



N S B & ASSOCIATES

Chartered Accountants

Independent Auditors Report

To the Members of

Humana Financial Services Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Humana Financial Services Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit And Loss Account, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (collectively referred to as the "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 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 March 31, 2021, and profit 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 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 auditors 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the



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

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. 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 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
 - (g) Other matter Paragraph (OMP) – Scope Limitation due to COVID 19.



The opinion expressed in the present report is based on the limited information, facts and inputs made available to us through electronic means by the organization's management. We wish to highlight that due to the COVID 19 induced restrictions on physical movement and strict timelines, undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing, including but not limited to:

- Inspection, observation, examination and verification of the original documents/ files
- Physical verification of cash, stationery items including adequate internal controls thereof
- Verification of the valuation and legal reports of the Immovable properties charged to the bank branch
- Examination of the FA registers physical verification process / Stationery movement records
- Physical verification of title documents, investments records.
- Physical verification of minute's books, meeting registers.
- Physical verification of project activities on sample basis.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 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. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Delhi
Date: May 31, 2021



For NSB & Associates
Chartered Accountants
Firm's Reg. No.-023043N


Jiwan Singh Mehta
Partner

Membership No.:530567

UDIN Ref. No.:- 21530567AAAAAY8110

“Annexure — A” referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the financial statements of Humana Financial Services Private Limited (“the Company”) as at and for the year ended March 31, 2021

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties included in fixed assets of the Company and accordingly the requirements under clause 3(i)(c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3 (ii) of the Order are not applicable to the Company and hence not commented upon.

{iii} According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

{v} According to the information and explanations given to us, the company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable.

(vi) The Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the services rendered by the Company.

(vii) (a) Undisputed statutory dues including income-tax, goods and service tax, and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax and goods and service tax which have not been deposited on account of any dispute.

In respect of sub clause (vii) (a) to (vii) (b) above, the Company did not have any dues towards wealth-tax, sales-tax, customs duty, excise duty, value added tax and cess during the year.

(viii) In our opinion and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or borrowings to any financial institution, bank or government or dues to debenture holders.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.

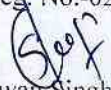
Further, monies raised by the Company by way of term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.



- (x) The company has provided disclosures in the financial statements as to the fraud cases noticed / reported during the year. As on March 31, 2021, there is no fraud noticed by company.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Act.
- (xii) The company is not a Nidhi company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standard.
- (xiv) The Company has not made preferential allotment or private placement of equity shares during the year. Requirement of relevant provisions of the Companies Act 2013 has been dealt with.
- (xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with the directors or persons connected with him as referred to in section 192 of the Companies Act, 2013.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Delhi
Date: May 31, 2021

For N S B & Associates
Chartered Accountants
Firm's Reg. No.-023043N


Jiwan Singh Mehta
Partner

Membership No.:530567



“Annexure — B” referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the financial statements of Humana Financial Services Private Limited (‘the Company’) as at and for the year ended March 31, 2021

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

We have audited the internal financial controls over financial reporting of Humana Financial Services Private Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for 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. 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 as specified under section 143(10) of the Act, to the extent applicable to an audit of internal Financial controls and, both issued by the Institute of Chartered Accountants of India. 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 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



authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the 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 March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Delhi
Date: May 31, 2021

For N S B & Associates
Chartered Accountants
Firm's Reg. No.-023043N


Jivan Singh Mehta
Partner

Membership No.:530567



Annexure to the Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of Humana Financial Services Private Limited on the accounts of the company for the year ended March 31, 2021]

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - c) There was no disposal of a substantial part of fixed assets during the year.
- (ii) In respect of its inventory:
 - a) The company's business does not involve inventories and, accordingly, the requirement therefore sub-clauses (a), (b), & (c) of the order are not applicable to the company.
- (iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act, 2013:

According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.

In our opinion and according to the information and explanation given to us, the company has not granted any loans, Secured or unsecured to companies, firm or other parties covered in the registered maintained under section 301 of the Act. Accordingly, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with in respect of loans, investments, guarantees, and security.
- (iv) In our opinion and according to the information and explanation given to us by the company, the company has not accepted any deposits from the public and so the directions issued by the Reserve Bank of India and the provisions of the Act and rules framed there under are not applicable. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (v) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.



- (vi) In respect of statutory dues:
- a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including, Investor Education and Protection Fund, Income-tax, Tax Collected at Source, Professional Tax, Goods and Services Tax, Sales Tax, Value Added Tax (VAT), Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
 - b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Sales Tax, VAT, Cess and other material statutory dues in arrears outstanding as at 31 March, 2021 for a period of more than six months from the date they became payable.
 - c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise as at 31st March, 2021, the Company has been registered for less than 5 years; hence, clause 3(vii)(c) of the Order is not applicable to it.
- (vii) In our opinion and according to the information and explanation given to us by the company, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (viii) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans.
- (ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (x) According to the information and explanations given to us, during the year the company has paid managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with schedule 5 to the Companies act 2013.
- (xi) The company is not a Nidhi Company and hence clause XII of the report is not applicable over it.
- (xii) According to the information and explanations given to us by the company, it has disclosed all the related party transactions in the financial statements.
- (xiii) According to the information and explanations given to us by the company there have been no preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.



- (xiv) According to the information and explanations given to us by the company, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xv) The Company has obtained a certificate of registration as a Non-Banking Financial Company vide Certificate (NBFC-MFI) N-14.03370 dated August 04, 2017 pursuant to Sec 451A of the Reserve Bank of India Act, 1934.

Place: New Delhi
Date: May 31, 2021

For N S B & ASSOCIATES
Chartered Accountants
ICAI Firm's Registration No. 023043N



Jiwan Singh Mehta
Partner

Membership No.: 530567





HUMANA
Financial Services Private Limited

(Amount in Rupees unless otherwise stated)

Balance Sheet as at	Notes	31-Mar-21	31-Mar-20
Equity and liabilities			
Shareholder's funds			
Share capital	3	10,07,77,140	10,07,77,140
Share Premium Account	4	5,75,92,148	5,75,92,148
Reserves and surplus	5	1,75,88,274	1,69,56,819
Non-current liabilities			
Long-Term Borrowings	6	11,35,75,268	10,82,35,505
Current liabilities			
Other current liabilities	7	33,61,79,452	24,35,81,250
Short-term provisions	8	4,57,86,498	1,59,52,134
TOTAL		67,14,98,780	54,30,94,996
ASSETS			
Non-current assets			
Property, Plant and Equipment			
Tangible assets	9	24,69,806	6,02,761
Deferred Tax Asset (Net)	10	1,42,430	13,002
Other non-current assets	11	23,57,47,165	15,70,55,060
Current assets			
Cash and cash equivalents	12	8,97,58,108	3,37,73,245
Short-term loans and advances	13	31,01,86,362	33,03,91,991
Other current assets	14	3,31,94,909	2,12,58,937
TOTAL		67,14,98,780	54,30,94,996

Significant Accounting Policies

1 to 2

See accompanying Notes to the Financial Statements

3 to 31

As per our report of even date

For **N S B & ASSOCIATES**

Chartered Accountants

FRN : 023043N


Jivani Singh Mehta

Partner

Membership No. 530567

Place: New Delhi
Date: 31st May 2021



CIN: U65990DL2016PTC302788

For and on behalf of the Board


Kailash Khandelwal
Managing Director
DIN.No. 03617258


Raj Kumar Singh
Chief Executive Officer


Sanjeev Bhatt
Director
DIN.No. 02122250


Harsh Ranjan
Company Secretary
ACS: 35889





(Amount in Rupees unless otherwise stated)

Statement of profit and loss for the year ended	Notes	31-Mar-21	31-Mar-20
Income			
Revenue from operations	15	8,99,80,498	7,39,74,178
Other income	16	7,32,40,384	2,64,39,699
Total revenue (I)		16,32,20,882	10,04,13,877
Expenses			
Finance costs	17	5,12,46,579	3,67,63,237
Employee benefit expense	18	5,62,90,965	2,81,85,561
Other expenses	19	2,29,15,730	79,14,431
Depreciation and amortisation expenses	9	10,05,083	1,55,823
Provision on loan portfolio		1,31,71,420	72,56,072
Total expenses (II)		14,46,29,777	8,02,75,124
Profit / (Loss) Before prior period adjustments & tax		1,85,91,105	2,01,38,753
Prior period adjustments		-	940
Profit before tax (III) = (I)-(II)		1,85,91,105	2,01,37,813
Tax expense			
Current tax		77,36,000	69,07,000
Tax for earlier period		3,53,078	(63,177)
Deferred tax		(1,29,428)	(3,536)
Total tax expense (IV)		79,59,650	68,40,287
Profit/(loss) after tax (III)-(IV)		1,06,31,455	1,32,97,526
APPROPRIATION			
Profit brought forward from the previous years			
Available for appropriation		1,06,31,455	1,32,97,526
Transfer to:			
Statutory reserve fund		21,26,291	26,59,505
Balance carried to balance sheet		85,05,164	1,06,38,021
Earnings per equity share			
[Nominal value of share Rs.10 (March 31, 2021: Rs.10)]			
Weighted Average Shares		1,00,77,714	75,43,499
Basic (Computed on the basis of total profit for the year)		1.05	1.76
Diluted (Computed on the basis of total profit for the year)		1.05	1.76

Significant Accounting Policies

1 to 2

See accompanying Notes to the Financial Statements

3 to 31

As per our report of even date

For N S B & ASSOCIATES

Chartered Accountants

ERN : 023043N

Jiwan Singh Mehta

Partner

Membership No. 530567

Place: New Delhi

Date: 31st May 2021

For and on behalf of the Board

Kailash Khandelwal

Kailash Khandelwal

Managing Director

DIN.No. 03617258

Raj Kumar Singh

Raj Kumar Singh

Chief Executive Officer

Sanjeev Bhatt

Sanjeev Bhatt

Director

DIN.No. 02122250

Harsh Ranjan

Harsh Ranjan

Company Secretary

ACS: 35889

CIN: U65990DL20190302788



(Amount in Rupees unless otherwise stated)

Cash flow statement for the year ended	31-Mar-21	31-Mar-20
Cash flow from operating activities		
Profit before tax	1,85,91,105	2,01,37,813
Non-cash adjustment to reconcile loss before tax to net cash flows		
Depreciation and amortization	10,05,083	1,55,823
Contingent provision against standard assets	1,89,20,437	72,56,072
Previous year adjustment in reserves and surplus	-	-
Operating profit before working capital changes	3,85,16,625	2,75,49,708
Movements in working capital:		
Increase / (decrease) in other current liabilities	(49,36,973)	1,01,72,704
Decrease / (increase) in loans and advances	(4,52,77,317)	(23,44,16,354)
Decrease / (increase) in other current assets	(1,19,35,972)	(1,10,62,680)
Cash generated from / (used in) operations	(2,36,33,637)	(20,77,56,622)
Direct taxes paid	(72,60,078)	(8,18,393)
Net cash flow from / (used in) operating activities (A)	(3,08,93,715)	(20,85,75,015)
Cash flows from investing activities		
Purchase of fixed assets	(28,72,128)	(5,69,330)
Investment in fixed/Security Deposits	(1,32,09,159)	(7,11,66,098)
Net cash flow from/ (used in) investing activities (B)	(1,60,81,287)	(7,17,35,428)
Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	7,29,99,998
Long-term borrowings (net)	10,29,59,865	18,81,28,536
Net cash flow (used in) / from in financing activities (C)	10,29,59,865	26,11,28,534
Net increase/(decrease) in cash and cash equivalents (A + B + C)	5,59,84,863	(1,91,81,909)
Cash and cash equivalents at the beginning of the Year	3,37,73,245	5,29,55,154
Cash and cash equivalents at the end of the year	8,97,58,108	3,37,73,245
Components of cash and cash equivalents		
Cash in hand	5,86,157	8,10,615
With banks		
- in Current account	8,91,68,674	3,29,62,630
- in Fixed Deposits	3,277	
Total cash and cash equivalents	8,97,58,108	3,37,73,245

Significant Accounting Policies

1 to 2

See accompanying Notes to the Financial Statements

3 to 31

As per our report of even date

For N S B & ASSOCIATES

Chartered Accountants

FRN : 023043N

Jiwan Singh Mehta

Partner

Membership No. 530567

Place: New Delhi

Date: 31st May 2021

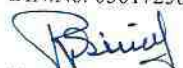
For and on behalf of the Board



Kailash Khandelwal

Managing Director

DIN.No. 03617258



Raj Kumar Singh

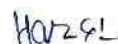
Chief Executive Officer



Sanjeev Bhatt

Director

DIN.No. 02122250



Harsh Ranjan

Company Secretary

ACS: 35889

CIN: U65990DL2016PTC302288





Notes to financial statements for the year ended March 31, 2021 (Amount in Rupees)

1. Corporate information:

HUMANA FINANCIAL SERVICES PRIVATE LIMITED ('the Company'), incorporated on July 08, 2016, having CIN: U65990DL2016PTC302788 under Companies Act 2013.

The Company is engaged in the business of providing financial support and carries on the business of Micro credit. HUMANA FINANCIAL SERVICES PRIVATE LIMITED holds a valid certificate of registration no. N-14.03370 dated August 04, 2017 issued by the Reserve Bank of India.

The Company with the network of 23 branches in the rural and semi-urban areas of Uttar Pradesh, Haryana and Rajasthan, India, is engaged in providing financial services to women having, who are organized as Joint Liability Groups ('JLG'). The Company provides small value collateral free loans and other loans to women in groups. In the initial stages of group formation and mobilization, the operations also involve efforts on development training, efforts on financial discipline, advice on the micro enterprises carried out by the individual members, and later, constant monitoring through weekly/ monthly meetings.

2. Significant accounting policies:

a. Basis of preparation of financial statements:

The financial statements have been prepared under historical cost conventions and on accrual system unless stated otherwise elsewhere, assuming the principle of going concern and applying all the accounting standards notified under Companies Act, 2013 and also complying with mandatory accounting standards issued by Institute of Chartered Accountants of India. Various accounting standards and accounting policies are consistently followed by the Company unless stated otherwise.

b. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. 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.

i. Interest income on loans given is recognised under the internal rate of return method. Income including interest or any other charges on non-performing asset is recognized only when realized. Any such income recognized before the asset became non-performing and remaining unrealized shall be reserved.

ii. Interest income on deposits with banks is recognised on a time proportion accrual basis, taking into account the amount outstanding and the rate applicable.

iii. Loan processing fees collected from members are recognized on an upfront basis.

CIN: U65990DL2016PTC302788



Shatt

Pratik
Devi





Notes to financial statements for the year ended March 31, 2021(Amount in Rupees)

iv. All other income is recognised on an accrual basis.

d. Cash Flow Statement:

Cash Flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard -

3. Cash & Cash Equivalent Balances are including Fixed Deposits for period over 3 months.

e. Property, Plant& Equipment:

Property, Plant& Equipment are stated at cost of acquisition less accumulated depreciation. Cost is inclusive of freight, duties, taxes and other directly attributable costs of bringing the assets to their working condition for intended use, incurred till the date of installation of asset

Depreciation on **Property, Plant& Equipment** has been provided on Straight Line Method using the rates prescribed as per useful life of assets prescribed under Schedule II of the Companies Act, 2013. Assets individually costing less than ₹5,000 are depreciated fully in the year of purchase.

The Details of useful life are as under:

Asset Type	Estimated Useful life
Office Equipment	5 Years
Computers and accessories	3 Years
Furniture & fittings	10 Years

f. Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

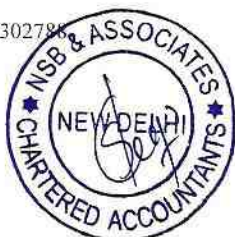
g. Taxation:

Income tax expense comprises current tax (i.e., amount of tax for the period determined in accordance with the Income-tax Act, 1961), and deferred tax charge. The current charge for income tax is based on estimated tax liability as computed after taking credit for allowances and exemptions in accordance with the Income-tax Act, 1961 applicable for the year ended. In accordance with the Accounting Standard-22, Accounting for Taxes on Income, the Company provided for deferred tax liability for all temporary differences that arise in one accounting year and are capable of reversal in subsequent accounting year.

h. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equities shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



Signature of Bhatt
Signature of Raina
Signature of Kailash





Notes to financial statements for the year ended March 31, 2021 (Amount in Rupees)

i. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

j. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

k. Cash and cash equivalents:

Cash and cash equivalents comprise cash at bank and in hand and short-term fixed deposits/ investments.

l. Classification of loan portfolio:

a) Loans to JLG are classified as standard assets, sub-standard assets, doubtful assets and loss assets in terms of Master Circular- 'Non-Banking Financial Company-Micro Finance Institutions' (NBFC-MFIs) – Directions (NBFC-MFI Directions) dated July 1, 2015.

ii) Loans and advances other than loans to JLG are classified as standard, sub-standard, doubtful and loss assets in accordance with the Systemically Important Non – Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions.

m. Provisioning policy for loan portfolio

i) Unsecured loan portfolio is provided for in accordance with the NBFC-MFI Directions. These Directions require the total provision to be higher of:

(a) 1% of the outstanding loan portfolio or

(b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.

ii. All other loans and advances are provided as higher of management estimates and provision in accordance with the NBFC Prudential Norms in accordance with Non – Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions.

n. Investments:

No investments (Except First Loan Default Guarantee, Cash collateral and Fixed Deposits) have been made by the Company during the year ended March 31, 2021.



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Rajiv
Kailash





Notes to financial statements for the year ended **31-Mar-21** **31-Mar-20**

Note 3: Share capital

Authorised:

1,50,00,000 (March 31, 2020: 1,50,00,000) equity shares of Rs.10/- each	15,00,00,000	15,00,00,000
	15,00,00,000	15,00,00,000

Issued and subscribed:

1,00,77,714 (March 31, 2020: 1,00,77,714) equity shares of Rs.10/- each, fully paid up	10,07,77,140	10,07,77,140
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Total issued, subscribed, fully paid-up equity and preference share capital	10,07,77,140	10,07,77,140
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Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares

Particulars	31-Mar-21		31-Mar-20	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
At the beginning of the year	1,00,77,714	10,07,77,140	66,93,384	6,69,33,840
Issued during the period	-	-	33,84,330	3,38,43,300
Outstanding at the end of the period	1,00,77,714	10,07,77,140	1,00,77,714	10,07,77,140

Details of shareholders holding more than 5% shares in the company

Particulars	31-Mar-21		31-Mar-20	
	No. of Shares	% Holding	No. of Shares	% Holding
Humana Trust For Financial Inclusion and Development	84,79,230	84.14%	84,79,230	84.14%
Humana and Planetaid Finance SA	15,93,384	15.81%	15,93,384	15.81%

Note 4: Share Premium Account

Humana and Planetaid Finance SA	1,84,35,450	1,84,35,450
Humana Trust for Financial Inclusion and Development	3,91,56,698	3,91,56,698
	5,75,92,148	5,75,92,148

Note 5 : Reserves and surplus

Statutory Reserve Fund

Balance at the beginning of the year	31,17,903	4,58,398
Add: Additions during the period	21,26,291	26,59,505
Balance at the end of the period	52,44,194	31,17,903

Surplus/(Deficit) in the statement of profit and loss

Balance at the beginning of the year	1,38,38,916	32,00,895
Add: Profit (Loss) for the Period	85,05,164	1,06,38,021
Less: Loan Loss Provision	1,00,00,000	-
Balance at the end of the period	1,23,44,080	1,38,38,916

Total Reserves and Surplus	1,75,88,274	1,69,56,819
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Shakti

Prakash





Notes to financial statements for the year ended

31-Mar-21

31-Mar-20

Note 6: Long-term borrowings

Term loans

Secured

Indian rupee loan from banks

8,05,82,976

6,12,68,931

Indian rupee loan from non banking financial companies

36,13,04,745

27,76,58,925

Total

44,18,87,721

33,89,27,856

The above amount includes

Current Maturities

32,83,12,453

23,06,92,351

Amount disclosed under the head "Other liabilities" (Refer Note 7)

Total

11,35,75,268

10,82,35,505

Disclosure of Repayment Terms

No. of Installments remaining	No. of Installments pending	Rate of Interest (%)	Date of Maturity	Sanctioned Loan	Loan Outstanding on 31.03.2020	Current Maturities
Ananya Finance Inclusive Growth Pvt Ltd	2	15.50%	31-05-21	2,00,00,000.00	16,66,675	16,66,674
Ananya Finance Inclusive Growth Pvt Ltd	2	15.50%	31-05-21	1,50,00,000.00	12,50,000	12,50,000
Ananya Finance Inclusive Growth Pvt Ltd	2	15.50%	31-05-21	1,50,00,000.00	12,50,000	12,50,000
Ananya Finance Inclusive Growth Pvt Ltd	10	15.50%	31-12-21	2,50,00,000.00	93,74,995	93,74,995
Ananya Finance Inclusive Growth Pvt Ltd	11	15.50%	31-01-22	2,50,00,000.00	1,04,16,662	1,04,16,662
Ananya Finance Inclusive Growth Pvt Ltd	13	15.50%	31-03-22	2,00,00,000.00	1,00,00,004	1,00,00,004
Ananya Finance Inclusive Growth Pvt Ltd	14	15.50%	30-04-22	3,00,00,000.00	1,62,50,000	1,50,00,000
Ananya Finance Inclusive Growth Pvt Ltd	23	15.00%	31-01-23	1,00,00,000.00	91,66,666	50,00,004
Ananya Finance Inclusive Growth Pvt Ltd	24	15.00%	28-02-23	1,00,00,000.00	95,83,333	50,00,004
Arohan Financial Services Ltd	21	14.50%	21-12-22	3,50,00,000.00	3,50,00,000	1,89,70,339
Capital First/IDFC First Bank Ltd.	8	14.50%	01-11-21	5,00,00,000.00	1,28,74,642	1,28,74,642
IDFC First Bank Ltd.	23	13.50%	08-02-23	5,00,00,000.00	4,79,16,667	2,49,99,996
Caspian Impact Investments Pvt Ltd	11	14.80%	11-12-22	3,00,00,000.00	2,50,00,000	1,50,00,000
Caspian Impact Investment Pvt. Ltd.	21	15.35%	11-02-22	3,00,00,000.00	1,10,57,974	1,10,57,974
EcLEAR Leasing & Finance Pvt. Ltd.	5	15.75%	28-08-21	1,50,00,000.00	45,25,632	1,15,30,720
EcLEAR Leasing & Finance Pvt. Ltd.	12	15.25%	28-02-22	2,00,00,000.00	1,27,57,338	45,25,632
EcLEAR Leasing & Finance Pvt. Ltd.	14	15.25%	16-03-22	1,00,00,000.00	79,69,942	79,69,942
InCred Financial Services Limited	8	16.00%	10-11-21	2,00,00,000.00	1,00,99,121	1,00,99,121
Moneywise Financial Pvt Ltd	20	16.00%	05-11-22	2,00,00,000.00	1,70,92,101	97,07,903
National Bank for Agriculture and Rural Development	2	7.00%	30-09-22	6,00,00,000.00	6,00,00,000	3,00,00,000
Chartered Finance & Leasing Limited	13	15.25%	05-04-22	2,50,00,000.00	2,18,10,640	2,01,18,254
Shine Star Build Cap Pvt. Ltd.	13	15.25%	05-04-22	2,50,00,000.00	2,19,16,314	2,01,00,865
Reliance Commercial Finance Ltd.	12	12.50%	01-03-22	2,67,00,000.00	1,20,93,308	1,20,93,308
UC Inclusive Credit Pvt Ltd	9	16.25%	08-10-22	2,00,00,000.00	81,74,165	49,17,172
UC Inclusive Credit Pvt Ltd	10	16.25%	08-01-22	2,00,00,000.00	91,35,138	91,35,138
UC Inclusive Credit Pvt Ltd	19	16.25%	08-11-22	1,00,00,000.00	85,49,221	48,51,477
UC Inclusive Credit Pvt Ltd	20	16.25%	08-12-21	1,00,00,000.00	82,76,628	82,76,628
Western Capital Advisors Pvt Ltd	18	15.25%	01-09-22	2,00,00,000.00	1,88,88,889	1,33,33,333
Yes Bank Limited	6	13.70%	09-12-21	2,50,00,000.00	93,75,000	93,75,000
Yes Bank Limited	7	13.70%	17-01-22	2,50,00,000.00	1,04,16,666	1,04,16,666
					44,18,87,721	32,83,12,453

Particulars

31-Mar-21

31-Mar-20

Note 7: Other liabilities

Employee benefit payable

5,98,759

46,64,812

Expenses and other payable

17,12,804

7,69,021

Audit Fee Payable

2,83,985

1,57,500

Current Maturities of Long Term Loans

32,83,12,453

23,06,92,351

Interest accrued but not due on borrowings

13,48,889

17,19,550

Business Correspondent Partner payable

21,63,609

30,44,170

Statutory dues payable

17,58,953

25,33,846

Total

33,61,79,452

24,35,81,250



Bhatt

Rajesh





Notes to financial statements for the year ended	31-Mar-21	31-Mar-20
Note 8: Short-term provisions		
Provision for income tax	77,36,000	69,07,000
Gratuity Payable	84,927	-
Provision on loan portfolio	3,79,65,571	90,45,134
Total	4,57,86,498	1,59,52,134
Note: 9 Fixed Assets (Disclosed Separately)*		
Note 10: Deferred Tax Liability / (Asset)		
Balance at the beginning of the year	(13,002)	(9,466)
Differences in Depreciation & Amortisation for Accounting & Income Tax Purposes	(5,14,215)	(13,599)
Deferred Tax Liability / (Asset) on differences	(1,29,428)	(3,536)
Total	(1,42,430)	(13,002)
Note 11: Other Non-Current Assets		
Preliminary Expenses	5,49,000	7,74,842
Security Deposit-Rent	1,78,000	1,58,000
First Loan Default Guarantee (Yes Bank Business Correspondent)	5,75,00,000	4,75,00,000
Cash Collateral against Borrowings	2,82,50,000	2,48,34,999
Long term Maturity of Portfolio	14,92,70,165	8,37,87,219
Total	23,57,47,165	15,70,55,060
Note 12: Cash and bank balances		
Cash and cash equivalents		
Cash in hand	5,86,157	8,10,615
Balance with bank - in current account	8,91,68,674	3,29,62,630
Total (A)	8,97,54,831	3,37,73,245
Other bank balances		
Term Deposits*		
Free Hold	3,277	-
Total (B)	3,277	-
Amount disclosed under non-current assets (note 11)	-	-
Total (A+B)	8,97,58,108	3,37,73,245
Note 13: Short-Term Loans and Advances		
A. Portfolio Loans		
Micro finance loans under Joint Liability Group		
Gross Portfolio	1,38,05,06,094	1,31,09,77,902
Less: Managed Portfolio	(92,86,72,573)	(90,66,96,567)
Less: Long Term Maturity of Portfolio	(14,92,70,165)	(8,37,87,219)
Total (A)	30,25,63,356	32,04,94,116
B. Trade Receivables		
Commission Receivable	6,54,394	63,99,439
Unsecured, considered good	35,38,996	18,40,361
Total (B)	41,93,390	82,39,800
C. Other loans and advances		
Advance Salaries	30,000	97,142
Imprest with Staff	1,23,027	94,468
Cash Embezzlement	1,03,524	-
Income Tax Refund	1,05,159	-
TDS Recoverable	30,67,906	14,66,465
Total (C)	34,29,616	16,58,075
Total (A+B+C)	31,01,86,362	33,03,91,991
Note 14: Other current assets		
Interest Accrued on Portfolio	37,65,940	51,89,504
Interest Accrued on Deposits	20,10,970	11,72,980
Cash Collateral against Borrowings	2,38,34,999	85,82,453
Advance Tax	35,83,000	63,14,000
Total	3,31,94,909	2,12,58,937
Note 15: Revenue from operations		
Interest income on portfolio loans	8,61,32,798	6,80,21,578
Processing fee on portfolio loans	38,47,700	59,52,600
Total	8,99,80,498	7,39,74,178



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Rajiv
Railas





Notes to financial statements for the year ended	31-Mar-21	31-Mar-20
Note 16: Other income		
Income from Commission	6,64,86,318	2,33,44,725
Interest on fixed deposits	44,77,244	16,94,304
Income from Security deposit	12,20,434	6,81,991
Other Income	10,56,388	7,18,679
Total	7,32,40,384	2,64,39,699
Note 17: Finance costs		
Bank charges	16,61,002	6,34,335
Interest on Loan	4,73,35,577	3,32,14,242
Loan Processing, Stamping and Legal Fee	22,50,000	29,14,660
Total	5,12,46,579	3,67,63,237
Note 18: Employee benefit expenses		
Salaries and bonus / incentives	5,13,84,980	2,64,32,112
Contribution to Provident Fund	28,93,521	8,02,638
Gratuity Expenses	1,96,289	-
ESI Expenses	7,62,349	41,505
Staff Insurance	2,38,277	5,15,840
Staff welfare expenses	7,08,194	3,29,768
Recruitment Expense	-	2,520
Staff Medical Expenses	1,01,955	52,178
Staff Training Expenses	5,400	9,000
Total	5,62,90,965	2,81,85,561
Note 19: Other expenses		
Auditor's Fee / Reimbursement*	2,57,000	2,41,500
Travelling, Boarding & Lodging Expenses	3,42,921	4,04,997
Rent	57,39,768	19,49,136
Repairs and Maintenance	6,36,949	43,682
Printing and stationery	9,38,053	5,24,880
Statutory Filing & Registration Fee	2,80,106	5,46,268
Cash Management Services	11,27,019	-
Professional and consultancy charges	1,53,200	10,57,549
Membership Fee MFIN	2,70,166	2,75,798
Stipends	-	1,000
Sitting Fee to Directors	40,000	70,000
Insurance Charges	2,45,375	37,392
Telephone & Internet	6,69,186	85,897
Electricity and Water Expense	10,96,128	3,83,831
Branch and Office Establishment	2,97,517	3,83,529
Interest on Late deposit of Income Tax	1,01,511	32,238
Postage & Courier	1,27,572	61,126
Preliminary Expense w/off	2,25,842	2,25,842
Rating & CB Expense	3,72,548	3,90,111
GST Not Eligible for Input	8,11,177	4,93,313
Other / Office Expenses	21,70,361	2,44,573
Bad Debt Written off	10,63,136	3,50,004
Gift and Promotion	5,500	9,200
Software and License	1,95,678	99,324
Penalty on late payment of ESI	-	3,241
Derecognition of Interest	57,49,017	-
Total	2,29,15,730	79,14,431
*Auditor's remuneration		
As auditor:		
Audit fees	2,00,000	1,50,000
In other capacity:		
Certification fees	57,000	91,500
Reimbursement of expenses	-	-
Total	2,57,000	2,41,500



Shakti

Prasad

Shailas



***Note 9: Property, Plant and Equipment**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 1st April, 2020	Additions	Deletions	As At 31st March, 2021	As At 1st April, 2020	For the Period	Deletions	Total	As At 31st March, 2021	As at March 31, 2020
Furniture and Fixtures	2,40,230	15,35,171	-	17,75,401	43,790	3,94,457	-	4,38,247	13,37,154	1,96,440
Electrical Fittings	-	2,52,300	-	2,52,300	-	63,196	-	63,196	1,89,104	-
Office Equipments	1,57,830	9,24,038	-	10,81,868	35,160	3,31,851	-	3,67,011	7,14,857	1,22,670
Computers & Peripherals	3,75,263	2,87,719	-	6,62,982	2,18,712	2,15,579	-	4,34,291	2,28,691	1,56,551
Capital work in Progress	1,27,100	-	1,27,100	-	-	-	-	-	-	1,27,100
TOTAL	9,00,423	29,99,228	1,27,100	37,72,551	2,97,662	10,05,083	-	13,02,745	24,69,806	6,02,761






Notes to financial statements for the year ended March 31, 2021 (Amount in Rupees)

20. Segment information

The Company operates in a single reportable segment i.e., lending to loan members, which have similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Company operates in a single geographical segment i.e., domestic.

21. AS-18 (Related Party)

Sr. No.	Name	Current Year	Previous Year	Remarks
1.	Remuneration to Directors			
	Kailash Khandelwal	3,60,000	3,60,000	Honorarium
	Pradyuman Singh Rawat	-	50,000	Sitting Fee
	Ashok Kumar Pahwa	40,000	20,000	Sitting Fee
	Total	4,00,000	4,30,000	
2.	Humana People to People India (HPPI)	48,05,592	9,23,482	Gratuity Transfer, Purchase of Fixed Assets
Total		1 3,53,482	1,23,065	

During the previous year, the company had taken all the branch assets from Humana People to People India and the values of those assets are considered on estimate for Rs. 12,60,337 during the year 2020-21. The company has also taken over the liability of Gratuity worth Rs. 36,84,927 from Humana People to People India (HPPI) while transferring of employees with existing terms and joining dates. The Humana People to People India (HPPI) have transferred the differ amount on 08-01-2021 through NEFT.

22. Capital and other commitments

Estimated number of contracts remaining to be executed on capital account not provided for: Rs. Nil (Previous year: Nil)

23. Contingent Liability for the year ended -

The Company is managing portfolio of Yes Bank Ltd, under Business Correspondence Model of Rs.92,86,72,573/- (Previous Year 90,66,96,567/-) for which the company has deposited Rs.4,75,00,000/- with Yes Bank Ltd to provide first loan default guarantee against non-recover of such managed portfolio. The company is contingently liable for non-recovery and repayment to Yes Bank Ltd to the tune of such first loan default guarantee provided.

Further the company has an amount of Rs. 2,85,84,135/- (previous Year Nil) as outstanding to Yes bank Ltd. against days past due for more than 90 days till 31st March 2021. For this purpose, the company has provided an additional Fixed Deposit of Rs. 1,00,00,000/- during the month of March 2021 and same has been provisioned in Reserve & Surplus account.

Provided further the Yes Bank Ltd. has not invoked any of the FLDG against this outstanding balance.



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Notes to financial statements for the year ended March 31, 2021 (Amount in Rupees)

24. Earnings per share

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
Total equity shares (in numbers)	1,00,77,714	1,00,77,714
Basic weighted average number of equity shares during the year (A)	1,00,77,714	75,43,499
Profit / (loss) available for equity shareholders (B)	1,06,31,455	1,32,97,526
Basic and diluted earnings / (loss) per equity share (Rs.) (C) = (B)/(A)	1.05	1.76

25. Loan Portfolio Classification and Provisions for Non-Performing Assets:

The interim order granted to not declare accounts as NPA stood vacated on 23 March 2021 vide the Judgement of the Hon'ble SC in the matter of Small-Scale Industrial Manufacturers Association vs UOI & Ors. and other connected matters. in accordance with the instructions in paragraph 5 of the RBI circular no RBI/2021-22/17DOR. STR REC.4/21.04.048/2021-22 dated 7 April 2021 issued in this connection, the company has continued with the asset classification of borrower accounts as per the extant RBI instructions / IRAC norms for the year ended 31 March 2021.

Loan & Advances Classification and Provisions thereon, Classifications of Loans and Provision and Provision made for Standard/Sub-Standard/ Doubtful/ Loss assets are given below:

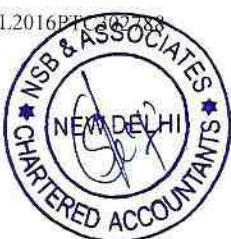
Provisioning Norms as per RBI

Higher of	Amount	%	Provisioning
1% of Outstanding Portfolio	45,18,33,521	1	45,18,335

OR

(A) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and	1,82,13,008	50	91,06,504
(B) 100% of the aggregate loan instalments which are overdue for 180 days or more.	1,04,86,131	100	1,04,86,131
Total of (A+B)			1,95,92,634

S. No.	Assets Classification	Amount Rs.	Provision %	Current Year Provision Amount in Rs.	Previous Year Provision Amount in Rs.
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Notes to financial statements for the year ended March 31, 2021 (Amount in Rupees)

1	Standard Assets	42,31,34,383	1%	-	40,42,714
2	Non-Performing Assets	2,86,99,138	(50-100) %	1,95,92,634 (As stated in above table)	-
3	COVID 19	-	-	-	2,320
4	Additional provision made by Management	-	-	1,83,72,937	50,00,000
	Total	45,18,33,521		3,79,65,571	90,45,134

26. Depreciation for the year ended Rs. 10,05,083/- (Previous Year Rs. 1,55,823/-).

27. Deferred Tax:

In accordance with Accounting Standard- 22 "Accounting for Taxes on Income" the Company has recognized Rs. 1,42,430/- (Previous Year Rs.13,002) as deferred tax credit as detailed below:

Particulars	Deferred tax Assets/Liabilities as on April 1, 2020	Current Period (credit)/ change	Deferred tax Assets/(Liabilities) as on Mar 31, 2021
Difference between book and tax depreciation	13,002	514,215	142,430
Provision on Loans	-	-	-
Net Deferred tax Assets/(Liabilities)	13,002	1,29,428	142,430

28. Additional disclosures

a. Capital to Risk Assets Ratio ('CRAR'):

Particulars	March 31, 2021	March 31, 2020
i) CRAR (%)	38.79%	37.13%
ii) CRAR – Tier I Capital (%)	30.58%	34.96%
iii) CRAR – Tier II Capital (%)	8.21%	2.17%

b. Derivatives:

The Company has not entered into any forward rate agreements, interest rate swaps and exchange traded interest rate derivatives. Hence, no disclosure has been made for the same.

The Company has no un-hedged foreign currency exposure as on March 31, 2021 (March 31, 2020: Nil).

Disclosures relating to Securitisation:

The Company has not entered into any securitisation transactions during the current and previous year and had no outstanding securitisation transaction for earlier years. Hence, no disclosure has been made for the same.

c. Details of financial assets sold to securitisation / reconstruction company for asset reconstruction:



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Signature of P. Singh
Signature of R. Singh





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Financial Services Private Limited

Notes to financial statements for the year ended March 31, 2021 (Amount in Rupees)

The Company has not sold financial assets to Securitisation / Reconstruction companies for asset reconstruction in the current and previous year.

d. Details of assignment transactions undertaken:

The Company has not undertaken assignment transactions in the current and previous year.

e. Details of non-performing financial assets purchased / sold:

The Company has not purchased / sold non-performing financial assets in the current and previous year.

f. Exposures:

The Company has no exposure to the real estate sector and capital market directly or indirectly in the current and previous year.

g. Registration obtained from other financial sector regulators:

The Company is registered with following other financial sector regulators (*Financial regulators as described by Ministry of Finance*): Reserve Bank of India vide **Certificate No N-14.03370** dated August 04, 2017

h. Disclosure of penalties imposed by RBI and other regulators:

No Penalties were imposed by RBI and other regulators during current and previous year.

i. Following ratings assigned by credit rating agencies and migration of ratings during the year:

S.N.	Rating by/ rating for	Rating assigned during the year	Previous Rating
1	CRISIL	BB/Stable	BB/Stable
2	ICRA	Not Available	M3+
3	SMERA	M4	SMERA M4C3
4	INFOMERICS RATINGS	IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook)	-

Note: the company has withdrawn the rating from CRISIL at the year end the new rating has been upgraded from BB/stable to BB+.

Provisions and Contingencies (shown under the head expenditure in Statement of Profit and Loss)

Particulars	March 31, 2021	March 31, 2020
Provision made towards Income tax	77,36,000	69,07,000
Provision towards NPA	3,79,65,571	-
Provision for Standard Assets	-	90,45,134

j. Draw down from Reserves:

There is no draw down from reserves (previous Year: NIL)

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Notes to financial statements for the year ended March 31, 2021 (Amount in Rupees)

k. Concentration of Advances, Exposures and NPAs:

Particulars	March 31, 2021	March 31, 2020
Concentration of Advances		
Total advances to twenty largest borrowers	9,60,000	8,00,000
(%) of advances to twenty largest borrowers to total advances		
Concentration of Exposures		
Total exposure to twenty largest borrowers/customers		
(%) of exposure to twenty largest borrowers/customers to total exposure		
Concentration of NPAs		
Total exposure to top four NPA accounts	2,13,903	1,01,009

l. Sector-wise NPAs

Sector	(%) of NPAs to total advances in that sector as at March 31, 2021	(%) of NPAs to total advances in that sector as at March 31, 2020
Agriculture and allied activities	0.00%	0.00%
MSME	0.00%	0.00%
Corporate borrowers	0.00%	0.00%
Services	0.00%	0.00%
Unsecured personal loans	6.35%	0.21%
Auto loans	0.00%	0.00%
Other personal loans	0.00%	0.00%

m. Disclosure of Customer Complaints

Particulars	No. of complaints
(i) No. of complaints pending at the beginning of the year	6
(ii) No. of complaints received during the year	299
(iii) No. of complaints redressed during the year	304
(iv) No. of complaints pending at the end of the year	1

The Company has a Customer Grievance Redressal Mechanism for convenience of customers to register their complaints and for the Company to monitor and redress them.

n. Information on instances of fraud

Year	Nature of fraud	No. of Cases	Amount of fraud	No. of Cases	Recovery	Amount written-off
2019-20	Cash embezzlement	-	-	-	-	-
2020-21	Cash embezzlement	4	1,80,945	3	77,400	-

o. Outstanding of loans against security of gold as a percentage to total assets is Nil (March 31, 2020: Nil).



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Notes to financial statements for the year ended March 31, 2021 (Amount in Rupees)

p. Information on Margin:

Sr. No.	Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
1	Average Interest charged	21.89%	25.48%
2	Average effective cost of borrowing	17.07%	16.92%
	Margin (1-2)	4.82%	8.56%

29. During the year and in accordance with the board approved moratorium policy as per the RBI guideline dated 27 March 2020, 17 April 2020 and 23 May 2020 relating to 'COVID-19 - Regulatory Package, the Company has granted moratorium up to six months on the payment of installments which became due between 1 March 2020 and 31 August 2020 to all eligible borrowers. This relaxation did not automatically trigger a significant increase in credit risk. The Company continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators granting of moratorium period did not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The impact of COVID-19 on the global economy and how governments businesses and consumers respond is uncertain. This uncertainty is reflected in the Company's assessment of impairment loss allowance on its loans which are subject to a number of management judgments and estimates in relation to COVID-19. The judgments and assumptions include the extent and duration of the pandemic the impacts of actions at governments and other authorities and the responses of businesses and consumers, along with the associated impact on the Indian and global economy.

The Company has separately, incorporated estimates, assumptions and judgments specific to the Impact or the COVID-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Company has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio and has adequate capital and financial resources to run its business. As at 31 March 2021, the cumulative amount of management overlay provisions stood at Rs. 379.65 lakhs in the standard financial results to reflect deterioration in the macroeconomic outlook. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated based on the conditions prevailing as at the date of approval of these financial results. Management will continue to closely monitor the material changes in the macro-economic factors impacting the operation of the Company.

The Honorable Supreme Court of India in a public interest litigation (Gajendra Sharma Vs Union of India & Anr) wide and interim order dated 3 September 2020 (Interim order) has directed that no additional borrower accounts shall be classified as impaired (non-performing assets or NPA) which were not declared NPA till 31 August 2020 till further orders Based on the said interim order, the Company has not classified any standard account as of 31 August 2020 as NPA after 31 August 2020.

The Company, as a matter of prudence has created an additional management provision of Rs.1,83,72,937 for the Year ended 31 March 2021.

The Government of India, Ministry of Finance vide its notification dated 23 October 2020 has announced COVID -19 Relief Scheme for grant of ex-gratia payment of difference between Compound interest and Simple interest for six months to borrower in specified loan accounts ('the Scheme') as per the eligibility criteria and other aspects specified therein and irrespective of whether RBI moratorium was availed or not During the quarter. The Company has not charged any interest on interest to all eligible borrowers whether availed moratorium or not during the period of 1st March 2020 to 31st August 2020 hence this scheme is not applicable to the company.

The company has provided loan moratorium to 14,422 clients from 1st March 2020 to 31st August 2020. The provisional income for deferment of Rs. 1,72,80,029 of interest accrued on simple interest rate method basis



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Financial Services Private Limited

Notes to financial statements for the year ended March 31, 2021 (Amount in Rupees)

is booked. The following table showing the figures of moratorium availed and interest de-recognized during the year:

Particular	No. of clients	Portfolio
Total Portfolio	18,307	404,281,333
Eligible clients	18,226	403,295,053
Moratorium availed	14,422	356,917,753
Paid regularly	3,804	46,377,300
Interest on Moratorium		
Interest on deferment	14,422	17,280,029
Interest de-recognition	3,206	5,790,425
Net Income		11,489,604

30. There are no micro and small enterprises to whom the Company owes dues, which are outstanding for more than 45 days on the date of Balance Sheet. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. The Auditors have relied this upon.
31. Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosure.

For N S B & ASSOCIATES
Chartered Accountants
ICAI Firm's Registration Number:
023043N

Jiwan Singh Mehta
Partner

Membership No. 530567

Place: New Delhi

Date: 31st May 2021

For and on behalf of the Board of Directors of
Humana Financial Services Private Limited

Kailash Khandelwal
Managing Director

DIN.No.03617258

Raj Kumar Singh
Chief Executive Officer

Sanjeev Bhatt
Director

DIN. No.02122250

Harsh Ranjan
Company Secretary
ACS: 35889

