



**Limited Review Report on Standalone Unaudited Statement of Finquest Financial Solutions Pvt Ltd for the Year Ended March 31, 2021 Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**TO THE BOARD OF DIRECTORS OF  
FINQUEST FINANCIAL SOLUTIONS PVT LTD**

1. We have reviewed the accompanying statement of standalone unaudited statement of FINQUEST FINANCIAL SOLUTIONS PVT LTD ('the Company') for the year ended **March 31, 2021** ('the Statement') attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2400 engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements) Regulations ,2015 including the manner in which it is to be disclosed, or that it contains any material misstatement, other than the fact that company has recognized the loss allowance on Non-Performing assets as per RBI prescribed norms for NON-BANKING FINANCIAL COMPANIES instead of expected credit loss allowance as given under Indian Accounting Standard 109, (IND AS 109) "Classification and measurement of Financial Assets and Financial Liabilities" and Indian Accounting Standard 107 "Financial Instruments : Disclosures ".

For R C Jain and Associates LLP  
Chartered Accountants  
FRN: 103952W/W100156

RC Jain  
(Partner)

Membership Number: 038096 ★

Place: Mumbai

Date: 27.07.2021

UDIN: 21038096AAAAP3524



To,  
M/s R.C. Jain and Associates LLP  
Chartered Accountants  
622-624, The Corporate Centre,  
Nirmal Lifestyle, LBS Marg,  
Mumbai - 400080

Dear Sir,

### MANAGEMENT REPRESENTATION LETTER

This representation letter is provided in connection with your audit of the financial statements of **Finquest Financial Solutions Private Limited**. ('the Company') for the Year ended 31st March, 2021 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Company as of 31st March, 2021 and of the results of operations for the year ended. We acknowledge our responsibility for preparation of financial statements in accordance with the requirements of the Companies Act, 2013 and recognized accounting policies and practices, including the Indian Accounting Standards issued by the Institute of Chartered Accountants of India.

We confirm, to the best of our knowledge and belief, the following representations:

**Accounting Policies:**

The accounting policies which are material or critical in determining the results of operations for the year or financial position are set out in the Financial Statements. The Financial Statements are prepared on Accrual Basis.

**Capital Commitments :**

At the Balance Sheet date, there were no outstanding commitments for capital expenditure.

**Investments :**

Investments are valued as per IND AS applicable.

**Valuation of Closing Stock :**

Closing stock (shares) is valued at cost or net realizable value whichever is less.

**Debtors, Loans and Advances**

Balances appearing in the books as at 31st March, 2021 in respect of Debtors, Loans, Advances are shown in the notes to accounts of the financial statements.



We confirm that Balances appearing in the books in respect of Trade Receivables, Loans, Advances, shown true and fair view have been recorded adequately and are receivable as at 31st March, 2021.

#### **Liabilities**

We have recorded all known liabilities in the financial statements. Provision for expenses have been made wherever necessary. No guarantees have been given to third parties.

Balances appearing in the books as on 31st March, 2021 in respect of Creditors & Loans are adequately recorded and are payable.

In the opinion of the management, and to the extent of information available from the Company's records there are no amounts payable to the Small Scale Industries as at 31st March, 2021.

#### **IMPACT OF COVID-19**

The operations of the Company were suspended following countrywide lockdown announced due to onslaught of COVID-19. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of loans, trade receivables. In assessing recoverability of loans, trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers based on their industry, macroeconomic forecasts and internal and external information available up to the date of issuance of these financial statements. Based on this assessment, the Company is of the view that carrying amounts of loans, trade receivables are expected to be realizable. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements.

#### **Employee safety:**

Social distancing and workplace guidelines have been communicated in all work locations. Wearing of face masks is compulsory in our company's premises. Adequate arrangements have been made for temperature screening and sanitizers are provided at convenient places. Walk-ins are being controlled to ensure adequate social distancing. Frontline staffs have been adequately trained to ensure protection. Workplace is sanitized frequently, especially the common touch points. The Group is working with reduced staff strength and restricted timings. Seating of employees has been spaced out and functions which can work from home are being encouraged.



### **Contingent Liabilities**

#### **Provisions for Claims and Losses**

Provision has been made in the accounts for all known losses and claims of material amounts. As per management decision provision for Non performing assets has been made as per RBI norms instead of ECL method applicable.

Contingent Liabilities have been disclosed in the financial statements.

There have been no events subsequent to the Balance Sheet date which require adjustment of or disclosure in, the financial statements or notes thereto.

Provision for Income Tax Comprises of Current Taxes as also Deferred Taxes. Deferred tax liability is recognised for the Future Tax consequences of Temporary Difference between the tax basis and the carrying values of assets and liabilities. Deferred tax assets are recognised only if there is Virtual Certainty that they will be realised and are reviewed every year. The tax effect is calculated on the accumulated Timing Differences at the end of the year based on the enacted or substantially enacted tax rates.

### **Profit And Loss Account**

Except as disclosed in the financial statements, the results for the year were not materially affected by:

- (a) Circumstances of an exceptional or non-recurring nature;
- (b) Charges or credits relating to prior years;
- (c) Changes in accounting policies.

Borrowing cost other than directly attributable to qualifying assets is expensed.

Interest income from UCO Bank shown in 26AS regarding Interest on Fixed Deposit not considered in Profit & Loss Statement because as on 31.03.2021 company does not hold any Fixed Deposit. Also intimation has been given to UCO Bank for the corrections.

### **Compliance with RBI Requirements:**

Disclosures and other requirements mandated by RBI for NBFC are all complied with.

### **General**

There have been no irregularities involving management or employees who have a significant role in the system of Internal Control that could have a material effect on the Financial Statements.

The Financial Statements are free of material misstatements, including omissions.

The company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the Financial Statements in the event of non-compliance.



We have no plans or intentions that may materially affect the carrying value or classification of Assets and Liabilities reflected in the Financial Statements.

No personal expenses of employees and Directors have been charged to the revenue account, other than those payable under contractual obligation or in accordance with generally accepted business practices.

Also no remuneration has been paid to the directors or managing director for the period ended 31st March,2021.

The Company has no disputed tax demands, in respect of Income Tax, Wealth Tax, Sales Tax, other than those demands not acknowledged as debt by the Company and are under appeal and adequately disclosed in the financial statements or audit report.

None of the Directors are disqualified under section 164 of the Companies Act, 2013.

**For Finquest Financial Solutions Private Limited**



**Hardik Bharat Patel**  
**Director**  
**DIN: 00590663**



**Place: Mumbai**  
**Date: 23.07.2021**

**Finquest Financial Solutions Private Limited**  
**Unaudited Balance Sheet as on 31st March 2021**

Particulars	Refer Note No.	31st March 2021	31-03-2020 Restated
<b>I ASSETS</b>			
<b>1 Financial assets</b>			
(a) Cash and cash equivalents	2	16,95,26,139	1,71,92,586
(b) Receivables			
(I) Trade Receivables	3	-	-
(c) Loans	4	3,71,50,40,368	7,64,32,30,788
(d) Investments	5	1,58,78,82,974	85,39,27,032
(e) Other financial assets	6	63,53,13,250	1,30,36,81,232
<b>2 Non-financial assets</b>			
(a) Current tax assets (net)	8	10,33,83,508	9,72,07,073
(b) Deferred tax assets (net)	9	3,33,09,749	2,56,80,332
(c) Investment property	7	19,73,41,000	19,73,41,000
(d) Property, plant and equipment	10	4,62,77,475	86,53,243
(e) Other non-financial assets	11	27,33,272	10,70,791
<b>Total Assests</b>		<b>6,49,08,07,736</b>	<b>10,14,79,84,078</b>
<b>II Liabilities and Equity</b>			
<b>Liabilities</b>			
<b>A Financial liabilities</b>			
(a) Payables			
(I) Trade Payables		26,96,83,263	2,86,62,573
(i) Total outstanding dues of micro enterprises and small enterprises		1,78,062	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	12	26,95,05,201	2,86,62,573
(b) Debt securities	13	2,75,00,00,000	2,75,00,00,000
(c) Borrowings (other than debt securities)	14	1,35,84,95,011	5,53,82,19,467
<b>B Non-financial liabilities</b>			
(a) Current tax liabilities (Net)	15	15,52,717	2,07,24,060
(b) Provisions	16	19,99,05,741	28,53,94,096
(c) Other non-financial liabilities	17	-	26,700
<b>C Equity</b>			
(b) Equity share capital	18	31,90,00,000	31,90,00,000
(a) Other equity	19	1,59,21,71,007	1,20,59,57,184
<b>Total Liabilities and Equity</b>		<b>6,49,08,07,737</b>	<b>10,14,79,84,078</b>

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Place: Mumbai  
Date: 23/07/2021

**For Finquest Financial Solutions Private Limited**



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**Hardik Patel**  
**Director**  
**DIN: 00590663**



## Finquest Financial Solutions Private Limited

### Statement of Profit and Loss for the period ended on 31st March 2021 (All amounts are INR, unless expressed otherwise)

Particulars	Notes	31st March 2021	31 March 2020 Restated
<b>Revenue from operations</b>			
(i) Interest income	20	30,59,63,846	1,03,20,24,626
(ii) Net gain on fair value changes			
(iii) Other operating income	21	68,21,60,668	(1,29,73,54,801)
<b>(I) Total Revenue from operations</b>		<b>98,81,24,514</b>	<b>(26,53,30,175)</b>
<b>(II) Other income</b>	22	<b>30,57,67,605</b>	<b>62,00,83,739</b>
<b>(III) Total Income (I+II)</b>		<b>1,29,38,92,119</b>	<b>35,47,53,564</b>
<b>Expenses</b>			
(i) Finance cost	23	35,97,32,068	53,86,32,863
(ii) Impairment on financial instruments	24	(8,07,39,574)	9,96,61,556
(iii) Employee benefit expenses	25	67,74,550	3,49,07,193
(iv) Depreciation, amortisation and impairment		11,99,107	31,16,054
(v) Other expenses	26	94,27,09,519	4,76,60,290
<b>(IV) Total expenses</b>		<b>1,22,96,75,671</b>	<b>72,39,77,956</b>
(V) Profit/(loss) before exceptional items and tax		6,42,16,448	(36,92,24,392)
(V) Profit before tax		6,42,16,448	(36,92,24,392)
(VI) Tax expense			
1. Current tax			55,19,638
2. Deferred tax	27	(78,13,724)	17,57,748
<b>Total tax expense</b>		<b>(78,13,724)</b>	<b>72,77,386</b>
(IX) Profit/(loss) for the period from continuing operations (VII-VIII)		<b>7,20,30,172</b>	<b>(37,65,01,778)</b>
(X) Profit/(loss) for the period from discontinued operations			
(XI) Tax expense of discontinued operations			
(XII) Profit/(loss) for the period from discontinued operations (After tax)			
<b>(VII) Profit for the period (V-VI)</b>		<b>7,20,30,172</b>	<b>(37,65,01,778)</b>
<b>(VIII) Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
i. Remeasurements gain/ (losses) of the defined benefit plans	28	(5,40,906)	1,91,339
ii. Income tax relating to items that will not be reclassified to profit or loss	9	(1,84,307)	(62,763)
<b>Other Comprehensive Income</b>		<b>(7,25,213)</b>	<b>1,28,576</b>
<b>(IX) Total Comprehensive Income for the period (VII+VIII)</b>		<b>7,13,04,959</b>	<b>(37,63,73,202)</b>
<b>(XVI) Earnings for equity share</b>			
Basic		2	(12)
Diluted			
<b>Significant Accounting Policies</b>	1		

The accompanying notes form an integral part of the financial statements  
As per our report of even date attached

Place: Mumbai  
Date: 23/07/2021

For Finquest Financial Solutions Private Limited



**Hardik Patel**  
Director  
DIN: 00590663

