Section 197 of the Act is not applicable.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No. 003990S/S200018



Kothandaraman V

Partner

Membership No. 025973

UDIN: **22025973AJR NKB 9794**

Place of Signature:

Date: May 26, 2022



Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Sammunati Finance Private Limited ("the Company") on the financial statements as of and for the year ended 31 March 2022.

- (i) The company does not have any property plant and equipment, intangible assets or right of use assets, hence this paragraph 3 (i) of the order is not applicable to the company.
- (ii) a) The company does not have any inventory, hence the paragraph 3 (ii)(a) of the order is not applicable to the company.
b) Based on our audit procedures and according to the information and explanations given to us, during the year the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence, provisions of clause (ii)(b) of the Order is not applicable to the Company.
- (iii) Based on our audit procedures & according to the information and explanation given to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence the paragraph 3 (iii) of the order is not applicable to the company.
- (iv) Based on our audit procedures & according to the information and explanation given to us, the Company has not given any loans to directors Further, in our opinion the company has not entered into any transaction covered under 186 of the Act in respect of loans, guarantees and security.
- (v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) The company does not have any statutory dues, hence paragraph 3(vii) of the order is not applicable to the company
- (viii) The company is a newly incorporated company. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.
- (ix) The company does not have any borrowings. Accordingly paragraph 3 (ix) of the order is not applicable to the company.
- (x) (a) According to the information and explanations given to us, the Company did not



raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the question of whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi)

(a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

(c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) Based on our audit procedures and according to the information and explanations given to us, the company has not entered into with the related party transaction during the year, hence paragraph 3(xiii) of the order is not applicable to the company.

(xiv)

(a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.

(b) The company did not have an internal audit system for the period under audit.

(xv) On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)

(a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934). Though the main objects of the Company are to carry on the business of providing financial assistance as a Non-Banking Financial company, the company has not provided any financial assistance from the date of the formation of the company till the yearend. As per Note 1 to the financial statements, the company is in the process of obtaining the necessary license from the Reserve Bank of India.

(b) Based on our audit procedures and according to the information and explanations



given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

- (c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on our audit procedures and according to the information and explanations given to us, none of the group companies are Core Investment Company (CIC) and hence the question of number of CICs which are part of the Group does not arise. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The company has not incurred cash losses in the financial year
- (xviii) The company is newly incorporated, hence this paragraph 3(xviii) of the order is not applicable to the company.
- (xix) The company is newly incorporated and there is no liability existing as on the date of the audit report, hence the paragraph 3 (xix) of the order is not applicable to the company.
- (xx) Since the company is newly incorporated, the Company is not required to spend money towards Corporate Social responsibility as per the provision of Section 135 of the Act. Accordingly, paragraph 3(xx) of the Order is not applicable to the Company.
- (xxi) The Company does not have any subsidiary, associate or joint venture and hence there is no consolidated financial statements prepared and hence the question of whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements does not arise. Accordingly, paragraph 3(xxi) of the Order is not applicable to the Company.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No. 003990S/S200018

Kothandaraman V

Kothandaraman V

Partner

Membership No. 025973

UDIN: 22025973AJRNRK69794



Place of Signature: Chennai

Date: May 26, 2022

Samunnati Finance Private Limited
Balance Sheet as at 31 March 2022
(All amounts are in millions of Indian Rupees (₹) unless otherwise stated)

	Notes	As at 31 March 2022
ASSETS		
Current assets		
Financial assets		
Cash and cash equivalents	3	25.00
Other financial assets	4	0.03
Total current assets		<u><u>25.03</u></u>
Total Assets		<u><u>25.03</u></u>
EQUITY AND LIABILITIES		
Equity		
Equity share capital	4	25.00
Other equity	5	0.03
Total equity		<u><u>25.03</u></u>
Total equity and liabilities		<u><u>25.03</u></u>

Notes 1 to 15 form an integral part of these financial statements

As per our report of even date attached

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Regn No. 003990S/S200018



V. Kothandaraman
Partner
Membership No. 025973

Place : Chennai
Date : May 26, 2022



For and behalf of the board of directors of
Samunnati Finance Private Limited



Anil Kumar S G
Director
DIN: 01189011

Place: Chennai
Date : May 26, 2022



Lalit Malik
Group Chief Financial Officer

Place: Chennai
Date : May 26, 2022



Gurunath Neelamani
Director
DIN: 02799586

Place: Chennai
Date : May 26, 2022



Samunnati Finance Private Limited

Statement of Profit and Loss for the period from 22 September 2021 to 31 March 2022

(All amounts are in millions of Indian Rupees (₹) unless otherwise stated)

	Notes	For the period from 22 September 2021 to 31 March 2022
Income		
Interest Income From FD	7	0.38
Total income		0.38
Expenses		
Incorporation Expenses	8	0.32
Other expenses	9	0.03
Total expenses		0.35
Profit Before Tax		0.03
Tax expenses		-
Profit After Tax		0.03
Other comprehensive income		-
Total comprehensive income for the year		0.03
Earnings per equity share (face value ₹ 10/- per equity share)		
Basic and Diluted (₹)	10	0.02

Notes 1 to 15 form an integral part of these financial statements

As per our report of even date attached

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Regn No. 003990S/S200018



V. Kothandaraman
Partner
Membership No. 025973

Place : Chennai
Date : May 26, 2022



For and behalf of the board of directors of
Samunnati Finance Private Limited



Anil Kumar S G
Director
DIN: 01189011

Place: Chennai
Date : May 26, 2022


Lalit Malik
Group Chief Financial Officer

Place: Chennai
Date : May 26, 2022



Gurnath Neelamani
Director
DIN: 02799586

Place: Chennai
Date : May 26, 2022



Samunnati Finance Private Limited
Cash flow statement for the period ended 31 March 2022
(All amounts are in millions of Indian Rupees (₹) unless otherwise stated)

For the period from 22 September
2021 to 31 March 2022

Cash flow from operating activities	
Profit Before Tax	0.03
Change in operating assets and liabilities: (Increase) in other financial assets	(0.03)
Net cash from operating activities (A)	-
Cash flows from investing activities	
Net cash used in investing activities (B)	-
Cash flows from financing activities	
Proceeds from issue of equity share capital	25.00
Net cash from financing activities (C)	25.00
Net increase in cash and cash equivalents (A+B+C)	25.00
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at end of the period	25.00
Notes:	
Components of cash and cash equivalents (refer note 3):	
Balances with banks	
- in current accounts	25.00
	25.00

As per our report of even date attached
For PKF Sridhar & Santhanam LLP
 Chartered Accountants
 Firm Regn No. 003990S/S200018

For and behalf of the board of directors of
Samunnati Finance Private Limited



V. Kothandaraman
 Partner
 Membership No. 025973



Place : Chennai
 Date : May 26, 2022



Anil Kumar S G
 Director
 DIN: 01189011

Place: Chennai
 Date : May 26, 2022



Gurunath Neelamani
 Director
 DIN: 02799586

Place: Chennai
 Date : May 26, 2022



Lalit Malik
 Group Chief Financial Officer

Place: Chennai
 Date : May 26, 2022



Samunnati Finance Private Limited
Statement of Changes in Equity for the period ended 31 March 2022
 (All amounts are in millions of Indian Rupees (₹) unless otherwise stated)

For the period from 22 September
 2021 to 31 March 2022

(A) Equity share capital

Particulars	Amount
Issued during the year	25.00
Balance at the end of 31 March 2022	25.00

(B) Other Equity

Particulars	Retained earnings	Other comprehensive income	Total
Total comprehensive income for the year	0.03	-	0.03
Balance as at 31 March 2022	0.03	-	0.03

Notes 1 to 15 form an integral part of these financial statements

As per our report of even date attached

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Regn No. 003990S/S200018

For and behalf of the board of directors of
Samunnati Finance Private Limited



V. Kothandaraman
 Partner
 Membership No. 025973



Place : Chennai
 Date : May 26, 2022



Anil Kumar S G
 Director
 DIN: 01189011

Place: Chennai
 Date : May 26, 2022



Gurnath Neelamani
 Director
 DIN: 08719704

Place: Chennai
 Date : May 26, 2022



Lalit Malik
 Group Chief Financial Officer

Place: Chennai
 Date : May 26, 2022



1 Company overview

Samunnati Finance Private Limited ('the Company') was incorporated on 22 September 2021 and is registered under the Companies Act 2013 as a company limited by shares.

The main objects of the Company are to carry on the business of providing financial assistance as a Non-Banking financial company and the company is in the process of obtaining the necessary license from the Reserve Bank of India.

These financial statements were authorized for issue by the Company's Board of Directors on 26 May 2022.

2 Summary of significant accounting policies

2.01 Basis of preparation

The financial statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2013 (the "Act") and other relevant provisions of the Act. The financial statements have been prepared on a historical cost convention on accrual basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle up to twelve months for the purpose of current/ non-current classification of assets and liabilities.

Since this is the first set of financial statements prepared by the Company after incorporation, prior period comparatives have not been disclosed.

2.02 Reporting and presentation currency

The financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. All amounts have been rounded off to the nearest millions, except share data and as otherwise stated.

2.03 Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates, assumptions and judgements that affect the reported amounts of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods reported. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

2.04 Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. 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. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

In those cases, where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized or disclosure is made.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation (such as from insurance) is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

Contingent assets are not recognized. However, when inflow of economic benefits is probable, the related asset is disclosed.

2.05 Taxes on income

The Company has not provided for current and deferred tax in the financial statements.

2.06 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the summation of weighted average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.07 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, cheques and drafts on hand, balance with banks in current accounts and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

2.08 Cash flow statement

The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Statement of Cash Flows".

2.09 Financial Instruments

a) Recognition and initial measurements

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

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



b) Classifications and subsequent measurement of financial assets

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair value Through Other Comprehensive Income (FVTOCI) - debt instruments;
- Fair value Through Other Comprehensive Income (FVTOCI) - equity instruments; and
- Fair Value Through Profit or Loss (FVTPL)

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

FVTOCI - debt instruments

The Company measures its debt instruments at FVTOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

FVTOCI - equity instruments

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVTOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

FVTPL

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Subsequent measurement of financial assets

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in Statement of Income and Expenditure. Any gain and loss on derecognition is recognized in Statement of Income and Expenditure. Debt investment at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in Statement of Income and Expenditure. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Income and Expenditure. For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of Income and Expenditure on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognized in Statement of Income and Expenditure.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognized in Statement of Income and Expenditure.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in Statement of Income and Expenditure.

c) Financial liabilities and equity instruments

Classification of debt and equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognized at the proceeds received. Transaction costs of an equity transaction are recognized as a deduction from equity.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of Income and Expenditure. Any gain or loss on derecognition is also recognized in Statement of Income and Expenditure.

2.10 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.



Samunnati Finance Private Limited

Summary of significant accounting policies and other explanatory information for the period from 22 September 2021 to 31 March 2022

(All amounts are in millions of Indian Rupees (₹) unless otherwise stated)

Particulars	As at 31 March 2022
3 Cash and cash equivalents	
Balances with Banks	25.00
In current accounts	<u>25.00</u>
4 Other financial assets	
TDS receivable	<u>0.03</u>
5 Equity share capital	
Authorised share capital	
25,00,000 equity shares of ₹ 10 each	25.00
	<u>25.00</u>
Issued share capital	
25,00,000 equity shares of ₹ 10 each	25.00
	<u>25.00</u>
Subscribed and fully paid up share capital	
25,00,000 equity shares of ₹ 10 each	25.00
	<u>25.00</u>
Notes:	
a) Reconciliation of number of equity shares	
Issued during the period	25,00,000
Balance at 31 March 2022	<u>25,00,000</u>
b) Rights, preferences and restrictions in respect of equity shares issued by the Company	
The Company has issued only one class of equity shares having a par value of ₹ 10 each. Each equity shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.	
c) Shares held by holding company and shareholders holding more than 5% share in the Company	
	As at 31 March 2022
Name of the share holder	No of shares
Samunnati Financial Intermediation & Services Private Limited (Holding Company)	25,00,000
	% of Holding
	100%
d) Shares held by promoters in the company	
	As at 31 March 2022
Name of the promoter	No of shares
Samunnati Financial Intermediation & Services Private Limited (Holding Company)	25,00,000
	% of Holding
	100%
6 Other equity	
Retained Earnings	As at 31 March 2022
Total comprehensive income for the year	0.03
	<u>0.03</u>



Samunnati Finance Private Limited

Summary of significant accounting policies and other explanatory information for the period from 22 September 2021 to 31 March 2022

(All amounts are in millions of Indian Rupees (₹) unless otherwise stated)

	For the period from 22 September 2021 to 31 March 2022
7 Other Income	
Interest Income on Bank Deposits	0.38
	<u>0.38</u>
8 Incorporation Expenses	
Incorporation Expenses	0.32
	<u>0.32</u>
9 Other expenses	
Miscellaneous expenses	0.03
	<u>0.03</u>
10 Earnings Per Share (EPS)	
Profit after tax (Basic and Diluted) in millions	0.03
Number of Equity Shares	25,00,000
Weighted average number of equity shares used in Basic and Diluted EPS (in numbers)	13,01,370
Basic and Diluted (₹)	0.02



11 Fair value measurement

Financial instruments by category

Financial instruments measured at amortized cost

Particulars	As at
	March 31, 2022 Carrying value
Total Asset	
Cash and cash equivalents	25.00
Other financial assets	0.03
	<u>25.03</u>

The management assessed that fair value of above financial instruments measured at amortised cost approximate to their carrying amounts largely due to the short-term maturities of these instruments.

12 Financial 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 manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk. Compliance with policies and exposure limits is reviewed by the management on a continuous basis.

(a) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(b) Credit risk management

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

The Company provides for expected credit loss based on the following:

Assets covered	Nature	Basis of expected credit loss
Cash and cash equivalents (excluding cash on hand), other bank balances and other financial assets	Low credit risk	Life time expected credit loss

Financial assets that expose the entity to credit risk

Particulars	Nature	As at March 31, 2022
Cash and cash equivalents	Low credit risk	25.00
Other financial assets	Low credit risk	0.03

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only investing in highly rated deposits of banks across the country.

Other financial assets

Other financial assets measured at amortized cost includes other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

13 Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or convertible and/or combination of short term/long term debt as may be appropriate.

The Company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio. As the company does not have debt, Net debt to equity ratio is not applicable.

14 Corporate Social Responsibility

The Company is not required to incur CSR expenses as the company's incorporated only during the year.



Samunnati Finance Private Limited

Summary of significant accounting policies and other explanatory information for the period from 22 September 2021 to 31 March 2022

(All amounts are in millions of Indian Rupees (₹) unless otherwise stated)

15 Additional regulatory disclosures

- a. The Company does not own any freehold land and hence the disclosure regarding the title deeds of the freehold land is not applicable to the Company.
- b. The Company does not hold any investment property and hence the disclosure on fair valuation of investment property is not applicable to the Company.
- c. The Company does not have property, plant and equipment (including right-of-use assets) and intangible assets and hence the disclosure on revaluation of property, plant and equipment (including right-of-use assets) and intangible assets is not applicable to the Company.
- d. The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are either:
 - (a) repayable on demand or
 - (b) without specifying any terms or period of repayment during the current year.
- e. The Company has no borrowings from banks and financial institutions on the basis of security of current assets.
- f. No benami property are held by the Company and or no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- g. The Company has not been declared as a wilful defaulter by any bank or financial Institution or any other lender.
- h. The Company has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there were no transactions with struck off Companies.
- i. There are no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.
- j. The Company is not a Holding Company hence the compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.
- k. The Company has not entered into any scheme(s) of arrangements and hence the disclosure on compliance with approved scheme(s) of arrangements is not applicable to the Company.
- l. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- m. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- n. The Company is a newly incorporated company and hence the disclosure regarding transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, is not applicable to the Company.
- o. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

As per our report of even date attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Regn No. 003990S/S200018



V. Kothandaraman
Partner
Membership No. 025973

Place : Chennai
Date : May 26, 2022



For and behalf of the board of directors of
Samunnati Finance Private Limited



Anil Kumar S G
Director
DIN: 01189011

Place: Chennai
Date : May 26, 2022



Lalit Malik
Group Chief Financial Officer

Place: Chennai
Date : May 26, 2022



Gurunath Neelamani
Director
DIN: 08719704

Place: Chennai
Date : May 26, 2022

