

Agriwise Finserv Limited
Ind AS Financial statements for the year ended
31 March 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Agriwise Finserv Limited

Report on the Audit of Ind AS Financial Statements

1. Opinion

We have audited the accompanying Ind AS financial statements of Agriwise Finserv Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS 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 on Ind AS financial statements.

3. Emphasis of Matter

We draw attention to Note No. 54 of the Ind AS financial statements, the extent to which the COVID-19 pandemic will have impact on the Company's financial performance is dependent on future developments, which are highly uncertain. Our Opinion is not modified in respect of this matter.

4. Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Impairment of financial assets (Expected Credit Losses) (as described in Note No.8 of the Ind AS financial statements)</p> <p>Ind AS 109 requires the Company to recognise impairment loss allowances in the financial assets. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including.</p> <ol style="list-style-type: none"> unbiased, probability weighted outcome under various scenarios; impact arising from forward looking macro-economic factors and; availability of reasonable and supportable information <p>Applying these principles involves significant estimation in various underlying aspects, such as:</p> <ol style="list-style-type: none"> staging of loans and estimation of behavioural life; determining macro-economic factors impacting credit quality of receivable; <p>Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.</p>	<p>The audit procedures performed by us to assess appropriateness of the impairment allowance basis ECL on loans included the following:</p> <ol style="list-style-type: none"> We read and accessed the Company's accounting policies for impairments of financial assets and their compliance with Ind AS 109. We tested the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested controls around data extraction and valuation Tested the ECL model, including assumptions and underlying computation. Checked disclosures included in the Ind AS financial statements in respect of expected credit losses.

- 5. Information other than the Ind AS financial statements and Auditor's report thereon**
 The Company's management and the Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report but does not include the Ind AS financial statements and our auditor's report thereon. The Other information is expected to be made available to us after the date of our auditor's report.

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

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

When we read the other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

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

In preparing the Ind AS financial statements, the Board of Directors and management 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

7. Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Standards on auditing 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 Ind AS financial statements.

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

- i) Identify and assess the risks of material misstatement of the Ind AS 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.

ii) 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.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.

iv) Conclude on the appropriateness of Board of Directors and 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 ability of the Company 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 Ind AS 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.

v) Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Ind AS 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.

8. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by section 143 (3) of the Act, based on our audit we report that:

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- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of Ind AS Financial Statements.
- 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, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- 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 has disclosed the impact of pending litigations on the financial position in its Ind AS financial statements – Refer Note 36 to the Ind AS financial statements;
 - 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.
 - 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 or entity, including foreign entity ("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;

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(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 or entity, including foreign entity ("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; and

(c) Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared any dividend during FY 2021-22.

9. Other Matter

The Ind AS financial statements of the Company for the year ended March 31, 2021, included in these Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those Ind AS Financial Statements on June 29, 2021. Our opinion is not modified in respect of this matter.

For S. N. Kulkarni & Co
Chartered Accountants
Firm Reg. No. 105441W


G. V. Samant
Partner
M. No. 14802

UDIN: 22014802AMZWPT7644

Date: May 19, 2022
Place: Mumbai

**Annexure 1 to the Independent Auditor's Report of even date on the Ind AS financial statements
of Agriwise Finserv Limited**

**Referred to in paragraph 8 under Report on Other Legal and Regulatory Requirements of our
report of even date**

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital Work in Progress, Right-of-use Assets.
B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a regular program of physical verification of its fixed assets by which all the Fixed assets are verified once in three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) Title deed of immovable property disclosed in the financial statements included under investment property is held in the name of the Company as at the balance sheet date.
- d) The Company has not revalued its investment property and Property, Plant and Equipment (including Right-of -Use assets) during the year.
- e) No proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) a) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii)(a) of the Order, are not applicable to the Company.
- b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks and financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- (iii) The Company has made investments in, and granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
- a) The Company's principal business is to give loans, and hence reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
- b) The principal business of the Company is to give loans. The investments made and the terms and conditions of grant of all loans during the year are, in our opinion, prima facie, not

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prejudicial to the Company's interest. The Company has not provided any advances in the nature of loans or given security.

- c) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 has stipulated the schedule of repayment of principal and payment of interest for loan to customers. Since the principal business of the Company is to give loans, there are customers who are regular and do not have any overdue amount towards their loan and there are customers who have overdue of loan as at the balance sheet date. Refer Note 50 to the Ind AS financial statements for summarised details of such loans which are not repaid by borrowers as per stipulations.
- d) In respect of following loans granted by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the principal amounts and interest:

No. of cases	Principal amount overdue	Interest overdue	Total overdue	Remarks, if any
20	Rs. 17.31 Lakhs	Rs. 64.37 Lakhs	Rs. 81.68 Lakhs	-

- e) The principal business of the Company is to give loans and hence reporting under clause (iii)(e) of the Order is not applicable.
- f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans, made investments or provided guarantees and securities which attract the provisions of section 185 and section 186 of the Act. Accordingly, clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the services of the Company.
- (vii) a) Undisputed statutory dues including provident fund, income-tax, goods and service tax, employees' state insurance, cess and other material statutory dues have been regularly deposited with the appropriate authorities. As explained to us, the Company did not have any dues of excise duty, service tax, duty of customs and value added tax.
- b) According to the information and explanations given to us, there were no undisputed dues in respect of provident fund, income-tax, goods and service tax, employees' state insurance, cess and other material statutory dues which were outstanding, at the year end, for a period

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of more than six months from the date they became payable. As explained to us, the Company did not have any dues of excise duty, service tax, duty of customs and value added tax.

- c) According to the records of the Company, the dues outstanding of income-tax, sales tax, goods and service tax, duty of customs, value added tax, service tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. Lakhs)	Period to which the amount relates	Forum where dispute is pending	Amount Paid under protest (Rs. Lakhs)
The Income Tax Act, 1961	Income Tax	102.61	2016-17	Commissioner of Appeal (Income Tax)	25.65

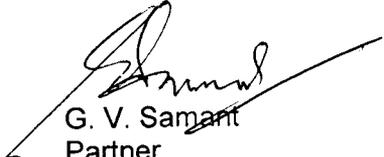
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (ix) a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to banks or financial institutions or government.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application of term loans.
- d) On an overall examination of the Ind AS financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) The Company did not have any subsidiary or associate or joint venture during the year and hence reporting under clause (ix)(e) of the Order is not applicable to the Company.
- f) The Company did not have any subsidiary or associate or joint venture during the year and hence reporting under clause (ix)(f) of the Order is not applicable to the Company.
- (x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 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 (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- (xi) a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company and no material fraud 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 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report by the Statutory auditors.
- c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) The Company is not a nidhi company and hence reporting under clause 3 (xii)(a) to 3 (xii)(c) of the Order are not applicable to the Company.
- (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 Act where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of our audit report, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act.
- (xvi) a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.
- b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. The Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under paragraph 3 (xvi)(c) is not applicable to the Company.
- d) According to the information and explanations given by the management, the Group has no CIC as part of the group.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

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- (xviii) There has been resignation of the Statutory Auditors of the Company during the year and according to information and explanations given to us by the management and to the best of our knowledge and belief there have been no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

For S. N. Kulkarni & Co
Chartered Accountants
Firm Reg. No. 105441W


G. V. Samant
Partner
M. No. 14802

UDIN: 22014802AMZWPT7644

Date: May 19, 2022
Place: Mumbai

Annexure 2 to the Independent Auditor's Report of even date on the Ind AS financial statements of Agriwise Finserv Limited

Referred to in paragraph [8(f)] under Report on Other Legal and Regulatory Requirements of our report of even date

Report on the Internal Financial Controls with reference to Ind AS financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls with reference to Ind AS financial statements of Agriwise Finserv Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

2. **Management and Board of Directors' Responsibility for Internal Financial Controls**
The Company's management and the Board of Directors responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

3. **Auditors' Responsibility**
Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS financial statements based on our audit. We conducted our audit in accordance with 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 with reference to Ind AS financial statements 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 with reference to Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to Ind AS financial statements, 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 Ind AS financial statements, whether due to fraud or error.

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

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4. Meaning of Internal Financial Controls with reference to Ind AS financial statements

A company's internal financial control with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS financial statements 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

5. Inherent Limitations of Internal Financial Controls with reference to Ind AS financial statements

Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, 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 with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. N. Kulkarni & Co
Chartered Accountants
Firm Reg. No. 105441W


G. V. Samant
Partner
M. No. 14802

UDIN: 22014802AMZWPT7644

Date: May 19, 2022

Place: Mumbai

Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Balance Sheet as at March 31 2022
(Currency : Indian Rupees in lakhs)

Particulars	Note	As at March 31 2022	As at March 31 2021
Assets			
Financial assets			
Cash and cash equivalents	5	509.04	1,120.38
Bank balance other than (a) above	6	487.89	383.63
Receivables			56.47
- Trade receivables	7.1	-	-
- Other receivables	7.2	609.91	-
Loans	8	24,300.78	32,529.98
Investments	9	3,689.26	500.83
Other financial assets	10	892.73	807.54
Non-financial assets			
Current tax assets		177.82	56.20
Deferred tax assets	11	429.81	699.87
Investment property	12	596.77	684.95
Property, plant and equipment	13.1	43.04	58.15
Intangible assets under development	13.2	-	-
Other intangible assets	13.3	387.77	465.64
Right to use assets	50	184.95	98.02
Other non-financial assets	14	246.93	149.66
Total assets		32,556.70	37,611.32
Liabilities and Equity			
Financial liabilities			
Payables			
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of micro enterprises other than micro enterprises and small enterprises	15	107.71	92.84
Debt securities	16	1,000.00	1,000.00
Borrowings	17	13,195.04	19,118.94
Lease liability	50	198.52	100.47
Other financial liabilities	18	371.64	123.48
Non-financial liabilities			
Provisions	19	51.17	91.52
Other non-financial liabilities	20	44.23	24.52
Total liabilities		14,968.31	20,551.77
Equity			
Equity share capital	21	15,000.00	15,000.00
Other equity	22	2,588.39	2,059.55
Total equity		17,588.39	17,059.55
Total liabilities and equity		32,556.70	37,611.32

Significant Accounting Policies and notes to the Financial Statements

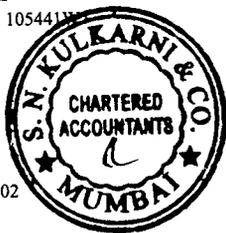
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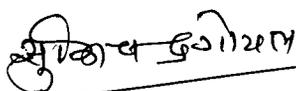
For and on behalf of the Board of Directors of
Agriwise Finserv Limited

As per our report of even date
For S. N. Kulkarni & Co.
Chartered Accountants
Firm Registration No: 10544111

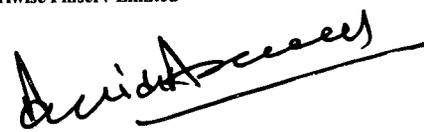

G.V. Samant
Partner

Membership No: 14802
Mumbai
May 19, 2022





Sureshchandra Goyal
Managing Director
DIN: 02018073



Amith Agarwal
Executive Director
DIN: 01140768



Kalpesh Ojha
Chief Financial Officer



Sankari Muthuraj
Company Secretary
Membership No. A25427
Mumbai
May 19, 2022

Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Statement of Profit and Loss for the Year ended March 31 2022
(Currency : Indian Rupees in lakhs)

Particulars	Note	Year ended March 31 2022	Year ended March 31 2021
Revenue from operations			
Interest income	23	4,044.16	5,144.26
Net gain on fair value changes	24	1.66	1.21
Fees and commission income		-	0.11
Total revenue from operations		4,045.82	5,145.58
Other income	25	349.36	302.96
Total income (1+2)		4,395.18	5,448.54
Expenses			
Finance costs	26	1,483.27	2,364.95
Impairment on financial instruments	27	73.05	(42.66)
Employee benefits expenses	28	937.32	1,040.52
Depreciation, amortization and impairment	29	198.24	129.04
Other expenses	30	824.36	1,471.94
Total expenses		3,516.24	4,963.79
Profit/(loss) before tax		878.94	484.75
Tax expense:	31		
(1) Current tax		-	146.83
(2) Deferred tax charge / (credit)		266.84	0.37
		266.84	147.20
Profit/(loss) for the year		612.10	337.55
Other comprehensive income			
<u>Items that will not be reclassified to profit or loss</u>			
Actuarial gain/(loss) on employee defined benefits		12.78	5.66
Income tax relating to items that will not be reclassified to profit or loss		(3.22)	(1.42)
Subtotal (A)		9.56	4.24
<u>Items that will be reclassified to profit or loss</u>			
Subtotal (B)		-	-
Other comprehensive income (A+B)		9.56	4.24
Total comprehensive income for the year		621.66	341.79
Earnings per equity share (for continuing operations)	32		
Basic (Rs.)		0.41	0.23
Diluted (Rs.)		0.40	0.23

Significant Accounting Policies and notes to the Financial Statements

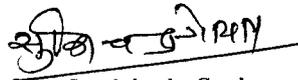
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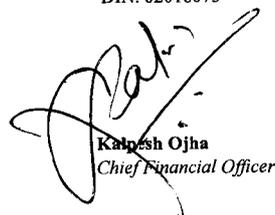
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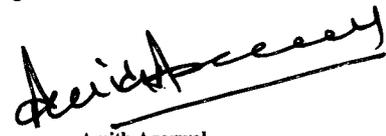
As per our report of even date
For S. N. Kulkarni & Co.
Chartered Accountants
Firm Registration No: 105441W


G.V. Samant
Partner
Membership No: 14802
Mumbai
May 19, 2022




Sureshchandra Goyal
Managing Director
DIN: 02018073


Kalpesh Ojha
Chief Financial Officer


Amith Agarwal
Executive Director
DIN: 01140768


Sankari Muthuraj
Company Secretary
Membership No. A25427
Mumbai
May 19, 2022

Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Statement of Cash flow for the Year ended March 31 2022
(Currency : Indian Rupees in lakhs)

Particulars	Year ended March 31 2022	Year ended March 31 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	878.94	484.75
<u>Adjustments for non-cash items:</u>		
Impairment of receivables & loans	344.44	805.00
Depreciation, amortization and impairment	198.24	129.04
Loss / (profit) on sale of property, plant and equipment	-	1.93
Finance cost	1,483.27	2,364.95
Interest income on fixed deposit	(39.48)	(32.51)
Loss/(profit) on sale of investment	(1.66)	-
Reversal of ESOP reserve	(92.82)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2,770.93	3,753.16
<u>Adjustments for working capital changes:</u>		
(Increase) / Decrease in receivables	(553.44)	67.75
(Increase) / Decrease in loans	7,884.76	(182.53)
(Increase) / Decrease in other financial assets	(58.90)	485.60
(Increase) / Decrease in Other Non-financial assets	(17.52)	(705.79)
Increase / (Decrease) in trade payables	14.87	(70.37)
Increase / (Decrease) in other financial liabilities	182.91	(102.12)
Increase / (Decrease) in provisions	(40.35)	27.22
Cash used in operations	10,183.26	3,272.92
Income taxes refund / (paid)	(121.62)	(195.21)
Net cash generated / (used in) from operating activities (A)	10,061.64	3,077.71
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (PPE) and intangible Assets	9.09	(156.75)
Fixed deposit placed with bank	(104.26)	(149.13)
Interest income on security deposit & fixed deposits	14.19	18.60
Investment in security receipt	(4,080.00)	-
Collection from the security receipt	416.50	-
Purchase of mutual fund	(1,625.00)	(1,000.00)
Sale of mutual fund	2,100.00	500.38
Gain on sale of mutual fund	1.66	-
Net cash generated / (used in) investing activities (B)	(3,267.82)	(786.90)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liability (including interest)	(94.79)	(80.95)
Finance cost paid	(1,386.47)	(2,417.58)
Proceed from debt securities	-	1,000.00
Proceed from term loan	2,500.00	-
Repayment of borrowing (other than debt securities)	(7,645.85)	(5,037.95)
Repayments of short term borrowing	(778.05)	(4.23)
Net cash generated / (used in) from financing activities (C)	(7,405.16)	(6,540.71)
Net Increase / (Decrease) in cash and equivalents (A+B+C)	(611.34)	(4,249.90)
Cash and cash equivalent at the beginning of the year		
Balance with banks		
- in current account	1,094.21	5,352.06
- Cash on hand	26.17	18.22
Cash and cash equivalent as per note 5	1,120.38	5,370.28
Cash and cash equivalent at the beginning of the year		
Balance with banks		
- in current account	455.59	1,094.21
- Cash on hand	53.45	26.17
Cash and cash equivalent as per note 5	509.04	1,120.38



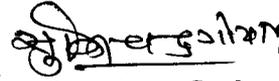
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G.V. Samant
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Membership No: 14802
Mumbai
May 19, 2022





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Managing Director
DIN: 02018073



Amith Agarwal
Executive Director
DIN: 01140768



Kalpesh Ojha
Chief Financial Officer



Sankari Muthuraj
Company Secretary
Membership No. A25427
Mumbai
May 19, 2022

Statement of changes in equity for the Year ended March 31 2022
(Currency : Indian Rupees in lakhs)

(a) Equity Share Capital

Particulars	Rs.
Balance as at April 1 2020	15,000.00
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2020	-
Changes in equity share capital during the year	-
Balance as at March 31 2021	15,000.00
Balance as at April 1, 2021	-
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2021	-
Changes in equity share capital during the year	-
Balance as at March 31 2022	15,000.00

(b) Other equity

Particulars	Reserve and Surplus			OCI	Total Other Equity
	Retained Earnings (Surplus in profit and loss account)	Statutory reserve u/s 45-IC of The Reserve Bank of India Act, 1934*	Employees Stock Option Reserve	Re-measurement of the net defined benefit plans	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Balance as at April 1 2020	942.88	668.43	103.34	8.41	1,723.06
Profit for the year	337.55	-	-	-	337.55
Post employment defined benefit obligation	-	-	-	4.24	4.24
Employee stock options	-	-	(5.30)	-	(5.30)
Transfer to/from reserves	(68.36)	68.36	-	-	-
Balance as at March 31 2021	1,212.07	736.79	98.04	12.65	2,059.55
Profit for the year	612.10	-	-	-	612.10
Post employment defined benefit obligation	-	-	-	9.56	9.56
Employee stock options	-	-	(92.82)	-	(92.82)
Transfer to/from reserves	(122.42)	122.42	-	-	-
Balance as at March 31 2022	1,701.75	859.21	5.22	22.21	2,588.39

* Represents reserve created @ 20% of the profit after tax for the year as per the provisions of section 45-IC of the Reserve Bank of India Act, 1934.

Significant accounting policies and notes to the financial statements

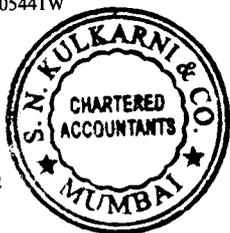
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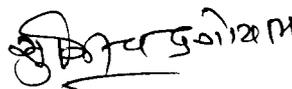
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Sankari Muthuraj
Company Secretary
Membership No. A25427
Mumbai
May 19, 2022

Agriwise Finserv Limited (Formerly known as StarAgri Finance Limited)

Notes to the Ind AS financial statements for the year ended 31st March 2022

1 Overview

1.1 Background and general information

The name of the Company has been changed from Staragri Finance Limited to Agriwise finserv Limited with effect from 15th October 2020. Agriwise finserv Limited (the 'Company') was incorporated on 14 March 1995. The Company is registered as a non banking financial institution and has obtained certificate of registration from Reserve Bank of India bearing no. B-13.02107 dated 9 December 2015 in pursuance of Section 45-IA of the 'RBI' Act, 1934. The Company is wholly owned subsidiary of Star Agriwarehousing and Collateral Management Limited ('SACML').

2 Significant accounting policies

2.1 Statement of compliance and Basis of preparation of financial statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 (the "Act") (as amended), other relevant provisions of the Act, guidelines issued by the Reserve Bank of India as applicable to an NBFCs and other accounting principles generally accepted in India. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS required a change in the accounting policy hitherto in use. The financial statements were authorised for issue by the Board of Directors (BOD) on May 19, 2022.

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III of the Companies Act, 2013 (the 'Act'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS.

The financial statements have been prepared on historical cost basis except for certain financial instruments measured at fair value at the end of each reporting period as explained in the accounting policies below.

2.2 Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.



Agriwise Finserv Limited (Formerly known as StarAgri Finance Limited)

Notes to the Ind AS financial statements for the year ended 31st March 2022

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in following notes:

i) Business model assessment

Classification and measurement of financial assets depends on the results of the solely payment of principal and interest ('SPPI') and the business model test. The Company determines the business model at a level that reflects how the Company's financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

ii) Impairment of Financial Assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.



Agriwise Finserv Limited (Formerly known as StarAgri Finance Limited)

Notes to the Ind AS financial statements for the year ended 31st March 2022

The Company's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal credit grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs

- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

2.3 Functional and presentation currency

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company. All amounts have been rounded off to the nearest lakhs with two decimals, unless otherwise indicated.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences are recognized in the Statement of Profit and Loss.

2.4 Current-non-current classification

Assets

An Asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- b. It is held primary for the purpose of being traded;
- c. It is expected to be realized within 12 months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current Assets include the current portion of non-current financial assets. All other assets are classified as non-current.



Agriwise Finserv Limited (Formerly known as StarAgri Finance Limited)

Notes to the Ind AS financial statements for the year ended 31st March 2022

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the company's normal operating cycle.
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within 12 months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current

3 Use of accounting estimates and judgments

3.1 Revenue recognition

- a. Under IND AS 109 Interest income is recognised using an effective interest method. Interest income in case of financing business is recognised on accrual basis.
- b. Profit/loss earned on sale of investments is recognised on trade date basis. Profit/loss on sale of mutual fund units is determined based on the weighted average cost method.
- c. Cheque bouncing charges, foreclosure charges, and like any other penal charges collected from client are recognised when the Company satisfies a performance obligation.

3.2 Property, Plant and Equipment and Depreciation/Amortisation

Tangible assets

Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation and / or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Residual values of all fixed assets are considered as nil.

The Company follows Straight Line Method ('SLM') of depreciation which is computed based on useful lives of assets as provided in Part "C" of Schedule II of the Companies Act 2013 except for following asset:

Class of asset	Useful Life
Motor vehicles	4 Years
Office equipments	5 Years
Furnitures and fixtures	10 Years
Software and servers	3 Years
Computers	3 Years

Leasehold improvements are amortised over the useful life of the assets or the primary lease tenor whichever is lower, on a straight-line basis.



Agriwise Finserv Limited (Formerly known as StarAgri Finance Limited)

Notes to the Ind AS financial statements for the year ended 31st March 2022

Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Amortisation is provided on SLM basis, which reflect management's estimate of the useful life of the intangible asset.

Class of asset	Useful Life
Software	6 Years

3.3 Investment property

Investment properties are measured initially and subsequently at cost. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed annually in the notes which form an integral part of the financial statements. Fair values are determined based on an evaluation performed by an accredited external independent valuer applying a valuation technique as per the international norms and standards. Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from such disposal. The difference between the net sale proceeds and the carrying amount of asset is recognized in statement of profit and loss in the period of derecognition.

3.4 Financial instruments

Initial recognition

The Company recognises the financial asset and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially recognised at transaction price. Transaction cost that are directly attributable to the acquisition of financial asset and financial liabilities, which are not at fair value through profit and loss, are added to the fair value on the initial recognition.

Subsequent measurement of Non-derivative financial instruments:

(i) Financial Assets at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

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

This category is the most relevant to the Company. All the Loans and other receivables under financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.



Agriwise Finserv Limited (Formerly known as StarAgri Finance Limited)

Notes to the Ind AS financial statements for the year ended 31st March 2022

(ii) Financial Assets at Fair Value through Profit or Loss/Other comprehensive income
Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

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

(iii) Financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

(a) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. However, the Company has borrowings at floating rates. Considering the impact of restatement of Effective interest rate, transaction cost is being amortised over the tenure of loan and borrowing.

(b) Trade and other payables

After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial assets expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the group neither retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Fair value measurement

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.



Agriwise Finserv Limited (Formerly known as StarAgri Finance Limited)

Notes to the Ind AS financial statements for the year ended 31st March 2022

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.5 Impairment of financial assets

Overview of the ECL principles

The Company records allowance for expected credit losses for all loans, together with loan commitments, in this section all referred to as 'financial instruments' other than those measured at FVTPL. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12m ECL). The Company's policies for determining if there has been a significant increase in credit risk are set out.

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12m ECLs are calculated on an individual basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each year end, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECLs. This also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired. The Company records an allowance for the LTECLs.



Agriwise Finserv Limited (Formerly known as StarAgri Finance Limited)

Notes to the Ind AS financial statements for the year ended 31st March 2022

Undrawn loan commitments:

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

The Calculation of ECLs:

The Company calculates ECLs based on a probability-weighted scenario to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD): The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

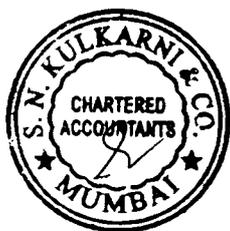
Exposure at Default (EAD): The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD): The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

When estimating life time expected credit loss (LTECLs) for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weightage. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed

The mechanics of the ECL method are summarised below:



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Stage 1: The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%.

In ECL model the Company relies on broad range of forward looking information for economic inputs.

Write-off

Write-off of assets are considered in line with internally approved policy. Additionally, the Company may consider case specific write off based on recovery prospects and based on the recommendation of Credit Risk officer with relevant sanctioning authority.

Determination of fair value

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.



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Notes to the Ind AS financial statements for the year ended 31st March 2022

- Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.
- Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

3.6 Employee benefits

Defined contribution plan:

A defined contribution plan is a plan for the post-employment benefit of an employee under which the Company pays fixed periodic contributions into Provident Fund and Employee State Insurance Corporations. The Company has no further legal or constructive obligation to pay once contributions are made. Contributions made are charged to employee benefit expenses in the period in which the employment services qualifying for the benefit are provided.

Defined benefit plan:

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

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation at the balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government of India securities as at the balance sheet date.

When the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.



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The Company recognises all re-measurement gains and losses arising from defined benefit plans in the Statement of other comprehensive income in the period in which they occur and not reclassified to statement of profit and loss in the subsequent period. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs in the statement of profit and loss.

Share-based payments:

Equity-settled plans are accounted at fair value as at the grant date in accordance with Ind AS 102 "Share- Based Payments". The fair value of the share-based option is determined at the grant date using a market-based option valuation model which includes an estimated forfeiture rate. The fair value of the option is recorded as compensation expense amortised over the vesting period of the award, with a corresponding increase in other components of Equity under the head "Share Options Outstanding Account". On exercise of the option, the proceeds are recorded as share capital.

3.7 Taxation

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit/ (tax loss) for the year determined in accordance with the provisions of the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expenses that are taxable or deductible in other years & items that are never taxable or deductible. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



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Notes to the Ind AS financial statements for the year ended 31st March 2022

Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- indexation benefit in relation to investments in subsidiaries, given that the Company does not have any intentions to dispose such investments in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised, such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the statement of profit and loss.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

3.8 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit attributable to equity shareholders for the period, by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive (potential) equity equivalent shares outstanding during the period except where the results would be anti-dilutive.



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Notes to the Ind AS financial statements for the year ended 31st March 2022

3.9 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.10 Provisions and contingences

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is more likely than not that an outflow of economic benefits will be required to settle the obligation. Provisions are discounted where the effect of discounting is material at a pre-tax rate that reflects current market assessments of the time value of money. Unwinding of the discount (accretion) is recognized as a finance cost. Discount rates are assessed and projected timing of future obligations each reporting year.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

3.11 Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement include cash in hand, balances with the banks and short-term investments with an original maturity of three months or less.

3.12 Lease accounting

(a) Leases

Company as a Lessee

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company recognizes right-of-use asset and a corresponding lease liability for all lease arrangements in which the Company is a lessee, except for a short term lease of 12 months or less and leases of low-value assets. For short term lease and low-value asset arrangements, the Company recognizes the lease payments as an operating expense on straight-line basis over the lease term.



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Certain lease arrangements include the options to extend or terminate the lease before the end of the lease arrangement. Right-of-use assets and lease liabilities are measured according to such options when it is reasonably certain that the Company will exercise these options.

The right-of-use asset are recognized at the inception of the lease arrangement at the amount of the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date of lease arrangement reduced by any lease incentives received, added by initial direct costs incurred and an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Estimated useful life of right-of-use assets is determined on the basis of useful life of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is an indication that their carrying value may not be recoverable. Impairment loss, if any is recognized in the statement of profit and loss account.

The lease liability is measured at amortized cost, at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease arrangement or, if not readily determinable, at the incremental borrowing rate in the country of domicile of such leases. Lease liabilities are remeasured with corresponding adjustments to right-of-use assets to reflect any reassessment or lease modifications.

Company as a Lessor

Leases for which the Company is a lessor is classified as finance or operating lease. If the terms of the lease arrangement transfer substantially all the risks and rewards of ownership to the lessee, such lease arrangement is classified as finance lease. All other leases are classified as operating leases.

In case of sub-lease, the Company recognizes investment in sub-lease separately in the financial statements. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from such lease arrangement. For operating leases, rental income is recognized on a straight-line basis over the term of the lease arrangement.

Transition

The Company has adopted Ind AS 116 'Leases' with effect from April 1, 2019 using the modified retrospective method. Cumulative effect of initially applying the standard has been recognized on the date of initial application and hence the Company has not restated comparative information. The Company has recorded Lease liability at the present value of the future lease payments discounted at the incremental borrowing rate and the right-of-use asset at an amount equal to the lease liability, adjusted by the amount of prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

The Company has selected practical expedient for the following:

- a) Not recognizing right-of-use asset and lease liability for leases having a lease term of 12 months or less as on date of initial application and leases of low-value assets. The Company recognizes the lease payments associated with such leases as an expense over the lease term.



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Notes to the Ind AS financial statements for the year ended 31st March 2022

- b) Excluded the initial direct cost from the measurement of the right of use asset at the date of initial application.
- c) Ind AS 116 is applied only to those contracts that were previously identified as leases under Ind AS 17.

Accordingly, the Company has recognized right-of-use asset of Rs. 215.30 lakhs and a lease liability of Rs. 215.02 lakhs in the financial statements on the date of initial application. There is no impact on the retained earnings. Due to adoption of Ind AS 116, the nature of expenses has changed from rent in previous periods to depreciation cost on right-of-use asset and finance cost for interest on lease liability. The effect of this standard is not significant on the profit for the year of the Company. Further as per Ind AS 116, the principal portion of lease payments and interest on lease liability has been disclosed under the cash outflow from financing activities. Operating lease payments as per Ind AS 17 – Leases were disclosed under the cash outflow from operating activities.

4 Recent amendments applicable from April 01, 2022

The following amendments to standards have been issued and will be effective from April 01, 2022. The Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

- a. Indian Accounting Standard (Ind AS) 103 – Business Combinations – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date. Modification to the exceptions to recognition principle relating to contingent liabilities and contingent assets acquired in a business combination at the acquisition date.
- b. Indian Accounting Standard (Ind AS) 109 – Financial Instruments – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.
- c. Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.
- d. Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets – Modifications in application of recognition and measurement principles relating to onerous contracts.



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Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022
(Currency : Indian Rupees in lakhs)

5 Cash and cash equivalents

Particulars	As at	As at
	March 31 2022	March 31 2021
Cash on hand	53.45	26.17
Balances with banks - In current accounts	455.59	1,094.21
Total	509.04	1,120.38

6 Bank balance other than 5(II) above

Particulars	As at	As at
	March 31 2022	March 31 2021
Bank deposit (Held as margin money against securitisation)	487.89	383.63
Total	487.89	383.63



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Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022
(Currency : Indian Rupees in lakhs)

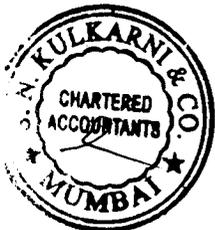
7.1 Trade receivables

	Particulars	As at March 31 2022	As at March 31 2021
(a)	Receivable considered good, secured; Less: impairment loss allowance	-	-
(b)	Receivable considered good, unsecured; Less: impairment loss allowance	-	56.47
(c)	Receivable which have significant increase in credit risk Less: impairment loss allowance	-	-
(d)	Receivables-credit impaired Less: impairment loss allowance	-	49.64 (49.64)
	Total	-	56.47
	The receivables includes dues from related parties:		
	Gross carrying amount	-	3.12
	Less: impairment loss allowance	-	(1.57)
	Net carrying amount	-	1.55

Ageing for trade receivables is as follows:

PARTICULARS	As at March 31 2022						Total
	Unbilled Dues	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	
(i) Undisputed trade receivables – considered good	-	-	-	-	-	-	-
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables–considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-
Less: impairment loss allowance	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

PARTICULARS	As at March 31 2021						Total	
	Unbilled Dues	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years		More than 3 years
(i) Undisputed trade receivables – considered good	-	-	-	56.47	-	-	-	56.47
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	49.64	-	-	-	49.64
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Sub Total	-	-	-	106.11	-	-	-	106.11
Less: impairment loss allowance	-	-	-	49.64	-	-	-	49.64
Total	-	-	-	56.47	-	-	-	56.47



7.2 Other Receivables

	Particulars	As at March 31 2022	As at March 31 2021
(a)	Other receivable considered good, secured; Less: impairment loss allowance	488.71 -	- -
(b)	Other receivable considered good, unsecured; Less: impairment loss allowance	- -	- -
(c)	Other receivable which have significant increase in credit risk Less: impairment loss allowance	- -	- -
(d)	Other receivable -credit impaired Less: impairment loss allowance	242.41 (121.21)	- -
	Total	609.91	-
	The Other receivables includes dues from related parties:		
	Gross carrying amount	5.31	-
	Less: impairment loss allowance	(2.67)	-
	Net carrying amount	2.64	-

Ageing for other receivables is as follows:

PARTICULARS	Unbilled Dues	Not Due	As at March 31 2022					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed other receivables – considered good	-	-	-	488.71	-	-	-	488.71
(ii) Undisputed other receivables – which have significant increase in credit risk	-	-	1.25	241.16	-	-	-	242.41
(iii) Undisputed other receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed other receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed other receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed other receivables - credit impaired	-	-	-	-	-	-	-	-
Sub Total	-	-	1.25	729.87	-	-	-	731.12
Less: impairment loss allowance	-	-	0.63	120.58	-	-	-	121.21
Total	-	-	0.62	609.29	-	-	-	609.91

PARTICULARS	Unbilled Dues	Not Due	As at March 31 2021					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed other receivables – considered good	-	-	-	-	-	-	-	-
(ii) Undisputed other receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed other receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed other receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed other receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed other receivables – credit impaired	-	-	-	-	-	-	-	-
Less: impairment loss allowance	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-



8 Loans

Particulars	As at March 31 2022			As at March 31 2021		
	Total	At Fair value through other comprehensive income	Total	Amortized cost	At Fair value through other comprehensive income	Total
By Nature						
Term loans & others	25,556.86	-	25,556.86	35,110.76	-	35,110.76
Gross Carrying Amount	25,556.86	-	25,556.86	35,110.76	-	35,110.76
Less: Impairment loss allowance	(1,256.08)	-	(1,256.08)	(2,580.78)	-	(2,580.78)
Net Carrying Amount	24,300.78	-	24,300.78	32,529.98	-	32,529.98
By Security						
Secured by tangible assets (refer note 1)	24,830.00	-	24,830.00	33,891.48	-	33,891.48
Unsecured (refer note 2)	726.86	-	726.86	1,219.28	-	1,219.28
Gross Carrying Amount	25,556.86	-	25,556.86	35,110.76	-	35,110.76
Less: Impairment loss allowance	(1,256.08)	-	(1,256.08)	(2,580.78)	-	(2,580.78)
Net Carrying Amount	24,300.78	-	24,300.78	32,529.98	-	32,529.98
By Borrower Category						
Public Sectors	-	-	-	-	-	-
Private Sectors	13,389.92	-	13,389.92	16,321.34	-	16,321.34
Others in India	12,166.94	-	12,166.94	18,789.42	-	18,789.42
Gross Carrying Amount	25,556.86	-	25,556.86	35,110.76	-	35,110.76
Less: Impairment loss allowance	(1,256.08)	-	(1,256.08)	(2,580.78)	-	(2,580.78)
Net Carrying Amount	24,300.78	-	24,300.78	32,529.98	-	32,529.98
The loan balance includes dues from related parties as below:						
Gross Carrying amount	103.38	-	103.38	876.00	-	876.00
Less: Impairment loss allowance	(2.39)	-	(2.39)	(23.65)	-	(23.65)
Net Carrying amount	100.99	-	100.99	852.35	-	852.35

Note 1: Security against loan generally includes pledge of Mortgage of real estate and Hypothecation of movable and immovable assets

Note 2: Unsecured loan includes loans which are contractually unsecured or where security creation has not been done



Loans at amortized cost

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Exposure	Loss Allowance	Exposure	Loss Allowance	Exposure	Loss Allowance	Exposure	Loss Allowance
As on March 31 2022	19,717.97	1,135.42	5,611.97	5.98	226.93	114.68	25,556.86	1,256.08
As on March 31 2021	26,602.91	1,151.15	5,679.28	5.82	2,828.57	1,423.81	35,110.76	2,580.78

Reconciliation of loss allowance for loans at amortised cost

Particulars	March 31 2022				March 31 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	26,602.92	5,679.27	2,828.56	35,110.75	25,027.30	7,853.41	2,796.53	35,677.24
Assets derecognised or repaid (excluding write offs)	9,813.02	3,492.93	2,611.68	15,917.63	3,440.64	2,307.94	940.01	6,688.59
Transfer from stage 1	(4,133.07)	4,109.10	23.97	-	(3,070.05)	2,541.53	528.52	-
Transfer from stage 2	647.85	(685.43)	37.58	-	1,255.23	(2,566.02)	1,310.79	-
Transfer from stage 3	29.61	-	(29.61)	-	69.73	-	(69.73)	-
Amounts written off	-	244.57	26.81	271.39	3.00	47.12	797.54	847.66
New assets originated	6,383.69	246.53	4.92	6,635.13	6,764.35	205.41	-	6,969.76
Gross carrying amount closing balance	19,717.97	5,611.97	226.93	25,556.86	26,602.92	5,679.27	2,828.56	35,110.75

Particulars	March 31 2022				March 31 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL Allowance - opening balance	1,151.15	5.82	1,423.81	2,580.78	577.02	269.85	1,677.92	2,524.79
Addition during the year	-	0.16	-	0.16	574.13	-	-	574.13
Reversal during the year	(15.73)	-	(1,309.13)	(1,324.86)	-	(264.03)	(254.11)	(518.14)
ECL Allowance - Closing balance	1,135.42	5.98	114.68	1,256.08	1,151.15	5.82	1,423.81	2,580.78



· Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

· Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022
(Currency : Indian Rupees in lakhs)

9 Investments

Particulars	As at March 31 2022	As at March 31 2021
<u>Investment at fair value through Profit and loss</u>		
Investment in mutual funds 2,49,987.501 (March 31 2021 - 20,01,533.256) units of SBI short term debt fund -regular plan - growth	25.76	500.83
Investment in security receipts	3,663.50	-
Total	3,689.26	500.83

Note 1. There are no investments outside India.



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

10 Other Financial Assets: (at ammortised cost)

Particulars	As at March 31 2022	As at March 31 2021
Interest accrued on fixed deposit	65.37	40.08
Interest accrued on loans & advances	535.75	522.63
Security deposit	260.43	236.39
Vendor advances	19.77	3.61
Investment in sublease	6.51	1.23
Advance to employees	4.90	3.60
Total	892.73	807.54
Dues from related parties:		
Interest accrued on loans & advances	32.68	31.53
Security deposit	18.00	18.00

11 Deferred tax assets/(liabilities) (Refer Note 30)

Particulars	As at March 31 2022	As at March 31 2021
Deferred tax assets		
Loans	413.00	745.08
Others	3.38	(1.26)
Provision for ESOP	1.31	24.68
Business Loss c/f	35.17	-
Subtotal	452.86	768.50
Deferred tax liabilities		
Depreciation	15.14	11.71
Interest on NPA	(8.98)	49.92
Borrowings	16.90	7.00
Others	-	-
Subtotal	23.05	68.63
Total	429.81	699.87

12 Investment property

Particulars	As at March 31 2022	As at March 31 2021
Cost or deemed cost		
At beginning of the year	685.63	-
Additions	-	685.63
Disposals	80.00	-
balance at end of year (A)	605.63	685.63
Accumulated depreciation and impairment		
At beginning of the year	0.68	-
Additions	8.18	0.68
Disposals	-	-
balance at end of year (B)	8.86	0.68
Carrying amount (A-B)	596.77	684.95

Note 1 : Fair value of investment property as on March 31 2022 Rs. 752 lakh (March 31 2021: Rs. 938 lakh). The fair value of the property is assessed based on the market rate for a similar property in the locality.

Note 2 : The Company has received the title of Immovable property through high court decree



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

13.1 Property plant and equipment

Particulars	Office equipments	Furniture and fixtures	Motor vehicles	Servers and networks	Computers	Leasehold improvements	Total
Cost / deemed cost as at March 31 2020	17.36	5.52	1.93	48.46	24.57	45.95	143.79
Additions	0.86	-	-	-	0.80	-	1.66
Disposals	-	-	1.93	-	-	19.44	21.37
Gross block as at March 31 2021	18.22	5.52	-	48.46	25.37	26.51	124.08
Additions	3.47	-	-	-	5.63	-	9.09
Disposals	-	-	-	-	-	-	-
Gross block as at March 31 2022	21.68	5.52	-	48.46	31.00	26.51	133.17
Depreciation as at March 31 2020	5.55	0.61	-	12.93	8.96	23.74	51.79
Depreciation for the year	4.86	0.61	-	12.60	7.36	8.15	33.58
Disposals	-	-	-	-	-	19.44	19.44
Accumulated depreciation as at March 31 2021	10.41	1.22	-	25.53	16.32	12.45	65.93
Depreciation for the year	3.47	0.61	-	9.59	4.60	5.92	24.20
Disposals	-	-	-	-	-	-	-
Accumulated depreciation as at March 31 2022	13.88	1.84	-	35.12	20.92	18.37	90.13
Net carrying value as on March 31 2021	7.81	4.30	-	22.93	9.05	14.06	58.15
Net carrying value as on March 31 2022	7.80	3.68	-	13.34	10.08	8.14	43.04

Note 1 : The Company has elected to continue with the carrying value of its property, plant and equipment recognised as of April 01 2019 (transition date) measured as per previous GAAP and use the carrying value as its deemed cost as on the transition date



- Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

13.2 Intangible assets under development

The Company has during the previous year started the development of an application software internally and in accordance with AS-26 "Intangible Assets" capitalised the following expenses:

Particulars	As at March 31 2022	As at March 31 2021
Opening Balance	-	294.81
Addition during the year		
(i) Salaries and wages	-	133.23
(ii) Contribution to provident and other funds	-	-
(iii) Remuneration to executive directors	-	5.29
(iv) Rent	-	4.32
(v) Computer expenses	-	1.02
Less: capitalised during the year	-	-438.67
Closing balance	-	-

13.3 Other intangible assets (Software)

Particulars	As at March 31 2022	As at March 31 2021
Cost / deemed cost	501.47	52.24
Additions (refer below note 2 & above note 13.2)	-	449.23
Disposals	-	-
Cost at the end of the year	501.47	501.47
Accumulated amortization	35.83	17.87
Amortization for the year	77.87	17.96
Disposals	-	-
Accumulated amortization at the end of the year	113.70	35.83
Net carrying amount	387.77	465.64

14 Other non-financial assets

Particulars	As at March 31 2022	As at March 31 2021
Prepaid expenses-others	106.07	45.96
Balance with government authority	140.86	103.70
Total	246.93	149.66



15 Payables

Particulars	As at March 31 2022	As at March 31 2021
(I) Trade payables		
(i) dues of micro enterprises and small enterprises	-	-
(ii) dues of creditors other than micro enterprises and small enterprises	107.71	92.84
Total	107.71	92.84
Dues to related parties:		
Trade payable to related parties	2.61	1.54

Note 1 : Outstanding from the due date of payment as at March 2022 as follows:

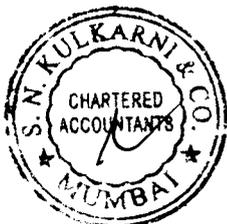
Particulars	MSME	Others
Unbilled dues	-	65.33
Not due	-	-
Less than 1 year	-	35.82
1-2 years	-	6.56
2-3 years	-	-
More than 3 years	-	-
Total	-	107.71

Particulars	Disputed dues MSME	Disputed dues Others
Unbilled dues	-	-
Not due	-	-
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	-	-

Outstanding from the due date of payment as at March 2021 as follows:

Particulars	MSME	Others
Unbilled dues	-	64.80
Not due	-	-
Less than 1 year	-	28.04
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	-	92.84

Particulars	Disputed dues MSME	Disputed dues Others
Unbilled dues	-	-
Not due	-	-
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	-	-



16 **Financial Liabilities - Borrowings**
Debt Securities

Debt Securities at amortised cost

Particulars	As at March 31 2022	As at March 31 2021
Privately placed bonds/debentures		
-Secured (refer below note 1)	1,000.00	1,000.00
-Unsecured		
	1,000.00	1,000.00
Debt securities in India	1,000.00	1,000.00
Debt securities outside India	-	-
Total	1,000.00	1,000.00

Note 1 : The debenture of the company are covered under first ranking exclusive and continuing charge over the book debts/loan receivables of the company.

Note 2 : As per debenture trust deed debenture are to be redeemed on July 6 2023, rate of interest payable is 12% (March 31 2021 : 12%).

Note 3 : The Company has not defaulted in the repayment of interest for the Year ended March 31 2022 and March 31 2021.

17 **Borrowings**

Borrowings from banks and others at amortised cost

Particulars	As at March 31 2022	As at March 31 2021
Term loans		
from banks & others		
- Secured (refer below note 1)	9,099.05	14,244.90
- Unsecured	-	-
Loans repayable on demand		
from banks	4,095.99	4,874.04
From other	-	-
	13,195.04	19,118.94
Borrowings in India	13,195.04	19,118.94
Borrowings outside India	-	-
Total	13,195.04	19,118.94

Note 1: All secured borrowing of the company are covered under pari-passu first charge on all the assets excluding own tangible fixed assets and intangible assets, trading portfolio, investment in subsidiaries and affiliates, tax assets, deferred tax assets and unamortized expenses and corporate guarantee by holding company

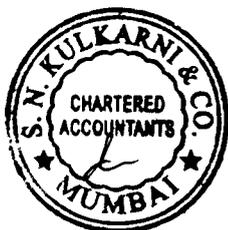
Note 2: The Company has not classified or designated any of its financial liabilities at fair value through profit or loss account (FVTPL)

Note 3: The Company has not defaulted in the repayment of borrowings and interest for the Year ended March 31 2022 and March 31 2021.

Note 4: As per terms of agreements loan from banks and others are repayable at maturity ranging between 36 months to 48 Months from the date of respective loan. Rate of interest payable on term loans varies between 10.75% to 13.05% (March 31 2021 : 10.75% to 13.05%).

Note 5: Loans from banks which are repayable on demand carries rate of interest of 9.45%

Note 6: The quarterly returns or statements filed by the company with banks or financial institutions are in agreement with the books of accounts.



• Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022
(Currency : Indian Rupees in lakhs)

18 Other Financial Liabilities

Particulars	As at March 31 2022	As at March 31 2021
Payable to co-lenders and others	263.63	-
Interest accrued but not due	96.80	106.95
Accrued salaries and benefits	11.21	11.53
Payable to non executive director	-	5.00
Total	371.64	123.48

19 Provisions

Particulars	As at March 31 2022	As at March 31 2021
Provisions for bonus	-	40.00
Provision for gratuity (Refer Note 42)	51.17	51.52
Total	51.17	91.52

20 Other Non-Financial Liabilities

Particulars	As at March 31 2022	As at March 31 2021
Statutory dues	31.79	24.52
Other security deposit	12.44	-
Total	44.23	24.52



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

21 Share Capital

Particulars	As at March 31 2022	As at March 31 2021
Authorized capital		
17,50,00,000 (previous year: 17,50,00,000) equity shares of Rs.10/- each	17,500.00	17,500.00
Issued, subscribed and paid up capital		
15,00,00,000 (previous year: 15,00,00,000) equity shares of Rs.10/- each, fully paid-up	15,000.00	15,000.00

Note 1: Reconciliation of number of shares outstanding

Particulars	No. of shares	Rs.
Opening balance as on April 01 2020	15,00,00,000	15,000.00
Additions during the year	-	-
Closing balance as on March 31 2021	15,00,00,000	15,000.00
Additions during the year	-	-
Closing balance as on March 31 2022	15,00,00,000	15,000.00

Note 2: Investment by Star Agriwarehousing and Collateral Management Limited (Holding Company/Promotor Company)

Name	March 31 2022		March 31 2021	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Star agriwarehousing and collateral management limited	15,00,00,000	100%	15,00,00,000	100%

Note 3: The Company has issued only one class of equity shares having a face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors', if any, is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 4: List of Shareholders holding more than 5% Equity shares

Name	March 31 2022		March 31 2021	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Star agriwarehousing and collateral management limited	15,00,00,000	100%	15,00,00,000	100%

Note 5: There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash / bonus shares / bought back.

Note 6: There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment.



22 **Other equity**

Description of reserve	As at March 31 2022	As at March 31 2021
Statutory reserve		
Opening balance	736.79	668.43
Transfer from retained earnings	122.42	68.36
Closing balance (refer below note 1)	859.21	736.79
Stock Options outstanding account		
Opening balance	98.04	103.34
Add: employee stock compensation (reversal)	(92.82)	(5.30)
Closing balance (refer below note 2)	5.22	98.04
Retained earning		
Opening balance	1,212.07	942.88
Transfer of surplus/(deficit) in the statement of profit and loss	612.10	337.55
Transfer to statutory reserve	(122.42)	(68.36)
Closing balance (refer below note 3)	1,701.75	1,212.07
Other Comprehensive Income (OCI)		
Opening balance	12.65	8.41
Debt instruments through other comprehensive Income	-	-
Remeasurement of the defined benefit plans	9.56	4.24
Closing balance (refer below note 4)	22.21	12.65
Total	2,588.39	2,059.55

Notes:

1. Represents reserve created @ 20% of the profit after tax for the year as per the provisions of section 45-IC of the reserve Bank of India Act, 1934.
2. Share options outstanding account - Share-based compensation reserves represent the equity-settled shares and share options granted to employees (refer note 43). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled shares and share options and is reduced by the expiry of the share options.
3. Retained earnings are the profits that the Company has earned till date, less any transfers to special reserve, general reserve, dividends distributions paid to shareholders and dividend distribution tax thereon.
4. Other comprehensive income represents the remeasurements of the defined benefit gratuity plan; comprising of actuarial gains and losses on it's net liabilities / assets, which are subsequently transferred to retained earnings.



23 Interest income

Particulars	Year ended March 31 2022				Year ended March 31 2021			
	On financial assets measured at fair value through OCI	On financial assets measured at amortised Cost	Interest Income on Securities classified at fair value through profit or loss	Total	On financial assets measured at fair value through OCI	On financial assets measured at amortised Cost	Interest Income on Securities classified at fair value through profit or loss	Total
Interest on Loans	-	4,004.68	-	4,004.68	-	5,111.75	-	5,111.75
Interest on deposits with Banks	-	39.48	-	39.48	-	32.51	-	32.51
Total	-	4044.16	-	4044.16	-	5,144.26	-	5,144.26

24 Net gain/ (loss) on fair value changes

Particulars	Year ended March 31 2022	Year ended March 31 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On trading portfolio - Investments	1.66	1.21
Total	1.66	1.21
Fair Value Changes		
- Realised	0.90	0.38
- Unrealised	0.76	0.83
Total	1.66	1.21

25 Other income

Particulars	Year ended March 31 2022	Year ended March 31 2021
Bad debts recovery	207.40	188.97
Miscellaneous income		
Foreclosure fees	56.30	42.05
Others #	85.66	71.94
Total	349.36	302.96

includes charges recovered on account of delayed payments.

Disclosure as required by Indian Accounting Standard (Ind AS) - 115 on "Revenue from the contracts with Customers" notified under the companies (Indian Accounting Standard) Rules, 2015:

Particulars	Year ended March 31 2022	Year ended March 31 2021
i. Type of Service		
Fees and commission Income	-	0.11
Foreclosure fees	56.30	42.05
Others (including charges recovered on account of delayed payments)	85.66	71.94
Total	141.96	114.10
ii. Primary Geographical market		
Outside India	-	-
India	141.96	114.10
Total	141.96	114.10
iii Timing of Revenue Recognition		
at a point in time upon rendering services	141.96	114.10
over period of time upon rendering services	-	-
Total	141.96	114.10
iv. Trade receivables towards contract with customers		
Opening balance	-	-
Closing balance	-	-
Total	-	-

As on March 2022/2021, the company doesn't have any unsatisfied/partially satisfied performance obligation.



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

26 Finance cost

Particulars	Year ended March 31 2022	Year ended March 31 2021
Interest on borrowings	1,101.67	2,008.62
Interest on debt securities	280.94	342.87
Processing, syndication and bank charges	100.66	13.46
Total	1,483.27	2,364.95

27 Impairment losses on financial instruments

Particulars	Year ended March 31 2022				Year ended March 31 2021			
	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised Cost	On financial instruments measured at Cost less impairment	Total	On financial instruments measured at fair value through OCI	On financial instruments measured at amortised Cost	On financial instruments measured at Cost less impairment	Total
Provision for ECL on loans	-	(1,253.13)	-	(1,253.13)	-	55.99	-	55.99
Provision for ECL on receivables	-	-	-	-	-	(98.65)	-	(98.65)
Impairment loss on financial instrument	-	1,326.18	-	1,326.18	-	-	-	-
Total	-	73.05	-	73.05	-	(42.66)	-	(42.66)



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

28 Employee benefits

Particulars	Year ended March 31 2022	Year ended March 31 2021
Salaries and wages including bonus*	982.21	991.92
Contribution to provident fund	27.45	30.38
Provision on gratuity (refer note 42)	16.28	19.52
Share based payments to employees (refer note 43)	(92.82)	(5.30)
Staff welfare expenses	4.20	4.00
Total	937.32	1,040.52

*Includes remuneration to directors

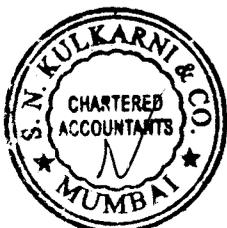
Managing director	56.25	26.45
Other executive directors	26.45	26.45
Less: Capitalized during the year	-	(5.29)
Total	82.70	47.61

29 Depreciation, amortization and impairment

Particulars	Year ended March 31 2022	Year ended March 31 2021
Property, plant and equipment (Note 13.1)	24.20	33.58
Intangible assets (Note 13.3)	77.87	17.96
Investment property (Note 12)	8.18	0.68
Right of use asset (Note 51)	87.99	76.82
Total	198.24	129.04

30 Other expenses

Particulars	Year ended March 31 2022	Year ended March 31 2021
Advertisement and business promotion	18.86	92.15
Bad debts and advances written off	271.39	847.66
Auditors' remuneration (refer note 33)	11.50	11.50
Commission and brokerage	25.40	2.00
Communication	9.30	9.03
Computer expenses	54.46	65.55
Collateral management Fees	11.81	7.41
Commission to non-executive directors	18.00	14.00
Directors' sitting fees	5.10	5.40
Electricity charges	2.28	9.55
Insurance	3.56	12.05
Legal and professional fees	169.26	134.66
Membership and subscription	5.33	1.02
Office expenses	5.85	19.70
Postage and courier	1.22	4.88
Printing and stationery	5.31	5.23
Rates and taxes	0.80	2.07
Rating fees	15.00	30.50
Rent	12.07	4.13
Repairs and maintenance	20.35	19.14
ROC expenses	0.26	0.46
GST expenses	43.90	40.77
Stamp duty	6.30	10.63
Travelling and conveyance	51.81	38.42
Housekeeping and security charges	35.24	38.10
Corporate social responsibilities expenses (refer note 34)	20.00	44.00
Total	824.36	1,471.94



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

31 Reconciliation of income tax

(A) Amounts recognised in statement of profit and loss

Particulars	Year ended March 31 2022	Year ended March 31 2021
Income tax expense		
Current tax		
Current tax	-	146.83
Total current tax expense	-	146.83
Deferred tax		
Origination and reversal of temporary differences	266.84	0.37
Deferred tax charge / (credit)	266.84	0.37
tax expense for the year	266.84	147.20

(B) Amounts recognised in other comprehensive income

Particulars	Year ended March 31 2022	Year ended March 31 2020
Deferred tax related to items recognized in OCI during the year		
Actuarial (loss) gain on gratuity fund	(3.22)	(1.42)
Income tax (credit)/charge to OCI	(3.22)	(1.42)

(C) Reconciliation of effective tax rate

Particulars	Year ended March 31 2022	Year ended March 31 2020
Profit before tax	878.94	484.75
Statutory income tax Rate	25.17%	25.17%
Tax on accounting Profit	221.21	122.00
Tax effect of permanent tax items		
Non taxable Items	5.03	11.56
Other taxable Items	40.60	13.64
Total effect of tax adjustments	45.63	25.20
Tax expense recognised during the year	266.84	147.20



Deferred tax assets/(liabilities)

Particulars	As at March 31 2021	Recognised in Profit or Loss	Recognised in OCI	As at March 31 2022
A. Deferred tax Assets				
Loans	745.08	(332.08)		413.00
Others	(1.26)	1.42	3.22	3.38
Provision for ESOP	24.67	(23.36)		1.31
Business Loss C/f		35.17		35.17
Subtotal (A)	768.49	(318.85)	3.22	452.86
B. Deferred tax liabilities				
Books & tax depreciation	11.71	3.43		15.14
Interest on NPA	49.92	(58.90)	-	(8.98)
Borrowings	7.00	9.90		16.90
Others	-	-	-	-
Subtotal (B)	68.63	(45.58)	-	23.05
Deferred tax Assets/(liability) (net)	699.86	(273.27)	3.22	429.81

Particulars	As at March 31 2020	Recognised in Profit or Loss	Recognised in OCI	As at March 31 2021
A. Deferred tax Assets				
Books & tax depreciation	(1.46)	(10.25)	-	(11.71)
Loans	735.83	9.25	-	745.08
Others	19.74	(19.58)	(1.42)	-1.26
Provision for ESOP	24.85	(0.18)	-	24.67
Subtotal (A)	778.96	(20.76)	(1.42)	756.78
B. Deferred tax liabilities				
Interest on NPA	58.95	(9.03)	-	49.92
Borrowings	20.18	(13.18)	-	7.00
Others	(1.83)	1.83	-	0.00
Subtotal (B)	77.30	(20.38)	-	56.92
Deferred tax Assets/(liability) (net)	701.66	(0.38)	(1.42)	699.87



32 Earnings per share

Particulars		Year ended March 31 2022	Year ended March 31 2021
Basic earnings per share			
Net profit / (loss) after tax attributable to equity shareholders (Rs)	(A)	612.10	337.55
Number of equity shares outstanding at the end of the year (Nos)	(B)	15,00,00,000	15,00,00,000
Basic earnings / (loss) per share (Rs)	(A / B)	0.41	0.22
Dilutive earnings per share			
Number of equity shares considered for basic earnings per share (based on date of issue of shares) (Nos)	(C)	15,00,00,000	15,00,00,000
Weighted average number of equity shares considered for dilutive earnings per share (Nos)	(D)	1,00,000	17,70,000
Total no. of shares	(C+D)	15,01,00,000	15,17,70,000
Dilutive earnings per share	(A)/(C+D)	0.41	0.22

33 Payments to auditors

Particulars	Year ended March 31 2022	Year ended March 31 2021
a) For audit	11.50	11.50
b) For taxation matters	-	-
d) For other services	-	-
e) For reimbursement of expenses	-	-
Total	11.50	11.50

34 Expenditure incurred for corporate social responsibility

Particulars	Year ended March 31 2022	Year ended March 31 2021
Gross amount required to be spent	18.09	26.00
Donation to trust carrying out CSR activities	20.00	44.00
CSR amount unspent / (set off)	-	-

Note 1 : Nature of amount spent towards CSR activities -

Particulars	Year ended March 31 2022	Year ended March 31 2021
Promoting healthcare	20.00	40.00
Promotion of education to children	-	2.00
Eradicating hunger	-	1.00
Old age home & other facilities to senior citizens	-	1.00
Donation to trust carrying out CSR activities	20.00	44.00

35 The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below :

Particulars	As at March 31 2022	As at March 31 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, small and Medium Enterprises Development Act, 2006	-	-



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

Contingent liabilities and commitments

36 Contingent liabilities:

- a) Income tax demand is being contested by the company at Commissioner Income Tax Appeals Rs. 128.26 lakhs. The Company has been legally advised that it has a good case and the demand by the authority is not tenable. Amount of Rs. 25.65 lakhs is paid under protest. Future cash flows in respect of these are determinable only on receipt of judgments / decisions pending with appropriate authority. (March 31 2021: Rs. 128.26 lakhs)
- b) Company does not have any pending litigations which will have impact on its financial position.
- c) Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

Commitments

Estimated amount of loans (assets) undrawn as at year end is Nil (March 31 2021: Nil).

37 Code on social security

The Code on Social Security, 2020 ("Code") relating to employee benefits during the employment and post-employment benefits has been published in the Gazette of India on 28th September, 2020. The Ministry of Labour and Employment has released draft rules for the Code on 13th November, 2020. The effective date from which these changes are applicable is yet to be notified. The Company will assess and record the impact, if any when the rules are notified and the Code becomes effective.

38 Segment reporting

The Company is in the business of providing financial services. As such, all activities undertaken by the Company are incidental to the main business segment based on the reporting to key managerial persons (KMPs).

39 Capital management

The Company is registered as Non Deposit Non-Banking Finance Company (ND- NBFC) with Reserve Bank of India. The Company is required to maintain regulated Capital Adequacy Ratio (CRAR) of minimum 15% with minimum Tier I Capital of 10%. Tier I Capital [also referred as Net Owned Fund ("NOF")] is computed as Owned Fund (refer footnote) reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund and perpetual debt instruments issued by a non-deposit taking non-banking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year.

Further the Company is required to have minimum NOF of Rs 200 Lakhs to be eligible to hold registration as Non-Banking Finance Company.

Particulars	As at March 31 2022	As at March 31 2021
(i) Capital adequacy ratio (CRAR)	55.83%	47.80%
(ii) Tier I capital	53.23%	44.57%
(iii) Tier II capital (shall not exceed Tier I capital)	2.60%	3.23%

Note: As per RBI notification DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019, Company is not covered by requirements of Liquidity Coverage Ratio.

Ratio	Numerator	Denominator	As at March 31 2022	As at March 31 2021	% Variance	Reason for Variance (If above 25%)
1 Capital to risk weighted assets ratio (CRAR)	17,589.59	31,504.16	55.83%	47.80%	8.03%	-
2 Tier I CRAR	16,770.81	31,504.16	53.23%	44.57%	8.66%	-
3 Tier II CRAR	818.78	31,504.16	2.60%	3.23%	-0.63%	-



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

40 Related party disclosures

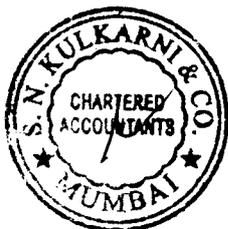
In accordance with the requirement of IND AS - 24 "Related Party Disclosures", following are the details of the transactions during the year with the related parties of the Company.

(A) Related parties and nature of relationship :

Nature of relationship	Name of the related Party
A. Holding company	Star Agriwarehousing And Colletral Management Limited
B. Fellow subsidiaries	Star Agri Logistics Private Limited Farmers Fortune (India) Private Limited Star Agriinfrastructure Private Limited
C. Key management personnel with whom transactions have taken place	Suresh Goyal (Managing Director) Amit Kumar Goyal (Non executive director Director) Chandrashekhar Guruswamy Aiyar- Independent Director Mangala Radhakrishna Prabhu - Independent Director Gurinder Sehmbey (Chief executive officer upto 22 May 2020) Vipin Maheshwari (Chief Financial Officer upto 16 Oct 2020) Fredrick Pinto (Company Secretary upto 29 July 2020) Shankari Murtharaj (Company Secretary from 31 August 2020) Amith Agarwal (Executive director from 1 July 2021) Kalpesh Ojha (Chief Financial Officer from 14 October 2021)
D. Enterprises owned by directors with whom transactions have taken place	Shri Krishna Motor Company
E. Enterprises in which KMP has significant influence	Star Agribazaar Technology Limited
F. Relative of Key management personnel	Pramod Agarwal

(B) Details of related party transactions

Particulars	March 31 2022	March 31 2021
Transactions		
<u>Inter-corporate loan given</u>		
Star Agriwarehousing & Collateral Management Limited	575.00	4,560.00
Farmers Fortune (India) Private Limited	-	500.00
Star Agri Infrastructure Private Limited	-	3,700.00
	575.00	8,760.00
<u>Inter-corporate loan repayment from</u>		
Star Agriwarehousing & Collateral Management Limited	575.00	4,560.00
Farmers Fortune (India) Private Limited	-	540.00
Star Agri Infrastructure Private Limited	-	3,700.00
	575.00	8,800.00



40 Related party disclosures (Continued)

(B) Details of related party transactions (Continued)

Particulars	March 31 2022	March 31 2021
<u>Loan given to</u>		
Shri Krishna Motor Company	-	873.84
Pramod Agarwal	-	585.06
	-	1,458.90
<u>Loan repayment from</u>		
Farmers Fortune (India) Private Limited	-	159.85
Shri Krishna Motor Company	189.91	683.94
Pramod Agarwal	511.65	7.57
	701.56	851.36
<u>Interest received on inter-corporate loan</u>		
Star Agriwarehousing & Collateral Management Limited	0.96	177.77
Farmers Fortune (India) Private Limited	-	14.71
Star Agri Infrastructure Private Limited	-	182.42
	0.96	374.90
<u>Interest received on loan</u>		
Shri Krishna Motor Company	61.76	84.29
Pramod Agarwal	10.20	84.96
	71.96	169.25
<u>Misc income - late payment fees/ other charges</u>		
Star Agriwarehousing & Collateral Management Limited	0.04	-
Farmers Fortune (India) Private Limited	-	10.53
	0.04	10.53
<u>Processing fees</u>		
Pramod Agarwal	-	5.17
Shri Krishna Motor Company	-	3.00
	-	8.17
<u>Collateral management fees expenses</u>		
Star Agriwarehousing & Collateral Management Limited	12.19	6.41
	12.19	6.41
<u>Reimbursement of expense</u>		
Star Agriwarehousing & Collateral Management Limited	-	5.22
	-	5.22



40 Related party disclosures (Continued)

(B) Details of related party transactions (Continued)

Particulars	March 31 2022	March 31 2021
<u>Rent income</u>		
Star Agriwarehousing & Collateral Management Limited	0.60	0.60
Farmers Fortune (India) Private Limited	0.60	0.60
Star Agri Infrastructure Private Limited	0.60	0.60
Star Agribazaar Technology Limited	0.60	0.60
Star Agrilogistics Private Limited	0.60	0.60
	3.00	3.00
<u>Rent expense</u>		
Shri Krishna Motor Company	41.14	40.16
Prashant Agarwal	3.30	3.06
Vidhya Prakash Vinodkumar	-	0.92
	44.44	44.14
<u>Remuneration paid</u>		
Suresh Goyal	26.45	26.45
Amit Kumar Goyal	-	26.45
Amith Agarwal	56.25	-
Gurinder Sehmbey	-	76.25
Vipin Maheshwari	-	47.72
Fredrick Pinto	-	8.15
Sankari Muthuraj	10.87	9.20
Kalpesh Ojha	45.80	-
	139.37	194.22
<u>Claim received from collateral manager</u>		
Star Agriwarehousing & Collateral Management Limited	-	57.38
	-	57.38



40 Related party disclosures (Continued)

(C) Outstanding balances

Particulars	March 31 2022	March 31 2021
<u>Trade and other receivables</u>		
Farmers Fortune (India) Private Limited	2.27	1.56
Star Agri Infrastructure Private Limited	0.71	-
Star Agribazaar Technology Limited	0.06	-
Star Agrilogistics Private Limited	2.27	1.56
	5.31	3.12
Less : impairment loss	(2.67)	(1.57)
	2.64	1.55
<u>Trade payables</u>		
Star Agriwarehousing & Collateral Management Limited	2.61	1.54
	2.61	1.54
<u>Loan given</u>		
Shri Krishna Motor Company	-	189.91
Pramod Agarwal	103.38	686.09
	(2.39)	(23.65)
Less : impairment loss		
	100.99	852.35
<u>Security deposit</u>		
Shri Krishna Motor Company	18.00	18.00
	18.00	18.00
<u>Other financial assets (accrued interest)</u>		
Star Agriwarehousing & Collateral Management Limited	0.20	-
Star Agri Infrastructure Private Limited	15.22	15.22
Farmers Fortune (India) Private Limited	16.31	16.31
Shri Krishna Motor Company	0.95	-
	32.68	31.53



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

41 Maturity Analysis

Particulars	As at March 31 2022			As at March 31 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	509.04	-	509.04	1,120.38	-	1,120.38
Bank balances other than cash & cash equivalents	-	487.89	487.89	-	383.63	383.63
Trade receivables	-	-	-	56.47	-	56.47
Other receivable	609.91	-	609.91	-	-	-
Loans	8,357.71	15,943.07	24,300.78	7,343.58	25,186.40	32,529.98
Investments	493.08	3,196.18	3,689.26	500.83	-	500.83
Other financial assets	632.30	260.43	892.73	571.15	236.39	807.54
Non-financial assets						
Current tax assets (net)	177.82	-	177.82	56.20	-	56.20
Deferred tax assets (net)	-	429.81	429.81	-	699.87	699.87
Investment Property	596.77	-	596.77	684.95	-	684.95
Property, plant and equipment	-	43.04	43.04	-	58.15	58.15
Other intangible assets	-	387.77	387.77	-	465.64	465.64
Right of use assets	-	184.95	184.95	-	98.02	98.02
Other non- financial assets	106.07	140.86	246.93	45.96	103.70	149.66
Total assets	11,482.70	21,074.00	32,556.70	10,379.52	27,231.80	37,611.32
Financial liabilities						
Trade payables	107.71	-	107.71	92.84	-	92.84
Debt securities	-	1,000.00	1,000.00	-	1,000.00	1,000.00
Borrowings (other than debt securities)	7,098.56	6,096.48	13,195.04	11,694.21	7,424.73	19,118.94
Lease liability	-	198.52	198.52	-	100.47	100.47
Other financial liabilities	371.64	-	371.64	123.48	-	123.48
Non-financial liabilities						
Provisions	-	51.17	51.17	44.19	47.33	91.52
Other non-financial liabilities	44.23	-	44.23	24.52	-	24.52
Total liabilities	7,622.14	7,346.17	14,968.31	11,979.24	8,572.53	20,551.77
Net	3,860.56	13,727.83	17,588.39	-1,599.72	18,659.27	17,059.55



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

42 Employee benefits

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

(A) Defined contribution plans:

(i) Contribution to provident fund

The Company's provident fund scheme (including pension fund scheme for eligible employees) is a defined contribution plan. The expense charged to the statement of profit and loss is Rs. 27.45 lakhs (March 31 2021: Rs 30.38 lakhs).

(ii) Contribution to employees' state insurance

The Company is contributing towards Employees State Insurance Contribution Scheme in pursuance of Employee state insurance Act,1948 (as amended). The expense charged to the Statement of Profit and Loss is Rs 2.41 lakhs (March 31 2021: Rs 2.58 lakhs).

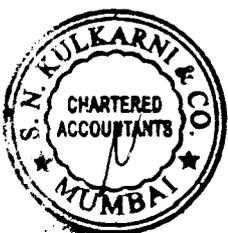
(B) Defined benefit plan:

(i) Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The Company during the year provided Rs 16.28 lakhs (March 31 2021: Rs 19.52 lakhs) towards gratuity.

The following table summarizes the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Particulars	March 31 2022	March 31 2021
<u>I. Changes in defined benefit obligations</u>		
Opening defined benefit obligation	51.52	64.30
Interest cost	3.25	3.99
Current service cost	13.03	15.53
Benefits paid	(3.85)	(26.64)
Actuarial (gains) / loss on obligation	(12.78)	(5.66)
Effect of transfer in/ (out)	-	-
Closing defined benefit obligation	51.17	51.52
<u>II Net liability recognised in the balance sheet</u>		
Liability at the year end	51.17	51.52
Fair value of plan assets at the year end		
Amount recognised in the Balance sheet	51.17	51.52
<u>III Expense recognised in the statement of profit and loss</u>		
Current service cost	13.03	15.53
Interest costs	3.25	3.99
Expected return on plan assets	-	-
Expense recognised in the Statement of profit and loss	16.28	19.52



42 Employee benefits (Continued)

(B) Defined benefit plan: (Continued)

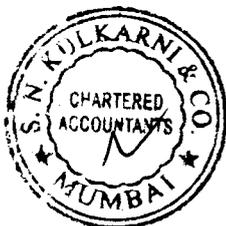
(i) Gratuity (Continued)

Particulars	March 31 2022	March 31 2021
IV Recognised in other comprehensive income for the year		
Re-measurement of defined benefit obligation	(12.78)	(5.66)
Re-measurement of plan asset	-	-
Recognised in other comprehensive income	(12.78)	(5.66)
V Actuarial assumptions		
Discount rate	6.30%	6.30%
Expected rate of return on Plan assets	0.00%	0.00%
Expected salary increase rate	8.00%	8.00%
Attrition rate	10% to 20%	10% to 20%
Mortality rate	Indian assured lives (2012-14)	Indian assured lives (2012-14)
Retirement age	60 Years	60 Years

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation. Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Sensitivity analysis

Year ended March 31 2022	Increases 1%	Decreases 1%
Salary growth rate	DBO increases by Rs 4.74 lakhs	DBO decreases by Rs 4.20 lakhs
Discount rate	DBO decreases by Rs 4.21 lakhs	DBO increases by Rs 4.84 lakhs
Withdrawal rate	DBO decreases by Rs 0.74lakhs	DBO increases by Rs 0.79 lakhs
Mortality (increase in expected lifetime by 1 year)	DBO Increases by Rs 0.01 lakhs	
Mortality (increase in expected lifetime by 3 year)	DBO Increases by Rs 0.02 lakhs	



Year ended March 31 2021	Increases 1%	Decreases 1%
Salary growth rate	DBO increases by Rs 4.83 lakhs	DBO decreases by Rs 4.26 lakhs
Discount rate	DBO decreases by Rs 4.29 lakhs	DBO increases by Rs 4.96 lakhs
Withdrawal rate	DBO decreases by Rs 1.11 lakhs	DBO increases by Rs 1.19 lakhs
Mortality (increase in expected lifetime by 1 year)	DBO Increases by Rs 0.01 lakhs	
Mortality (increase in expected lifetime by 3 year)	DBO Increases by Rs 0.04 lakhs	

Note: The Sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameter constant. There are no changes from previous period to the methods and assumptions underlying the sensitivity analyses.

(ii) Compensated absences other long-term employee benefits:

Company does not provide for the encashment of leave or leave with pay. Accordingly for the current year, Company has not recognised any expense in the Statement of Profit and Loss on account of provision for compensated absences.



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

43 Employee stock option plans

The Company has currently one Employee Stock Option Plan (ESOP - 2015) and Four Employee Stock Option Scheme under the said plan in force. The Plan provides that the Company's employees and those of its Holding are granted an option to acquire equity shares of the Company that vest in a graded manner. The Option may be exercised within a specified period.

The fair value of the employee share options granted during the year was determined using the black-scholes- merton formula. Service and nonmarket performance condition attached to the arrangement were not taken into account in measuring fair value The total amount amortized for the Year ended 31 March 2022 is Rs. (92.82) Lakhs (Previous year: Rs. (5.30) lakhs).

The Plan was approved by Board of Directors on May 29, 2015 and by the shareholders in EGM dated 1 June 2015 for issue of 11,25,00,000 options representing 1,12,50,000 Equity shares of Rs. 10 each. Pursuant to the said approvals and authority delegated by the Board and Shareholders of the Company, the Nomination and Remuneration Committee had made various grants, the details of the same are produced in the below table.

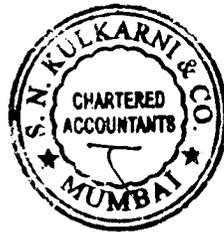
Details of ESOP Plan and its various schemes are stated below:

As on March 31 2022:

ESOP Plan	ESOP - 2015							
	Scheme I			Scheme II		Scheme III	Management Scheme	
ESOP Schemes	02 June 2015	30 October 2015	20 May 2016	24 May 2017	25 October 2017	24 May 2017	27 July 2015	20 May 2016
Date of Grants				11	11	11	10	10
Exercise Price	10	10	10					
Option outstanding at the beginning of the year.	1,00,000	-	-	1,70,000	-	-	9,20,000	5,80,000
Add: Granted	-	-	-	-	-	-	-	-
Less: Exercised	-	-	-	-	-	-	-	-
Less: Lapsed	-	-	-	1,70,000	-	-	9,20,000	5,80,000
Option outstanding, end of the year	1,00,000	-	-	-	-	-	-	-
Exercisable at the end of the year	1,00,000	-	-	-	-	-	-	-

As on March 31 2021:

ESOP Plan	ESOP - 2015							
	Scheme I			Scheme II		Scheme III	Management Scheme	
ESOP Schemes	02 June 2015	30 October 2015	20 May 2016	24 May 2017	25 October 2017	24 May 2017	27 July 2015	20 May 2016
Date of Grants				11	11	11	10	10
Exercise Price	10	10	10					
Option outstanding at the beginning of the year.	1,00,000	-	-	2,90,000	-	-	9,20,000	5,80,000
Add: Granted	-	-	-	-	-	-	-	-
Less: Exercised	-	-	-	-	-	-	-	-
Less: Lapsed	-	-	-	1,20,000	-	-	-	-
Option outstanding, end of the year	1,00,000	-	-	1,70,000	-	-	9,20,000	5,80,000
Exercisable at the end of the year	1,00,000	-	-	1,70,000	-	-	9,20,000	5,80,000



The Key terms of the Employee Stock Option Plan (ESOP - 2015) and various Notified Scheme(s) therein are summarised below:

ESOP Plan	ESOP - 2015								
	Scheme I			Scheme II		Scheme III	Management Scheme		
ESOP Schemes									
Date of Grants	02 June 2015	30 October 2015	20 May 2016	24 May 2017	25 October 2017	24 May 2017	27 July 2015	20 May 2016	
Date of board approval	29 May 2015	29 May 2015	29 May 2015	24 May 2017	25 October 2017	24 May 2017	29 May 2015	29 May 2015	
Date of shareholders' approval	01 June 2015	01 June 2015	01 June 2015						
Number of options outstanding as on 31 March	1,00,000	0	0	0	0	0	0	0	
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	
Vesting period	1) End of 1st year from the date of grant 2) End of 2nd year from the date of grant 3) End of 3rd year from the date of grant 4) End of 4th year from the date of grant	1) End of 1st year from the date of grant 2) End of 2nd year from the date of grant 3) End of 3rd year from the date of grant 4) End of 4th year from the date of grant	1) End of 1st year from the date of grant 2) End of 2nd year from the date of grant 3) End of 3rd year from the date of grant 4) End of 4th year from the date of grant	1) End of 1st year from the date of grant 2) End of 2nd year from the date of grant 3) End of 3rd year from the date of grant 4) End of 4th year from the date of grant	1) End of 1st year from the date of grant 2) End of 2nd year from the date of grant 3) End of 3rd year from the date of grant 4) End of 4th year from the date of grant	1) End of 1st year from the date of grant 2) End of 2nd year from the date of grant 3) End of 3rd year from the date of grant 4) End of 4th year from the date of grant	1) End of 1st year from the date of grant 2) End of 2nd year from the date of grant 3) End of 3rd year from the date of grant	Refer 'Note A' below.	Refer 'Note A' below.
Vesting pattern	1) 20% of total number of options granted 2) 20% of total number of options granted 3) 30% of total number of options granted 4) 30% of total number of options granted	1) 20% of total number of options granted 2) 20% of total number of options granted 3) 30% of total number of options granted 4) 30% of total number of options granted	1) 20% of total number of options granted 2) 20% of total number of options granted 3) 30% of total number of options granted 4) 30% of total number of options granted	1) 20% of total number of options granted 2) 20% of total number of options granted 3) 30% of total number of options granted 4) 30% of total number of options granted	1) 20% of total number of options granted 2) 20% of total number of options granted 3) 30% of total number of options granted 4) 30% of total number of options granted	1) 20% of total number of options granted 2) 20% of total number of options granted 3) 30% of total number of options granted 4) 30% of total number of options granted	1) 1/3 rd of total number of options granted 2) 1/3 rd of total number of options granted 3) 1/3 rd of total number of options granted	Refer 'Note A' below.	Refer 'Note A' below.
Weighted average remaining contractual life of outstanding options (in years):									
Granted but not vested (in years)	-	-	-	-	-	-	-	-	
Vested but not exercised (in years)	3.18	-	-	-	-	-	-	-	
Weighted average share price at the date of exercise for stock options exercised during the year	NA	NA	NA	NA	NA	NA	NA	NA	
Exercise period	7 years	Upto 31 March 2022	Upto 31 March 2022						
Vesting conditions	Options shall be vested subject to continued employment of the participant.	Options shall be vested subject to continued employment of the participant.	Options shall be vested subject to continued employment of the participant.	Options shall be vested subject to continued employment of the participant.	Options shall be vested subject to continued employment of the participant.	Options shall be vested subject to continued employment of the participant.	Options shall be vested subject to continued employment of the participant for Vesting of Time Options and Refer	Options shall be vested subject to continued employment of the participant for Vesting of Time Options and Refer	



Note A: Vesting Period and Vesting Pattern for Management ESOP Scheme are as follows:

1) Vesting of Time Options

Options granted anytime during the period (A)	Percentage of Options vesting as on (B)						
	30-Sep-16	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22
Anytime up to 30 September 2015	20%	20%	30%	30%	-	-	-
1 October 2015 to 31 March 2016	-	20%	20%	30%	30%	-	-
1 April 2016 to 31 March 2017	-	-	40%	30%	30%	-	-
1 April 2017 to 31 March 2018	-	-	-	70%	30%	-	-
1 April 2018 to 31 March 2019	-	-	-	-	100%	-	-
1 April 2019 to 31 March 2020	-	-	-	-	-	100%	-
1 April 2020 to March 31 2022	-	-	-	-	-	-	100%

2) Vesting of Performance Options

Subject to continued employment and the Company achieving 15% or more ROE in the financial year 2021-22 as per the audited and approved financial statements, the Performance Options shall vest as under:

- (i) First tranche - 50% of the Performance Options shall Vest on the date the financial statements of financial year 2021-22 are audited and approved or on the first anniversary of the latest grant whichever is later.
(ii) Second Tranche - Balance 50% of the Performance Options shall Vest after one year from the date of vesting of the First tranche.

Fair Value Methodology:

The fair value of options have been estimated on the date of each grant using Black-Scholes model are as under:

Weighted average fair value of options as on grant date (net of tax)	₹ 5.22	₹ 5.57	₹ 5.57	₹ 5.69	₹ 5.69	₹ 5.63	₹ 5.57	₹ 5.57
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The key assumptions used in Black-Scholes model for calculating fair value of options under each grants are as under:

As on March 31 2022:

ESOP Plan	ESOP - 2015							
	Scheme I			Scheme II		Scheme III	Management Scheme	
Date of Grants	02 June 2015	30 October 2015	20 May 2016	24 May 2017	25 October 2017	24 May 2017	27 July 2015	20 May 2016
Risk-free interest rate	6.86%	6.86%	6.86%	6.86%	6.86%	6.86%	6.86%	6.86%
Expected volatility of share price	1%	1%	1%	1%	1%	1%	1%	1%
The weighted average price of equity share as on grant date	10	10	10	11	11	11	10	10

Expense recognised in the statement of profit and loss

Particulars	For the Year ended	For the Year ended
	March 31 2022	March 31 2021
Agriwise Finserv limited (formally know as Staragri Finance Limited) - Employee Stock Option Plan (ESOP - 2015)	(92.82)	(5.30)



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

44 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

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

The Company has exposed to credit risk, market risk and liquidity risk.

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk managed by

1. All underlying transactions must be authorized by the relevant Credit delegation holder.
2. Quality of Legal documentation- Legal Department confirms the documentation and transactions concerned comply with prevailing local regulations.

Loans and advances

Concentrations of credit risk with respect to loans and advances are limited, due to the Company's borrower base being large and diverse. All trade receivables are reviewed and assessed for default on a regular basis. Credit evaluations are performed on all major borrowers requiring credit over a certain amount. The credit risk is monitored on a continuous basis. In about 93% of the cases, the loans and advances are secured based on a collateral.

Particulars	Staragri Group entities	Non Staragri entities	Total
As at March 31 2022			
Cash and cash equivalents	-	509.04	509.04
Other Bank balances	-	487.89	487.89
Trade receivables	-	-	-
Other Receivable	2.64	607.27	609.91
Loans	-	24,300.78	24,300.78
Investments at fair value	-	3,689.26	3,689.26
Other financial assets	-	892.73	892.73
Total	2.64	30,486.97	30,489.61
As at March 31 2021			
Cash and cash equivalents	-	1,120.38	1,120.38
Other Bank balances	-	383.63	383.63
Trade receivables	1.55	54.92	56.47
Loans	-	32,529.98	32,529.98
Investments at fair value	-	500.83	500.83
Other financial assets	-	807.54	807.54
Total	1.55	35,397.28	35,398.83



Item exposed to Credit Risk

Financial Assets Components	Risk Mitigation Measures
Cash and cash equivalents	Instruments carrying low probability of default
Other bank balances	Instruments carrying low probability of default
Trade receivables	Fee based receivable on services provided. Unsecured in nature
Loans	Cash Deposit, Listed Shares, Real Estate, Hypothecation of receivable, unlisted instruments
Investments at amortised cost	Mainly unsecured in nature
Other financial assets	Mainly unsecured in nature

b) Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

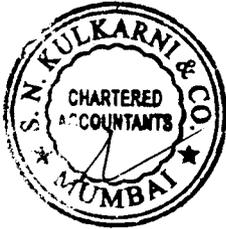
The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the years ended March 31 2022 and March 31 2021. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits with appropriate maturities to optimise the returns on investments while ensuring sufficient liquidity to meet working capital requirement.

The following table shows the maturity analysis of the Company's financial Assets and liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	As at March 31 2022					Total
	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	
Financial Assets						
Cash and cash equivalents	509.04	-	-	-	-	509.04
Other Bank Balance	-	-	-	487.89	-	487.89
Trade receivables	-	-	-	-	-	-
Other Receivable	-	609.91	-	-	-	609.91
Loans	-	4,791.44	3,566.26	10,241.75	5,701.32	24,300.78
Investments	25.76	108.56	358.76	2,132.81	1,063.37	3,689.26
Other financial assets	-	632.30	-	260.43	-	892.73
Total undiscounted financial assets	534.80	6,142.21	3,925.02	13,122.88	6,764.69	30,489.61
Financial Liabilities						
Trade payables	-	107.71	-	-	-	107.71
Debt securities	-	-	-	1,000.00	-	1,000.00
Borrowings	-	1,836.31	5,261.68	5,592.62	504.43	13,195.04
Other Financial Liabilities	-	371.64	-	-	-	371.64
Total undiscounted financial liabilities	-	2,315.66	5,261.68	6,592.62	504.43	14,674.39
Total net financial assets / (liabilities)	534.80	3,826.55	(1,336.66)	6,530.26	6,260.26	15,815.22



Particulars	As at March 31 2021					
	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Financial Assets						
Cash and cash equivalents	1,120.38	-	-	-	-	1,120.38
Other Bank Balance	-	-	-	383.63	-	383.63
Trade receivables	-	56.47	-	-	-	56.47
Loans	-	826.71	6,516.87	14,850.27	10,336.13	32,529.98
Investments	500.83	-	-	-	-	500.83
Other financial assets	-	531.07	-	276.47	-	807.54
Total undiscounted financial assets	1,621.21	1,414.25	6,516.87	15,510.37	10,336.13	35,398.83
Financial Liabilities						
Trade payables	-	92.84	-	-	-	92.84
Debt securities	-	-	-	1,000.00	-	1,000.00
Borrowings	-	2,015.00	9,967.03	7,136.91	-	19,118.94
Other Financial Liabilities	-	123.48	-	-	-	123.48
Total undiscounted financial liabilities	-	2,231.32	9,967.03	8,136.91	-	20,335.26
Total net financial assets / (liabilities)	1,621.21	(817.07)	(3,450.16)	7,373.46	10,336.13	15,063.57



• **Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)**

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

• (Currency : Indian Rupees in lakhs)

c) **Market risk**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument.

(i) **Market risk sensitivity analysis**

Particulars		As at March 31 2022	Sensitive	Non Sensitive	As at March 31 2021	Sensitive	Non Sensitive
Financial assets							
Cash and cash equivalents		509.04	-	509.04	1,120.38	-	1,120.38
Bank balance other than (a) above		487.89	-	487.89	383.63	-	383.63
Receivables		-	-	-	56.47	-	56.47
Other receivable		609.91	-	609.91	-	-	-
Loans	Interest Rate	24,300.78	24,300.78	-	32,529.98	32,529.98	-
Investments	NAV	3,689.26	0.00	3,689.26	500.83	-	500.83
Other financial assets		892.73	-	892.73	807.54	-	807.54
Financial liabilities							
Derivative financial instruments					-	-	-
Trade payables		107.71	-	107.71	92.84	-	92.84
Debt securities		1,000.00	-	1,000.00	1,000.00	-	1,000.00
Borrowings	Interest Rate	13,195.04	13,195.04	-	19,118.94	19,118.94	-
Other financial liabilities		371.64	-	371.64	123.48	-	123.48

(ii) **Interest rate sensitivity**

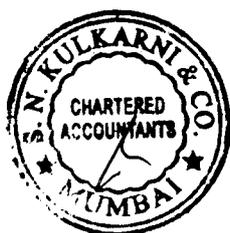
Following change is estimated on the profits / (loss) in the event of change in interest rates.

(a) **On borrowing**

Particulars	Increase in Interest Rate by 100 bps	Decrease in Interest Rate by 100 bps
As at March 31 2022	(131.95)	131.95
As at March 31 2021	(191.19)	191.19

(b) **On loans**

Particulars	Increase in Interest Rate by 100 bps	Decrease in Interest Rate by 100 bps
As at March 31 2022	114.44	(114.44)
As at March 31 2021	176.14	(176.14)



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

d) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Fair valuation techniques

The Company has identified the appropriate valuation technique in each of the above financial assets and liabilities set out as per the table below:

Particulars	Valuation Technique
Financial Assets	
- Cash & cash equivalent	Fair value approximate to current value
- Bank balance other than above	Fair value approximate to current value
- Receivables	Fair value approximate to current value
- Loans & advances	Yield to maturity (YTM)
- Investments	Level 2- Yield to Maturity (YTM), Book value multiple, EV/EBITDA Multiples using market comparables
- Other financial assets	Level 3- At Cost Fair value approximate to current value
Financial Liabilities	
- Payables	Fair value approximate to current value
- Borrowings	Yield to maturity (YTM)
- Other financial liabilities	Fair value approximate to current value



The carrying value of financial instruments by categories As at March 31 2022 is as follows:

Particulars	Amortised cost	Fair value through profit or loss	Fair Value through other comprehensive income	Total
As at 31/03/2022				
Financial assets				
- Cash & cash equivalent	509.04	-	-	509.04
- Bank balance other than above	487.89	-	-	487.89
- Receivables	-	-	-	-
- Other receivables	609.91	-	-	609.91
- Loans & advances	24,300.78	-	-	24,300.78
- Investments	-	3,689.26	-	3,689.26
- Other financial assets	892.73	-	-	892.73
	26,800.35	3,689.26	-	30,489.61
Financial liabilities				
- Payables	107.71	-	-	107.71
- Borrowings	14,195.04	-	-	14,195.04
- Lease liabilities	198.52	-	-	198.52
- Other financial liabilities	371.64	-	-	371.64
	14,872.91	-	-	14,872.91
As at 31/03/2021				
Financial Assets				
- Cash & cash equivalent	1,120.38	-	-	1,120.38
- Bank balance other than above	383.63	-	-	383.63
- Receivables	56.47	-	-	56.47
- Loans & advances	32,529.98	-	-	32,529.98
- Investments	-	500.83	-	500.83
- Other financial assets	807.54	-	-	807.54
	34,898.00	500.83	-	35,398.83
Financial Liabilities				
- Payables	92.84	-	-	92.84
- Borrowings	20,118.94	-	-	20,118.94
- Lease liabilities	100.47	-	-	100.47
- Other financial liabilities	123.48	-	-	123.48
	20,435.73	-	-	20,435.73

The following table summarises financial assets and liabilities measured at fair value on a recurring basis :

Particulars	Level 1	Level 2	Level 3	Total
As at 31/03/2022				
Financial assets				
- Investments	3,689.26	-	-	3,689.26
	3,689.26	-	-	3,689.26
As at 31/03/2021				
Financial assets				
- Investments	500.83	-	-	500.83
	500.83	-	-	500.83

There were no transfers between Level 1 and Level 2 and Level 3 of the fair value hierarchy in the year.



Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022
(Currency : Indian Rupees in lakhs)

45 Asset liability management

Maturity pattern of certain items of Assets and Liabilities.
As at March 31 2022

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Borrowings	Advances*	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	177.25	103.87	-	2,999.20	60.19	-
Over One months to 2 months	320.60	105.12	-	1,812.31	37.77	-
Over 2 months upto 3 months	1,025.00	104.47	-	227.59	36.36	-
Over 3 months to 6 months	1,633.77	601.88	-	1,236.45	114.04	-
Over 6 months to 1 year	2,058.90	967.13	-	2,550.76	244.72	-
Over 1 year to 3 years	3,086.72	2,247.44	-	7,642.04	1,058.99	-
Over 3 years to 5 years	718.68	539.77	-	3,129.10	1,073.82	-
Over 5 years	-	504.43	-	5,959.41	1,063.37	-
Total	9,020.92	5,174.11	-	25,556.86	3,689.26	-

* Advances does not includes cash and bank balances of Rs 509.04 lakhs and other receivables.
Assets and liabilities bifurcation into various buckets is based on RBI guidelines.

As at March 31 2021

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Borrowings	Advances*	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	221.85	161.22	-	424.80	500.83	-
Over One months to 2 months	299.60	283.13	-	205.79	-	-
Over 2 months upto 3 months	889.25	159.95	-	196.12	-	-
Over 3 months to 6 months	1,254.45	608.03	-	807.93	-	-
Over 6 months to 1 year	7,382.61	721.94	-	5,708.95	-	-
Over 1 year to 3 years	4,785.18	1,588.14	-	7,897.96	-	-
Over 3 years to 5 years	-	806.04	-	6,952.30	-	-
Over 5 years	-	957.55	-	12,916.92	-	-
Total	14,832.94	5,286.00	-	35,110.77	500.83	-

* Advances does not includes cash and bank balances of Rs 1120.38 lakhs and other receivables.
Assets and liabilities bifurcation into various buckets is based on RBI guidelines.

46 Exposure to real estate sector

Category	March 31 2022	March 31 2021
Direct exposure		
(i) Residential mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	8,755.96	15,219.13
(ii) Commercial real estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	6,132.07	10,025.11
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
Total exposure to real estate sector	14,888.03	25,244.24



Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)

Notes forming a part of the Ind AS financial statements for the Year ended March 31 2022

(Currency : Indian Rupees in lakhs)

47 Exposure to capital market :-

Particulars		March 31 2022	March 31 2021
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (Refer note (c) below)	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds; (Refer notes (a) and (b) below)	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total exposure to capital market		-	-



48 As per RBI Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016, additional disclosures are required in the Annual Financial Statements as follows:

(i) The company has following registrations effective as on March 31 2022:

Issuing authority	Registration No., if any	Date of registration	Valid upto	Registered as
Reserve Bank of India	B-13.02107	09-Dec-15	NA	NBFC-ND-SI
Insurance regulatory and development authority of India	CA0427	17-Oct-19	16-Oct-22	Corporate agent

(ii) Ratings assigned by credit rating agencies and migration of ratings during the year

Instrument category	Care	Infomerics
i) Long term instruments		
Rating	CARE BB+ (Outlook Positive)	IVR BBB-
Amount in lakhs	65,000	30,000
ii) Short term instruments		
Rating	CARE A4+ (Outlook Positive)	IVR BBB-
Amount in lakhs	5,000	5,000
iii) Market linked debentures		
Rating		IVR BBB-
Amount in lakhs		5,000

Note : During the year the care rating agency has reviewed company financial and changed the rating outlook to positive outlook which denotes CARE BB+ (Outlook positive)

(iii) RBI has not levied any penalties on the Company during the year.

(iv) Concentration of advances & exposures stood as follows:

Advances#

Particulars	As at March 31 2022	As at March 31 2021
Total advances to twenty largest borrowers	11,846.85	14,123.97
Percentage of advances to twenty largest borrowers to total advances of the NBFC	46.35%	40.23%

Includes loans and advances

Exposure *

Particulars	As at March 31 2022	As at March 31 2021
Total exposure to twenty largest borrowers	12,833.16	14,193.64
Percentage of exposure to twenty largest borrowers to total exposure of the NBFC **	49.18%	39.83%

* Includes loans, advances and receivables

** Total exposure includes off balance sheet exposure

(v) The Company does not have any joint ventures and subsidiaries abroad. Company has not sponsored any SPVs. Accordingly there is no disclosure applicable

(vi) The status of the customer complaints during the year is as follows :

Sr No	Particulars	As at March 31 2022	As at March 31 2021
(a)	No. of complaints pending at the beginning of the year	Nil	Nil
(b)	No. of complaints received during the year	Nil	Nil
(c)	No. of complaints redressed during the year	Nil	Nil
(d)	No. of complaints pending at the end of the year	Nil	Nil

(vii) Since the company does not have significant uncertainties pending resolutions As at March 31 2022, revenue recognition has not been postponed.

(viii) No drawdown of reserves made during current year (Previous year : Nil)

(ix) The disclosure of the concentration of deposits taken is not applicable since the company is not in the business of accepting deposits being a Systemically important non deposit accepting NBFC.



48 As per RBI Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016, additional disclosures are required in the Annual Financial Statements as follows (Continued)

(x) Concentration of NPAs

Particulars	March 31 2022	March 31 2021
Total exposure to top four NPA accounts	107.54	716.46

(xi) Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances	Percentage of NPAs to Total Advances
		March 31 2022	March 31 2020
1	Agriculture & allied activities	0.69%	3.44%
2	MSME (refer Note 1)	-	3.88%
3	Corporate borrowers (refer Note 2)	-	-
4	Services (refer Note 3)	-	-
5	Unsecured personal loans	-	-
6	Auto loans	-	-
7	Other personal loans (refer Note 4)	0.21%	0.15%

Note:

- includes borrowers classified as per the Master Direction FIDD.MSME & NFS.3/06.02.31/2016-17 dated July 21, 2016.
- includes borrowers classified as Industry excluding the MSME.
- includes borrowers classified as Services excluding the MSME.
- other Personal Loans include : Loan against Property, Loan against Shares and Consumer Durables.

(xii) The Exposure to a single borrower does not exceed the limit stipulated by the RBI Concentration norms applicable to NBFCs for the current year.

(xiii) Details of Non performing assets sold during the year

Particulars	March 31 2022	March 31 2021
Number of accounts	355 Loans	NA
Aggregate Principle outstanding of loans transferred	5,432.49 Lakhs	NA
Weighted average residual tenor of the loans transferred	98 Months	NA
Net book value of loans transferred (at the time of transfer)	2,554.53 Lakhs	NA
Aggregate consideration	4,800.00 Lakhs	NA
Additional consideration realized in respect of accounts transferred in earlier years	-	NA
Amount of Excess provision reversed on account of stressed loans.	Nil	NA

(xiv) Movement NPA (Stage 3)

Particulars	March 31 2022	March 31 2021
(i) Net NPAs to net advances (%)	0.44%	4.17%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	2,828.57	2,796.54
(b) Additions during the year	66.47	1,489.43
(c) Reductions during the year	2,668.11	1,457.40
(d) Closing balance	226.93	2,828.57
(iii) Movement of provisions for NPAs (excluding provision on standard assets)		
(a) Opening balance	1,423.82	1,677.93
(b) Additions during the year	31.01	620.33
(c) Write-off / write-back of excess provisions	1,340.14	874.44
(d) Closing balance	114.69	1,423.82
(iv) Movement of net NPAs		
(a) Opening balance	1,404.75	1,118.61
(b) Additions during the year	35.46	869.10
(c) Reductions during the year	1,327.97	582.96
(d) Closing balance	112.24	1,404.75

Note:

The movement of Gross NPA, Provisions for NPA and Net NPA presented above excludes NPA identified and regularised in the same financial year.





(A) Disclosure of Restructured Accounts

Sr No	Type of Restructuring	Detail		Under CDR Mechanism		Under SME Debt Restructuring Mechanism		Others		Total
		Standard	Sub-standard	Standard	Sub-standard	Standard	Sub-standard	Standard	Sub-standard	
1	Restructured accounts as on 1st April, 2021 (Opening figures)*	-	-	-	-	-	-	-	-	1,201
	No. of borrowers	-	-	-	-	-	-	-	-	92
	Armt. outstanding	-	-	-	-	-	-	-	-	1,201
	Provision thereon	-	-	-	-	-	-	-	-	32
2	Fresh restructuring during the year	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-
	Armt. outstanding	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-
3	Upgrades of restructured accounts to Standard category	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-
	Armt. outstanding	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-
4	Restructured advances which ceases to attract higher provisioning and/or additional risk weight at the end of the FY and hence need not be shown as restructured advances at the beginning of the next FY	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-
	Armt. outstanding	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-
5	Downgrades of restructured accounts during the FY	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-
	Armt. outstanding	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-
	Armt. outstanding	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-
7	Restructured accounts as on 31st March 2022 (Closing figures)*	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-
	Armt. outstanding	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-
* Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable)										

(B) MSME Accounts restructured under DBR No.BP.BC.18/21.04.048/2018-19 dated 31st January 2019

No. of Accounts restructured	92
Amount (in INR)	-

Note: Increase in amount outstanding is on account of EMTs due but remaining unpaid by the borrower

50 DISCLOSURE PURSUANT TO REVERSE BANK OF INDIA CIRCULAR NO. RBI/2019-20/170 DOR(NBFC) CC.PD.NO.109/22.10.106/2019-20 DATED MARCH 13,2020

As at March 31 2022

Asset classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS	Loss Allowance (Provisions) as required under IND AS	Net Carrying Amount	Provision required as per ARACP Norms	Difference between IND AS 109 provision and ARACP norms
(1)	(2)	(3)	(4)	(5)= (3)-(4)	(6)	(7)= (4)-(6)
Performing assets						
Standard assets	Stage 1	19,717.97	1,135.42	18,582.55	760.84	374.58
	Stage 2	5,611.97	5.98	5,605.99	22.56	(16.58)
Sub total		25,329.93	1,141.40	24,188.53	783.40	358.00
Non- performing assets (NPA)						
Substandard	Stage 3	55.17	27.78	27.38	5.55	22.23
Doubtful -upto 1 year	Stage 3	99.29	50.23	49.05	19.96	30.27
1 to 3 year	Stage 3	72.47	36.67	35.80	21.85	14.82
more than 3 year	Stage 3	-	-	-	-	-
Sub total of Doubtful		171.76	86.90	84.86	41.81	45.09
Loss	Stage 3	-	-	-	-	-
Sub total of NPA		226.93	114.68	112.24	47.36	67.32
Other Items such as guarantees, loan commitment, ICD etc. which are in the scope of IND AS 109 but not covered under current income recognition, assets Classification and provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub total		-	-	-	-	-
	Stage 1	19,717.97	1,135.42	18,582.55	760.84	374.58
	Stage 2	5,611.97	5.98	5,605.99	22.56	(16.58)
	Stage 3	226.93	114.68	112.24	47.36	67.32
Total	Total	25,556.86	1,256.08	24,300.78	830.76	425.32

As at March 31 2021

Asset classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS	Loss Allowance (Provisions) as required under IND AS	Net Carrying Amount	Provision required as per ARACP Norms	Difference between IND AS 109 provision and ARACP norms
(1)	(2)	(3)	(4)	(5)= (3)-(4)	(6)	(7)= (4)-(6)
Performing assets						
Standard assets	Stage 1	26,602.91	1,151.15	25,451.76	177.77	973.38
	Stage 2	5,679.28	5.82	5,673.46	27.20	(21.38)
Sub total		32,282.19	1,156.97	31,125.22	204.97	952.00
Non- performing assets (NPA)						
Substandard	Stage 3	2,024.42	1,019.03	1,005.39	179.96	839.07
Doubtful -upto 1 year	Stage 3	804.15	404.78	399.37	127.33	277.45
1 to 3 year	Stage 3	-	-	-	-	-
more than 3 year	Stage 3	-	-	-	-	-
Sub total of Doubtful		804.15	404.78	399.37	127.33	277.45
Loss	Stage 3	-	-	-	-	-
Sub total of NPA		2,828.57	1,423.81	1,404.76	307.29	1,116.52
Other Items such as guarantees, loan commitment, ICD etc. which are in the scope of IND AS 109 but not covered under current income recognition, assets Classification and provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub total		-	-	-	-	-
	Stage 1	26,602.91	1,151.15	25,451.76	177.77	973.38
	Stage 2	5,679.28	5.82	5,673.46	27.20	(21.38)
	Stage 3	2,828.57	1,423.81	1,404.76	307.29	1,116.52
Total	Total	35,110.76	2,580.78	32,529.98	512.26	2,068.52



51 Lease accounting

During the Year ended March 31 2022, the Company has recognized depreciation/amortization on right-of-use asset Rs. 87.99 lakhs along with interest on lease liability of Rs. 14.63 lakhs respectively.

Right of use assets

(I) Right of use assets

Particulars	Year ended March 31 2022	Year ended March 31 2021
Balance at the beginning of the year	98.02	144.35
Additions during the year	174.92	30.49
Deletion during the year	-	-
Depreciation charge for the year	87.99	76.82
Balance at end of the year	184.95	98.02

(II) Lease liability

Particulars	Year ended March 31 2022	Year ended March 31 2021
Balance at the beginning of the year	100.47	140.11
Additions during the year	178.21	30.49
Deletion during the year	-	-
Finance cost for the year	14.63	10.82
Payment of lease liabilities for the year	94.79	80.95
Balance at end of the year	198.52	100.47

(III) Future minimum lease payments under non-cancellable operating leases were payable as follows:

Particulars	Year ended March 31 2022	Year ended March 31 2021
Less than 1 year	18.14	12.21
1 to 5 year	15.44	7.17
More than 5 year	-	-

(IV) Amounts recognized in the statement of profit and Loss

Particulars	Year ended March 31 2022	Year ended March 31 2021
Depreciation expenses on right of use of asset	87.99	76.82
Interest Expense on lease liability	14.63	10.82

(V) Amounts recognised in statement of cash flows

Particulars	Year ended March 31 2022	Year ended March 31 2021
Total cash outflow for leases	94.79	80.95

52 The movement of borrowings as per Ind AS 7 is as follows:

Particulars	31 March 2022	31 March 2021
Opening balances		
Debt securities	1,000.00	-
Long-term borrowing	14,244.90	19,282.85
Short-term borrowing	4,874.04	4,878.27
Movements		
Debt securities	-	1,000.00
Long-term borrowing	(5,145.85)	(5,037.95)
Short-term borrowing	(778.05)	(4.23)
Closing balances		
Debt securities	1,000.00	1,000.00
Long-term borrowing	9,099.05	14,244.90
Short-term borrowing	4,095.99	4,874.04



✓ **Agriwise Finserv Limited (formerly known as StarAgri Finance Limited)**

Notes to accounts to the Ind AS financial statements for the Year ended March 31 2022

- 53 The name of the company has been changed from "Staragri Finance Limited" to "Agriwise Finserv Limited" w.e.f. 15th October 2020.
- 54 In accordance with the Board approved moratorium policy read with the Reserve Bank of India(RBI) guidelines dated 27th March 2020, 17th April 2020 and 23rd May 2020 relating to 'COVID-19-Regulatory Package', the Company had granted moratorium upto six months on the payment of instalments which became due between 1st March 2020 and 31st 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, the granting of a moratorium period did not result in accounts becoming past due and automatically triggering Stage2 or Stage3 classification criteria.
- 55 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, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the global economy. The Company has separately incorporated estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Company's impairment loss allowance estimates are inherently uncertain and, as a result, actual results may differ from these estimates.
- 56 The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, announced a scheme for COVID-19 Relief for grant of ex-gratia payment of difference between compound interest and simple interest for six Months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium as per RBI regulatory package was availed or not. The Company has implemented the Scheme and credited the accounts of or remitted amounts to the eligible borrowers as per the Scheme, amounting to Rs. 60.56 lakhs. The Company has filed its claim for the ex-gratia with State Bank of India as per the Scheme and has received an amount of Rs. 55.64 lakhs as on March 31 2021.
- 57 In view of the Honourable Supreme Court of India interim order dated September 3, 2020 (Public Interest Litigation (PIL) by Gajendra Sharma Vs Union of India & ANR), no additional borrower accounts were classified as impaired non-performing assets (NPA) (stage3)), which were not declared non-performing till August 31, 2020. Basis the said interim order the Company had not classified any additional borrower account as NPA as per the Reserve Bank of India or other Regulatory prescribed norms, after August 31, 2020 which were not NPA as of August 31, 2020.
The interim order granted to not declare accounts as NPA stood vacated on March 23, 2021. In accordance with the instructions in paragraph 5 of the RBI circular dated April 07, 2021 issued in this connection, the Company has complied with the asset classification of borrower accounts as per the ECL model under Ind AS financial statements for Year ended March 31 2022.
- 58 There is only one segment in which company is operating i.e. lending and hence there is no separate reportable segment as per Ind AS 108 on 'Operating Segment' in respect of the company.



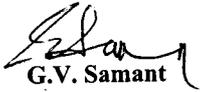
The disclosure on the following matters required under Schedule III as amended are given as follows :

- a) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- b) 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.
- c) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- d) The Company has not entered into any scheme of arrangement.
- e) No satisfaction of charges are pending to be filed with ROC.
- f) There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- g) The Company does not have any relationship with Struck off Companies.

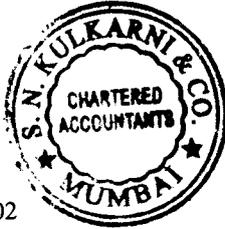
60 The corresponding figures of the previous years' have been reclassified and represented in accordance with the current period presentation wherever necessary

Signature to Notes to Accounts

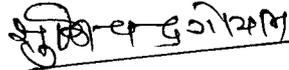
As per our report of even date
For S. N. Kulkarni & Co.
 Chartered Accountants
 Firm Registration No: 105441W


 G.V. Samant

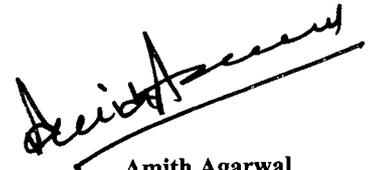
Partner
 Membership No: 14802
 Mumbai
 May 19, 2022



**For and on behalf of the Board of Directors of
 Agriwise Finserv Limited**



Sureshchandra Goyal
 Managing Director
 DIN: 02018073



Amith Agarwal
 Executive Director
 DIN: 01140768


Kalpesh Ojha
 Chief Financial Officer


Sankari Muthuraj
 Company Secretary
 Membership No. A25427
 Mumbai
 May 19, 2022