

# AUDITORS' REPORT

## WEGROW FINANCIAL SERVICES PRIVATE LIMITED

For the Year 2021-22

By

***K. N. Jain & Co.***  
Chartered Accountants

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## **Independent Auditor's Report**

**To the Members of  
WEGROW FINANCIAL SERVICES PRIVATE LIMITED**

### **Report on the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **WEGROW FINANCIAL SERVICES PRIVATE LIMITED** ("the Company"), having its registered office at 13, Rishi Bankim Road, Nimta, North 24 Parganas, Kolkata - 700049, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss and statement of cash flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statement").

In our opinion and to the best of our information and according to explanation given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair in conformity with the accounting principles generally accepted in India including the Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under, of the state of affairs of the Company as at March 31, 2022, its profit and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Emphasis of Matter**

The Company has written off micro credit portfolio amounting to Rs.3.87 Lakhs which were outstanding more than 365 days as on the reporting date.

#### **Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of other information. The other information comprise the information included in the management discussion and analysis, Board's report including annexure to Board's Report, Business Responsibility report, Corporate Governance and Shareholder's information, but does not include the financial statement and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is



materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

## **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

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

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

## **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and operating effectiveness of such controls.

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

Materiality is the magnitude of misstatement in the Financial Statement that, individually or in aggregate, makes it probable those economic decisions of a reasonably knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and qualitative factors in (I) planning the scope of our audit work and in evaluating the results of our work; and (II) to evaluate the effect of any identified misstatements in the financial statements.

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.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. No funds have been **advanced or loaned or invested** by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

No funds have been **received by the company** from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such 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 guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed, nothing has come to our notice that has caused us to believe that the above representations given by the management contain any material mis-statement.



3. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The balance sheet and the statement of profit and loss dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**" to this report
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has no pending litigations which would materially impact its financial position.
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses
    - iii. There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

Date: 25<sup>th</sup> June, 2022  
Place: Kolkata

**For K. N. JAIN & Co.**

Chartered Accountants  
Firm Reg. No- 319119E

CA Samya Sengupta

**Partner**

Membership No. 059027  
UDIN:22059027ALUMBO2786



**ANNEXURE "A" TO THE AUDITORS' REPORT**

The Annexure referred to in our report to the members of **WEGROW FINANCIAL SERVICES PRIVATE LIMITED** ("the Company") for the year ended 31<sup>st</sup> March 2022. We report that:

1. Fixed Asset
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. As per the information and explanation given to us the Company has carried out physical verification of its assets. No material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The Company is a Non-Banking Financial Company; it does not hold any physical inventories. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company and hence not commented upon.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (III) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provision of section 185 and 186 of the Act are applicable and hence not commented upon.
5. The Company has not accepted any deposits from the public.
6. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the product/services of the Company
7.
  - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, GST, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, GST, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- b) According to the records of the Company, there was no dues outstanding of Income-tax, sales-tax, service tax, GST, duty of custom, duty of excise, value added tax and cess or on the on account of any dispute.

8. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank, debenture holder or government.
9. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.  
Further, monies raised by the Company by way of term loans were applicable for purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or on the Company by the executives and employees of the Company has been noticed or reported during the year.
11. According to the information explanations given by the management, the managerial remuneration has been paid and provide in accordance with the requisite approvals maintained by the provisions of section 197, read with Schedule V to the Act.
12. In our opinion the Company is not a nidhi company. Therefore, the provisions of clause 3(Xii) of the Order are not applicable to the Company and hence not commented upon.
13. According to 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 details have been disclosed in the notes to the financial statements as required by the applicable accounting standards.
14. According to the Information and explanations given to us and on an overall examination of the balance sheet the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence, reporting requirements under clause 3(xiv) are not applicable to the company.
15. 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.
16. According to the Information and explanations given to us, we report that the company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

Date: 25<sup>th</sup> June, 2022  
Place: Kolkata

**For K. N. JAIN & Co.**

Chartered Accountants  
Firm Reg. No- 319119E

CA Samya Sengupta

**Partner**

Membership No. 059027  
UDIN:22059027ALUMBO2786



**ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 2 (g) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date to the member of **WEGROW FINANCIAL SERVICES PRIVATE LIMITED** on the Financial Statements for the year ended 31 March 2022.

**Report on The Internal Financial Controls Under Clause (1) of Sub-Section 3 of Section 143 of The Act**

We have audited the internal financial controls over financial reporting of **WEGROW FINANCIAL SERVICES PRIVATE LIMITED** ("The Company") as of 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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





**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

According to the information and explanations given to us and based on our audit, in our opinion, the Company has generally maintained, in all material respects, an adequate internal financial controls over financial reporting were generally operating effectively as of 31<sup>st</sup> March, 2021 based internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date: 25<sup>th</sup> June, 2022  
Place: Kolkata

**For K. N. JAIN & Co.**

Chartered Accountants  
Firm Reg. No- 319119E



CA Samya Sengupta

**Partner**

Membership No. 059027  
UDIN:22059027ALUMBO2786



To the Members of

**WEGROW FINANCIAL SERVICES PRIVATE LIMITED**

In addition to our independent audit report to the members of **WEGROW FINANCIAL SERVICES PRIVATE LIMITED** ("the Company") for the year ended 31<sup>st</sup> March 2022. In considering the RBI Notification No. DNBS. 201 /DG(VL)-2008 dated September 18, 2008 we additionally report that

**In reference of Para 3 A**

1. The company is engaged in the business of non-banking financial institution and it has obtained a Certificate of Registration (CoR- No. B-05.03201) from the Bank.
2. The company is entitled to continue to hold CoR in terms of its asset/income pattern as on March 31, 2022
3. The company is not an Asset Finance Company (AFC)

**In reference of Para 3 B**

1. The company is not a non-banking financial company accepting/holding public deposits hence para 3 B is not applicable.

**In reference of Para 3 C**

1. The Board of Directors has passed a resolution for non- acceptance of any public deposit.
2. The company has not accepted any public deposits during the current financial year i.e. 2021-22
3. The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and amended time to time.
4. The company is not a Systemically Important Non-deposit taking NBFC hence Prudential Norms as defined in paragraph 2(1)(xix) of the Non-Banking Financial (Non- Deposit Accepting or Holding) Companies is not applicable

Date: 25<sup>th</sup> June, 2022  
Place: Kolkata

**For K. N. JAIN & Co.**  
Chartered Accountants  
Firm Reg. No- 319119E



CA Samya Sengupta

**Partner**

Membership No. 059027  
UDIN:22059027ALUMBO2786



**WEGROW FINANCIAL SERVICES PRIVATE LIMITED**

13, Rishi Bankim Road, Nimta, 24 Parganas North, Kolkata - 700 049, West Bengal, India.

CIN: U67120WB1989PTC047609

Balance Sheet as at 31st March, 2022			
Particulars	Note No.	As at March 31,	As at March 31,
		2022	2021
		(Amount in ₹)	(Amount in ₹)
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	2.01	50452000	50452000
(b) Reserve and Surplus	2.02	14642811	11496407
		65094811	61948407
<b>2 Share Application money pending allotment</b>		-	-
<b>3 Non-Current Liabilities</b>			
(a) Long-Term Borrowings	2.03	84845289	15020938
(b) Deferred Tax Liabilities (net)	2.18	-	-
		84845289	15020938
<b>4 Current Liabilities</b>			
(a) Trade Payables		-	-
(b) Other Current Liabilities	2.04	75975399	9746870
(c) Short-Term Provisions	2.05	3525971	2384398
		79501370	12131268
<b>TOTAL</b>		<b>229441470</b>	<b>89100613</b>
<b>B ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	2.06	332502	116620
(ii) Intangible Assets		57928	157239
		390429	273859
(b) Non-Current Investments	2.07	17000000	2000000
(c) Deferred Tax Assets (Net)	2.21	67566	60540
(d) Long-Term Loans and Advances	2.09	48910593	-
(e) Other Non-Current Assets	2.08	2190000	-
		68558588	2334399
<b>2 Current Assets</b>			
(a) Current Investment		-	-
(b) Inventories		-	-
(c) Cash and Cash Equivalents	2.10	13761782	1756340
(d) Short-Term Loans and Advances			
Short Term Micro Credit Portfolio	2.09	143346468	82988116
Other Short Term Loans and Advances	2.11	76650	76320
(e) Other Current Assets	2.12	3697982	1945438
		160882882	86766214
<b>TOTAL</b>		<b>229441470</b>	<b>89100613</b>
<b>Significant Accounting Policies and Notes to Accounts</b>	1&2	-	-

As per our Report of even date

For K.N. JAIN & Co.

Chartered Accountants

Reg. No-319119E

  
CA Samya Sengupta

Partner

Membership No. 059027

UDIN:22059027ALUMBO2786

Date: 25th June, 2022

Place: Kolkata



For and on behalf of the Board of Directors

  
Chitta Ranjan Barai  
DIN: 09008877

  
Anuradha Gupta  
DIN: 06658142

**WEGROW FINANCIAL SERVICES PRIVATE LIMITED**

13, Rishi Bankim Road, Nimta, 24 Parganas North, Kolkata - 700 049, West Bengal, India.

<b>Statement of Profit and Loss for the Year Ended 31st March, 2022</b>			
	Note No.	As at March 31,	As at March 31,
		2022	2021
		(Amount in ₹)	(Amount in ₹)
<b>1</b> Revenue From Operations (Gross)	2.13	25799598	16083192
Revenue From Operations (Net)		25799598	16083192
<b>2</b> Other Income	2.14	656976	102392
<b>3 Total Revenue (1+2)</b>		<b>26456575</b>	<b>16185584</b>
<b>4 Expenses</b>			
(a) Finance Charges	2.15	8218352	1842774
(b) Employee Benefits Expense	2.16	5493125	3573109
(c) Provision for Loan Loss	2.05	1286090	70178
(d) Depreciation	2.06	195993	308700
(e) Other Expenses	2.17	6133263	3904222
(f) Bad Debt Written-off		386974	-
<b>5 Total Expenses</b>		<b>21713797</b>	<b>9698983</b>
<b>6 Profit / (Loss) before Exceptional and Extraordinary Items and Tax (3 - 5)</b>		<b>4742778</b>	<b>6486601</b>
<b>7</b> Exceptional items		-	-
<b>8 Profit / (Loss) before Extraordinary Items and Tax (6+7)</b>		<b>4742778</b>	<b>6486601</b>
<b>9</b> Extraordinary items		-	-
<b>10 Profit / (Loss) before Tax (8 ± 9)</b>		<b>4742778</b>	<b>6486601</b>
<b>11 Tax Expense:</b>			
(a) Current Tax Expense		1603400	1747917
(b) (Less): MAT credit		-	-
(c) Current Tax Expense relating to prior years		1603400	1747917
(d) Net Current Tax Expense		-	1040
(e) Deferred Tax	2.21	1603400	1748957
		(7026)	(43154)
		1596374	1705803
<b>Profit / (Loss) for the year (10 ± 11)</b>		<b>3146404</b>	<b>4780798</b>
<b>EARNINGS PER EQUITY SHARE</b>	2.20		
Equity shares of par value ₹10/- each			
Basic		0.62	0.95
Diluted		0.62	0.95
Number of shares used in computing earnings per share			
Basic		5045200	5045200
Diluted		5045200	5045200
<b>Significant Accounting Policies and Notes to Accounts</b>	1 & 2		

As per our Report of even date

**For K.N. JAIN & Co.**

Chartered Accountants

Reg. No-319119E

  
CA Samya Sengupta

Partner

Membership No. 059027

UDIN:22059027ALUMBO2786

Date: 25th June, 2022

Place: Kolkata



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

  
Chitta Ranjan Barai  
DIN: 09008877

  
Anuradha Gupta  
DIN: 06658142

# WEGROW FINANCIAL SERVICES PRIVATE LIMITED

13, Rishi Bankim Road, Nimta, 24 Parganas North, Kolkata - 700 049, West Bengal, India.

CIN: U67120WB1989PTC047609

(Amount in Rs.)		
<b>Cash Flow Statement For the Year Ended 31st March, 2022</b>		
Particulars	As at March 31, 2022	As at March 31, 2021
	(Amount in ₹)	(Amount in ₹)
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before Tax	4742778	6486601
<b>Adjustment for Non Cash Expenditure:</b>		
Depreciation on Fixed Assets	195993	308700
Loan Loss Provision	1286090	70178
Accrued Interest on Borrowing	681406	-
<b>Adjustment for Non Cash Income</b>		
Adjustment of earlier Income Tax	-	(752060)
Accrued Interest on Loan	-	-
Accrued Interest on FDR	-	(53726)
<b>Operating Profit before Working Capital Change</b>	<b>6906267</b>	<b>6059693</b>
<b>Adjustment for</b>		
(Increase)/ Decrease in Operating Assets	-	-
(Increase)/ Decrease in Micro Credit Portfolio	(109268946)	(26357804)
Other Advances/ Recoverable	(1752873)	(1209127)
Increase/ (Decrease) in Operating Liability	(1356894)	244247
<b>Cash Flow Before Extraordinary Items</b>	<b>(112378713)</b>	<b>(27322684)</b>
<b>Net Cash Flow From Operating Activities (A)</b>	<b>(105472446)</b>	<b>(21262991)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(312564)	(109924)
Fixed Deposit	(22190000)	(2000000)
<b>Net Cash Flow From Investing Activities (B)</b>	<b>(22502564)</b>	<b>(2109924)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Increase/ (Decrease) in Secured Term Loan	134980451	24395794
Increase/ (Decrease) in Un-secured Term Loan	-	-
Proceeds from Issue of Share Capital	-	-
<b>Net Cash Flow From Financing Activities (C)</b>	<b>134980451</b>	<b>24395794</b>
<b>Net Increase or Decrease in Cash and Cash Equivalents (A+B+C)</b>	<b>7005442</b>	<b>1022880</b>
Add: Opening Cash and Cash Equivalents	1756340	733460
<b>Closing Cash and Cash Equivalents as per Books</b>	<b>8761782</b>	<b>1756340</b>

As per our Report of even date

**For K.N. JAIN & Co.**

Chartered Accountants

Reg. No-319119E



CA Samya Sengupta

Partner

Membership No. 059027

UDIN:22059027ALUMBO2786

Date: 25th June, 2022

Place: Kolkata



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

  
Chitta Ranjan Barai  
DIN: 09008877

  
Anuradha Gupta  
DIN: 06658142

## WEGROW FINANCIAL SERVICES PRIVATE LIMITED

13, Rishi Bankim Road, Nimta, 24 Parganas North, Kolkata - 700 049, West Bengal, India.

CIN: U67120WB1989PTC047609

### NOTE NO - 1 Significant Accounting policies and other explanatory information

1 a) **Basis of Preparation of Financial Statements**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are

b) **Interest and Dividend Income:**

- i) Interest income is accounted for on accrual basis except that no interest income is recognized on Non-Performing/Doubtful Assets, considering prudential norms for income recognition prescribed by the Reserve Bank of India for Non Banking Financial Companies. Interest income on such assets is recognized when the amount is received and appropriated
- ii) Income from dividend on shares is taken into account on cash basis.

c) **Stock-in-Trade:**

- 1) Securities acquired with the intention of Short-term holding and trading positions are considered as stock in trade under current assets.
- 2) In respect of securities held as stock in trade, brokerage and stamp duty are written as revenue expenditure.
- 3) The securities held as stock in trade under current assets are valued at cost.

2 Previous Year figures have been regrouped/rearranged wherever found necessary.

3 Special Reserve has been created as per the Provision of 45(1C) of the directions of the Reserve Bank of India.

4 Auditor's Remuneration: Audit Fees including 50% of GST ₹62,700

5 In terms of Accounting Standard 20, Earning Per Share has been calculated as under.

Particulars	Year Ending as on 31.03.2022 (Amount in ₹)	Year Ending as on 31.03.2021 (Amount in ₹)
Profit as per Statement of Profit & Loss (After Tax)	3146404	4780798
No. of Equity Shares(Average)	5045200	5045200
Earning Per Share (Basic/Diluted)	0.62	0.95

6 Schedules to the Balance Sheet as required in terms of paragraph 9BB of NBFC Prudential Norms (Reserve Bank) Directions are annexed.

As per our Report of even date

**For K.N. JAIN & Co.**

Chartered Accountants

Reg. No-319119E



CA Samya Sengupta

Partner

Membership No. 059027

UDIN:22059027ALUMBO2786

Date: 25th June, 2022

Place: Kolkata



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



Chitta Ranjan Barai

DIN: 09008877



Anuradha Gupta

DIN: 06658142

**WEGROW FINANCIAL SERVICES PRIVATE LIMITED**

13, Rishi Bankim Road, Nimta, 24 Parganas North, Kolkata - 700 049, West Bengal, India.

CIN: U67120WB1989PTC047609

Notes forming part of the financial statements for the year ended March 31, 2022

**Note 2.01 : Share Capital**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
(i) <b>Authorised:</b> Equity shares of ₹10 each with voting rights	6200000	62000000	6200000	62000000
(ii) <b>Issued, Subscribed and fully paid up:</b> Equity shares of ₹10 each with voting rights (5045200 shares of ₹10 each fully paid)	5045200	50452000	5045200	50452000
	<b>5045200</b>	<b>50452000</b>	<b>5045200</b>	<b>50452000</b>

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh	Bonus	Buy back	Other changes	Closing Balance
<b>Equity shares with voting rights</b>						
<b>Period ended 31st March, 2022</b>						
- Number of shares	5045200	-	-	-	-	5045200
- Amount (Rs)	50452000	-	-	-	-	50452000
<b>Year ended 31st March, 2021</b>						
- Number of shares	5045200	-	-	-	-	5045200
- Amount (Rs)	50452000	-	-	-	-	50452000

**Terms and rights attached to Equity Shares:**

The Company has only one class of equity shares having (face) value of ₹10.00 per shares. Each holder of equity Shares is entitled to one vote per share. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2022	
	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>		
Bishwajit Das	1402000	27.79
Gouri Das	839700	16.64
Tumpa Das	366000	7.65
Sanjoy Chandra Das	360000	7.14
Apurba Lal Mondal	292500	5.80
<b>Total</b>	<b>3260200</b>	<b>65.02</b>

As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



## WEGROW FINANCIAL SERVICES PRIVATE LIMITED

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Notes forming part of the financial statements for the year ended March 31, 2022

### Note 2.02 : Reserve and Surplus

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
<b>(a) Special Reserve</b>		
Balance brought forward from the previous year statement	2307317	1351157
Add: Profit transferred during the year to Special reserve RBI	629281	956160
Closing balance	<b>2936598</b>	<b>2307317</b>
<b>(b) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Balance brought forward from the previous year statement	9189090	5367963
Add: Profit / (Loss) for the year	3146404	4780798
	12335494	10148761
Add: Adjustment of Income Tax of earlier year	-	(3511)
Less: Profit transferred to Special Reserve	629281	956160
Closing Balance	<b>11706213</b>	<b>9189090</b>
<b>TOTAL</b>	<b>14642811</b>	<b>11496406.80</b>

### Note 2.03 : Long-Term Borrowings

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
<b>Long Term Secured Term Loan</b>		
Term Loan from SBI	50021933	12449606
Term Loan from PNB	29999564	
Term Loan from KVV5	4823792	2571332
<b>TOTAL</b>	<b>84845289</b>	<b>15020938</b>

Term loans from banks and others are secured by way of hypothecation of the outstanding loan portfolio, in addition to the fixed deposits being held as collateral security.

### Note 2.04 : Other Current Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
<b>A Current Maturity of Long-term Debt</b> (Instalments of Term Loans due within 12 months)		
Term Loan from SBI	41693352	5333352
Term Loan from PNB	20000000	
Term Loan from KVV5	9148435	3051090
<b>Total of (A)</b>	<b>70841787</b>	<b>8384442</b>
<b>B Short-term Loan</b> (Instalments of Term Loans due within 12 months)		
Term Loan from KVV5	3689169	990414
<b>Total of (B)</b>	<b>3689169</b>	<b>990414</b>





**WEGROW FINANCIAL SERVICES PRIVATE LIMITED**

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**Notes forming part of the financial statements for the year ended March 31, 2022**

<b>C Other Liabilities</b>		
Liabilities for EPFO	108964	40938
Liabilities for ESI	20487	8467
TDS Payable	29163	7730
SHG Insurance Fees	299397	142156
Professional Tax Payable	2500	1300
Accrued Interest Payable	681406	146063
Liability for GST (net)	45323	-
Salary Payable	36526	-
Liability for Expenses	220678	25360
<b>Total of (C)</b>	<b>1444443</b>	<b>372014</b>
<b>TOTAL OF (A+B+C)</b>	<b>75975399</b>	<b>9746870</b>

Short-Term loans from banks and others are secured by way of hypothecation of the outstanding loan portfolio, in addition to the fixed deposits being held as collateral security.

**Note 2.05 : Short - Term Provisions**

Particulars	As at 31st	As at 31st
	March, 2022	March, 2021
	(Amount in ₹)	(Amount in ₹)
Net Provision for Income Tax	1603400	1747917
Provision for Portfolio Risk Reserve	1922571	636481
<b>TOTAL</b>	<b>3525971</b>	<b>2384398</b>

Provision for Portfolio Risk as per RBI Circular No. DNBR(PD)CC No-008/03.10.119/2016-17 dated 1st September, 2016, updated as on 17th February, 2020

Particulars	No. of Accounts	Overdue Amount (₹)	Loan Outstanding Balance (₹)	Classification	Loan loss Reserve (%) as per RBI	Loan loss Reserve as per RBI (₹)
Current loans	8022		191029749	Standard	0%	-
<30 days past due	15	9226	231329	Standard	0%	-
31-60 days past due	16	23529	286833	Standard	0%	-
61-90 days past due	6	18551	186059	Standard	0%	-
91-120 days past due	7	14398	178372	Sub-Standard (Unsecured)	50%	7199
121-180 days past due	4	4484	100425	Sub-Standard (Unsecured)	50%	2242
181-365 days past due	6	69960	244295	Sub-Standard (Unsecured)	100%	69960
>365 days	-	-	-	Doubtful 1 <sup>st</sup> year (unsecured)	100%	-
<b>Total</b>	<b>8076</b>	<b>140148</b>	<b>192257061</b>			<b>79401</b>

The company has adopted the asset classification and provisioning norms prescribed by RBI in the above mentioned master circular applicable for NBFC-MFI. The company has no loan portfolio at Andhra Pradesh (AP). As per the guideline the company has to provide either a) 1% of the outstanding loan portfolio or b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days plus 100% of the aggregate loan instalments which are overdue for 180 days or more.

Provision required as on 31.03.2022 as per norms was ₹19,22,571/-, provision already made as on 31.03.2021 ₹6,36,481/-, hence additional provision of ₹12,86,090/- made during the year 2021-22.



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### Notes forming part of the financial statements for the year ended March 31, 2022

#### Note 2.06 : Fixed Assets

Fixed assets are stated at cost, net of depreciation. The cost of an asset comprises of its purchase price and any cost directly attributable for bringing the asset to its working condition and location for its intended use.

Depreciation is provided on the assets following W.D.V. method at the rates appropriate as per the Companies Act, 1956. In respect of addition of fixed assets, depreciation is provided at pro-rata basis from the date of acquisition/installation.

During the current financial year fixed assets worth ₹3,12,564/- have been purchased out of that tangible asset of ₹3,12,564/- and Intangible asset of Rs. Nil. No asset has been disposed off during the year.

Details of fixed assets have been given in separate sheet as Annexure 1 to the Note 2.06 of the Balance Sheet.

#### Note 2.07 : Non-Current Investment

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
<b>Fixed Deposits:</b>		
FDR Lien Against SBI Term Loan	12000000	2000000
FDR Lien Against PNB Term Loan	5000000	-
<b>TOTAL</b>	<b>17000000</b>	<b>2000000</b>

#### Note 2.08 : Other Non Current Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
FLDG with Ananya Finance For BC Operation	2190000	-
<b>TOTAL</b>	<b>2190000</b>	<b>-</b>

#### Note 2.09 : Micro Credit Portfolio

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
(Unsecured considered Good)		
Long Term Micro Credit Portfolio	48910593	-
Short Term Micro Credit Portfolio	143346468	82988116
<b>TOTAL (2.09)</b>	<b>192257061</b>	<b>82988116</b>

#### Note on Managed Portfolio

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
Banking Correspondence Loan with Ananya Finance for Inclusive Growth Pvt. Ltd	33214308	-
<b>TOTAL (2.09 A)</b>	<b>33214308</b>	<b>-</b>

#### Total Portfolio managed by Wegrow Financial Services Private Limited

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
Won Micro Credit Portfolio (Wegrow Financial Services Pvt. Ltd.)	192257061	82988116
Banking Correspondence Loan with Ananya Finance for Inclusive Growth Pvt. Ltd	33214308	-
<b>Total Micro Credit Portfolio managed by Wegrow Financial Services Pvt. Ltd.</b>	<b>225471369</b>	<b>82988116</b>



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**Notes to Balance Sheet**

**Annexure-1 to Note 2.06**

**FIXED ASSETS**

**Tangible Assets**

Particulars	Life of Assets	Gross Block			As on 01.04.21	Depreciation 2021-22	Depreciation on Disposed Off Assets	Total as on 31.03.22	WDV as on 31.03.22	Net Block
		As on 01.04.21	Addition 2021-22	Disposed Off 2021-22						
Furniture & Fixtures	10 Years	78480	64,400	-	142880	14665	51478	91402	41667	
Computers	3 Years	108076	248164	-	356240	69192	151852	204388	25416	
AC Machine	10 Years	89508	-	-	89508	12825	52796	36712	49537	
<b>Total</b>		<b>276064</b>	<b>312564</b>	<b>-</b>	<b>588628</b>	<b>96682</b>	<b>256126</b>	<b>332502</b>	<b>116620</b>	
<b>In Tangible Assets</b>										
<b>Software</b>	3 Years	545924	-	-	545924	99311	487996	57928	157239	
<b>Total</b>		<b>545924</b>	<b>-</b>	<b>-</b>	<b>545924</b>	<b>99311</b>	<b>487996</b>	<b>57928</b>	<b>157239</b>	
<b>Grand Total</b>		<b>821988</b>	<b>312564</b>	<b>-</b>	<b>1134551</b>	<b>195993</b>	<b>744122</b>	<b>390429</b>	<b>273859</b>	
<b>Previous Year</b>		<b>712064</b>	<b>109924</b>	<b>-</b>	<b>821988</b>	<b>308700</b>	<b>548129</b>	<b>273859</b>	<b>472635</b>	



## WEGROW FINANCIAL SERVICES PRIVATE LIMITED

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Notes forming part of the financial statements for the year ended March 31, 2022

### Note 2.10 : Cash and Cash Equivalents

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
(a) Cash in Hand (As certified by the Management)	1199989	154193
(b) Balances with banks		
(i) SBI Power Joti	50695	50276
(ii) In current accounts : Punjab National bank	126196	-
(iii) In current accounts : State Bank of India	7384902	1551871
© FD with SBI	5000000	-
<b>TOTAL</b>	<b>13761782</b>	<b>1756340</b>

### Note 2.11 : Short-Term Loans and Advances

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
<b>Other Loans and Advances</b>		
Advance against Office Rent	61200	45000
Advance to Staff (Advance Recoverable in cash or in kind or for Value to be considered goods)	15450	31320
<b>TOTAL</b>	<b>76650</b>	<b>76320</b>

### Note 2.12 : Other Current Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
TDS Receivable	99067	6396
Accrued Interest on Investment	415573	53726
Advance Tax	1125000	1400000
Accrued interest on Micro Credit Portfolio	1467420	449747
Advance to others	590922	-
GST Input Tax Credit	-	35569
<b>TOTAL</b>	<b>3697982</b>	<b>1945438</b>



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Notes forming part of the financial statements for the year ended March 31, 2022

**Note 2.13 : Revenue From Operations (Gross)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
<b>Interest Received</b>		
Interest on Loan to SHG	21386025	14323038
Interest on MSME Loan	1337558	980614
Commission on BC Operation	696760	-
Loan Processing Charges	2379255	779540
<b>TOTAL</b>	<b>25799598</b>	<b>16083192</b>

**Note 2.14 : Other Income**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
Interest on Investment	641218	88568
Staff Contribution for Covid Relief	-	10939
Misc. Income	1746	1327
Interest on Staff Loan	14012	1558
Interest on Income Tax Refund	-	-
<b>TOTAL</b>	<b>656976</b>	<b>102392</b>

**Note 2.15 : Finance Charges**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
Interest on Loan	4976789	986034
Loan Processing Fees and other Charges	3241563	856740
<b>TOTAL</b>	<b>8218352</b>	<b>1842774</b>

**Note 2.16 : Employee Benefits Expense**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
Salary and Bonus	4893623	3019037
Employers Contribution to EPFO	404862	266385
Employees Gratuity Contribution	-	104019
Leave Salary	43950	80719
EPFO Administrative Charge	30910	23484
Employers Contribution to ESI	119780	79465
<b>TOTAL</b>	<b>5493125</b>	<b>3573109</b>



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**Notes forming part of the financial statements for the year ended March 31, 2022**

**Note 2.17 : Other Expenses**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
Director's Sitting Fees	117000	150000
Director's Remuneration	736800	1263008
Director's Expenses	-	29462
Bank Charges	87845	59300
Electricity Charges	77063	39874
Stationery and Printing	328446	183291
Postage and Telephone	93760	62520
Office Rent	1071039	830325
Audit Fees	62700	49050
Accounting and Compliance Expenses	299300	239925
Office Maintenance	332292	142371
Professional and consultancy Fees	467725	5000
Repairs and Maintenance	43394	2068
Interest on Income Tax and TDS and other charges	107036	-
Membership Fees	49050	46870
License Fees	20250	8000
Business Development Expenses	32232	-
Staff Welfare Expenses	7943	5764
Expenses for Credit Bureau Checking	152988	90264
Professional Tax	19600	-
AGM and other Meeting Expenses	-	7505
Expenses for Covid Relief	-	11000
SHG Member Welfare Expenses	602981	5000
Training and Workshop	250443	-
Refreshment and Hospitality	21260	-
Server Rent and Software Maintenance	426126	407457
Travelling and Conveyance	554690	240306
Website Development	-	12862
MFI Grading Expenses	163500	-
ROC Filing Fees	7800	13000
<b>TOTAL</b>	<b>6133263</b>	<b>3904222</b>

**Additional information to the financial statements**

**Note 2.18 : Share application money pending allotment**

As at 31st March, 2022 the Company has not received any amount towards share application money towards issue of equity shares of the Company.



## WEGROW FINANCIAL SERVICES PRIVATE LIMITED

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Notes forming part of the financial statements for the year ended March 31, 2022

### Note 2.19 : Disclosures under Accounting Standards- AS18

Related party transactions:	NIL	
<b>Details of related parties:</b>	<b><u>Names of related parties</u></b>	<b>Remarks</b>
(a) Holding Company	Nil	
(b) Subsidiary & Fellow Subsidiaries	Nil	
(c) Key Management Personnel (KMP)	(i) Satya Brata Chakraborty	Resigned from the post of director on 16th November, 2021
	(ii) Tumpa Das	Non Executive Director
	(iii) Mrinal Kanti Mandal	Non Executive Director
	(iv) Rahul Johri	Independent Director
	(v) Anuradha Gupta	Non Executive Director
	(vi) Chitta Ranjan Barai	Executive Director
(d) Relatives of KMP	(i) Gouri Das	
	(ii) Bishwajit Das	

### Details of related party transactions during the period ended 31st March, 2022 and balances outstanding as at 31st March, 2022: (Amount in ₹)

Particulars	Holding Company	Subsidiaries	KMP	Relatives of KMP	Entities in which KMP / Relatives of KMP can exercise significant influence	TOTAL	Remarks
<b>Related party transactions:</b>							
<b>Director's Sitting Fees</b>			-			-	-
Mr. Mrinal Kanti Mandal			35000				For attending Board and Committee meetings
Mr. Rahul Johri			13000				
Mr. Satya Brata Chakraborty			10000				
Ms. Anuradha Gupta			38000				
Ms. Tumpa Das			21000				
			<b>117000</b>			<b>117000</b>	
<b>Director's Remuneration and Reimbursement of Expenses</b>							
Mr. Chitta Ranjan Barai			636800			636800	For the period from 01.04.2021 to 31.03.2022
			<b>636800</b>			<b>636800</b>	

### Note 2.20 : Disclosures under Accounting Standards- AS20

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in Rs.)	(Amount in Rs.)
<b><u>Earnings per share</u></b>		
<b><u>Basic</u></b>		
<b><u>Continuing operations</u></b>		
Net profit / (loss) for the year from continuing operations	3146404	4780798
Weighted average number of equity shares	5045200	5045200
Par value per share	0.62	0.95
<b>Earnings per share from continuing operations - Basic</b>	<b>0.62</b>	<b>0.95</b>



## WEGROW FINANCIAL SERVICES PRIVATE LIMITED

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Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
<b>Diluted</b>		
The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.		
<b>Continuing operations</b>		
Net profit / (loss) for the year from continuing operations	3146404	4780798
Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
Profit/(loss) attributable to eq. shareholders from continuing operations (on dilution)	3146404	4780798
Weighted average number of equity shares for Basic EPS	5045200	5045200
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	5045200	5045200
Par value per share	0.62	0.95
<b>Earnings per share, from continuing operations - Diluted</b>	<b>0.62</b>	<b>0.95</b>

### Note 2.21 : Disclosures under Accounting Standards: AS-22

#### Deferred Tax and Taxes on Income

Taxes on income have been accounted for in accordance with the Accounting Standard 22 of the Institute of Chartered Accountants of India and in accordance with the provisions of Income Tax Act, 1961. Deferred tax liability and assets have been recognized subject to consideration of prudence and timing difference. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The impact of changes in deferred tax assets and liabilities is recognised in the Statement of Profit & Loss. Deferred tax assets are recognised and reassessed at each reporting date, based upon managements judgement as to whether their realisation is considered as reasonably certain.

#### Calculation of Deferred Tax Liability / (Assets)

Depreciation as per Companies Act up to 31.03.2022 (₹)	Depreciation as per I.T. Act up to 31.03.2021 (₹)	Timing difference (₹)	Rate of Tax	Deferred tax Liability/ (Assets) (₹)
A	B	C=(B-A)	D	E=(CxD)
744122	484254	(259868)	26.00%	(67566)

Total Deferred tax asset as on 31.03.2022 was ₹67,566 deferred tax asset balance as on 31.03.2021 was ₹60,540, net effect of Deferred tax asset during the financial year is (₹67,566 - ₹60,540) = ₹7026

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
<b>Deferred Tax Liability/(Asset) :</b>		
<b>Tax effect of items constituting deferred tax liability</b>		
- On difference between book balance and tax balance of fixed assets	-	-
- On expenditure deferred in the books but allowable for tax purposes	-	-
- On items included in Reserve and Surplus pending amortisation into the Statement of Profit and Loss	-	-
- Others	-	-
<b>Tax effect of items constituting Deferred Tax Liability</b>	-	-
<b>Tax effect of items constituting Deferred Tax Assets</b>		
- Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	-	-
- On difference between book balance and tax balance of fixed assets	(67566)	(60540)
- Unabsorbed depreciation carried forward	-	-
- Brought forward business losses	-	-
- Others	-	-
<b>Tax effect of items constituting Deferred Tax Assets</b>	(67566)	(60540)
<b>Net Deferred Tax Liability / (Asset)</b>	<b>(67566)</b>	<b>(60540)</b>





## WEGROW FINANCIAL SERVICES PRIVATE LIMITED

13, Rishi Bankim Road, Nimta, 24 Parganas North, Kolkata - 700 049, West Bengal, India.

CIN: U67120WB1989PTC047609

**Notes forming part of the financial statements for the year ended March 31, 2022**

**Note-2.22: Annexure forming part of notes on account**

### A. Auditorial Remuneration

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
Audit Fees	62700	49050

### B. Contingent Liability and Commitments

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
<b>i) Contingent Liabilities</b>		
a) Claim against the company not acknowledge as debt	Nil	Nil
b) Guarantees	Nil	Nil
c) Other money for which company for which company contingently liable	Nil	Nil
<b>ii) Commitments</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
b) Uncalled liability on shares and other investments partly paid	Nil	Nil
c) Other commitments	Nil	Nil

### C. Expenditure on employees drawing remuneration of Rs.200000 or More

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(Amount in ₹)	(Amount in ₹)
Expenditure on employees drawing remuneration of Rs.200000 or More	Nil	Nil
	Nil	Nil

D. Balance lying as debtors, creditors, loan and advances are subject to confirmation to be received from parties.

E. There are no amounts that needed to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 ( the 'MSMED Act') pertaining to micro and small enterprises. For the year ended 31st March 2022 no supplier has intimated the company about its status as micro and small enterprises or its registration with the appropriate authority under MSMED Act.

### F. Segment Reporting

The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting'. The Company does not have any reportable geographical segment.

G. Discloser as per RBI Circular No-DNBR(PD)CC No-008/03.10.119/2016-17 dated 1st September, 2016, updated as on 17th February, 2020

Average Annualised Rate of interest	21.78%
Average Annualised Cost of Borrowing Fund	13.41%
Average Annualised Margin	8.37%

H. Previous year figures have been reclassified/regrouped wherever necessary, to confirm to current year presentation.

As per our Report of even date

**For K.N. JAIN & Co.**

Chartered Accountants

Reg. No-319119E

  
CA Samya Sengupta

Partner

Membership No. 059027

UDIN:22059027ALUMBO2786

Date: 25th June, 2022

Place: Kolkata



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

  
Chitta Ranjan Barai  
DIN: 09008877

  
Anuradha Gupta  
DIN: 06658142

**WEGROW FINANCIAL SERVICES PRIVATE LIMITED**

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**Notes to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company (2021-22)**

(As required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding)

Companies Prudential Norms (Reserve Bank) Directions

(₹ in Thousands)

PARTICULARS	AMOUNT	
	Outstanding	Overdue
<b>Liabilities Side</b>		
1 Loans & Advances availed by the NBFC inclusive of		
(a) Debenture: Secured	-	-
Unsecured	-	-
(Other than falling within the meaning of		
Public Deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	159376	-
(d) Inter-corporate Loans and Borrowings	-	-
(e) Commercial Paper	-	-
(f) Public Deposits	-	-
(g) Other Loans (Specify Nature)	-	-
		<b>Amount Outstanding</b>
<b>Assets Side</b>		
2 Break-up of Loans & Advances including Bills Receivables		
[Other than those includes in (4) below]:		
(a) Secured		-
(b) Unsecured		192257
3 Break-up of Leased Assets and Stock on hire and other		
assets counting towards AFC Activities		
i) Lease Assets including Lease rentals under Sundry Debtors		
(a) Financial Lease		-
(b) Operating Lease		-
ii) Stock on hire including Hire charges under Sundry Debtors		
(a) Assets on Hire		-
(b) Repossessed Assets		-
iii) Other Loans counting towards AFC Activities		
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-
4 Break-up of Investments		
Current Investments		
1 Quoted		
i) Shares		
(a) Equity		-
(b) Preference		-
ii) Debenture and Bonds		-
iii) Units of Mutual Funds		-
iv) Government Securities		-
v) Others (Please Specify)		-
2 Unquoted		
i) Shares		
(a) Equity		-
(b) Preference		-
ii) Debenture and Bonds (At Cost)		-
iii) Units of Mutual Funds		-
iv) Government Securities		-
v) Others (Term Deposit with schedule Banks)		26900



**WEGROW FINANCIAL SERVICES PRIVATE LIMITED**

13, Rishi Bankim Road, Nimta, 24 Parganas North, Kolkata - 700 049, West Bengal, India.

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Long Term Investments			
1 Quoted			
i) Shares			
(a) Equity			-
(b) Preference			-
ii) Debenture and Bonds			-
iii) Units of Mutual Funds			-
iv) Government Securities			-
v) Others (Please Specify)			-
2 Unquoted			
i) Shares			
(a) Equity			-
(b) Preference			-
ii) Debenture and Bonds			-
iii) Units of Mutual Funds			-
iv) Government Securities			-
v) Others (Term Deposit with schedule Banks)			17000
5 Borrower group-wise classification of assets financed as in (2) and (3) above			
<b>Category</b>		<b>Amount net of Provisions</b>	
		<b>Secured</b>	<b>Unsecured</b>
		<b>Total</b>	
1 Related Parties			
(a) Subsidiaries		-	-
(b) Companies in the same group		-	-
(c) Other related parties		-	-
2 Other than related parties		-	192257
<b>Total</b>		-	<b>192257</b>
6 Investor group-wise classification of all investments (current and long term) shares and securities (both quoted and unquoted)			
		<b>Book Value (Net of Provisions)</b>	<b>Market Value/Break-up or Fair value or NAV</b>
<b>Category</b>			
1 Related Parties			
(a) Subsidiaries		-	-
(b) Companies in the same group		-	-
(c) Other related parties		-	-
2 Other than related parties		-	-
<b>Total</b>		-	-
7 Other Information			
<b>Particulars</b>		<b>Amount Outstanding</b>	
i) Gross Non-Performing Assets			
(a) Related Parties			-
(b) Other than Related Parties			1227
ii) Net Non-Performing Assets			
(a) Related Parties			-
(b) Other than Related Parties			-
iii) Assets acquired in satisfaction of Debt			-

