



To
The Manager
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Floor 25, Dalai Street
Mumbai 400001

30th May 2022
Kochi

Re: Scrip NO. 959111

Dear Sir

Sub: Outcome of the Board meeting of the Company held on 30th May 2022

Pursuant to Regulations 51, 52 and 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other regulations, if applicable, we hereby inform the Exchange that the Board of Directors of the Company at its Meeting held on May 30, 2022, has, inter alia, approved the Audited Financial Results of the Company for the quarter and financial year ended March 31, 2022.

Accordingly, please find enclosed the Audited Financial Results for the quarter and financial year ended March 31, 2022, along with the Auditor's Report by the Statutory Auditors, declaration regarding Auditor's Report with unmodified opinion and the disclosures in compliance with Regulation 52(4) of the SEBI Regulations. Further, in accordance with Regulation 52 of the Listing Regulations, the Company would be publishing the Audited Financial Results for the quarter and financial year ended March 31, 2022, in newspapers.

The Board meeting commenced at 11 AM and concluded at 8.40PM.

Kindly take the same on your record.

Thanking you,

Yours faithfully

For Hedge Finance Ltd.

Girish Kumar G

Company Secretary

Hedge Finance Limited, Mammangalam, Kochi - 682025, Kerala, India | Tel: 0484 7160400 / 6130400

Email : hf@hedgefinance.com

Web : www.hedgefinance.com



CIN : U65923KL2011PLC027672

Hedge Finance Limited



Our Ref.

MOHANDAS & ASSOCIATES

CHARTERED ACCOUNTANTS

IIIrd Floor, "Sree Residency"

Press Club Road, Thrissur - 1.

☎ : 0487 - 2333124, 2321290

Email : ma.auditors@gmail.com

Independent Auditor's Report

To the members of Hedge Finance Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Hedge Finance Limited ("the Company") which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the 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 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 as at March 31, 2022, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act 2013 and the Rules made 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

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sufficient and appropriate to provide a basis for our opinion on the Financial Statement

Information Other Than Financial Statements and Auditors Report Thereon

The Company's Board of Directors is responsible for other information. The other information comprises of information included in the Company's Annual Report, but does not include the Financial Statements and our report thereon.

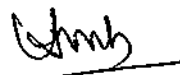
Our Opinion on the Financial Statements does not cover the other information and we do not express any form of assurance.

In connection with our audit on the Financial Statements, our responsibility is to read the other information made available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Managements 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 preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standard (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the asset 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, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



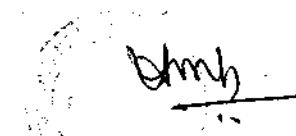
Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibilities are to design suitable audit procedures 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these Financial Statements.

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

- a) Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls systems in place and operating effectiveness of such controls. Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of the 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 as inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However future events or conditions may cause the company to cease to continue as a going concern.
- e) 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.

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Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 standalone financial statements

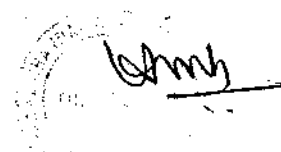
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or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

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

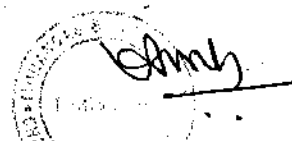
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. 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 Companies Act, 2013, we give in the "Annexure 1" to this report a statement on the matters specified in Paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 2016, issued by the Reserve Bank of India in exercise of the powers conferred by sub-section (1A) of Section 45MA of the Reserve Bank of India Act, 1934, we give in the "Annexure 2", an additional Audit Report addressed to the Board of Directors containing our statements on the matters specified therein.

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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 purpose 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. No report on the accounts of any of the branch offices audited under subsection 8 of section 143 by any person has been received by us and therefore no comments need to be made on the matter.
 - d. The balance sheet, the statement of profit and loss (including Other Comprehensive Income), the cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the books of account.
 - e. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - f. On the basis of the written representations received from the directors as on March 31, 2022 and 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.
 - g. In our opinion there are no qualifications, reservations or adverse remarks relating to the maintenance of accounts and other matters connected therewith.
 - h. 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 Report in "Annexure 3"
 - i. With respect to the matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The company does not have any long-term contracts including derivative contracts for which there were any foreseeable losses.
 - iii. According to the information provided, there are no amounts, required to be transferred by the company to the Investor Education & Protection Fund as on 31.03.2022.
 - iv. (i) The management has represented that, to the best of its knowledge and belief, other than as



disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- j. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is complied.

For Mohandas & Associates
Chartered Accountants

ICAI Firm Registration No: 02116S


Mohandas K.

[Partner]

Membership No: 036726

UDIN: 2036726 AJXYXZ 2265

Place: Thrissur

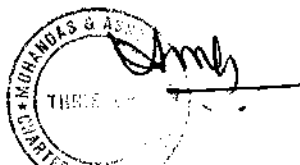
Dated: 30th May, 2022

ANNEXURE 1

TO THE AUDITOR'S REPORT

The Annexure 1 referred to in our report to the members of Hedge Finance Limited (the Company) for the year ended on March 31, 2022. We report that:

- i.
 - (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, plant and Equipment.
 - (B) The company is maintaining proper records showing full particulars of Intangible assets.
 - (b) According to the information and explanation provided by the Management, the Company has a regular programme for the verification of its fixed assets. In our opinion, this periodicity of physical verification is reasonable having regard to the size and nature of the Company and the nature of its assets. Pursuant to such programme, a portion of such fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanation given to us, the title deeds of immovable property are held in the name of the company.
 - (d) The company has not revalued the property, plant and equipment or intangible assets during the year. Hence the clause not applicable
 - (e) There have been no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Hence the clause not applicable.
- ii. The company is a service company, primarily rendering financial services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- iii.
 - (a) The company is an NBFC (Principal business is to give loans), hence paragraph 3(iii)(a) (A) & (B) not applicable.
 - (b) In our opinion and according to the information and explanations given to us, the company has granted loans to parties and the terms and conditions of the grant of such loans are not prejudicial to the company's interest.



(c) In our opinion and according to the information and explanations given to us the company, the schedule of repayment of principal and payment of interest has been stipulated in the case of EMI loans. The repayments or receipts are regular except in the following cases, against which appropriate provision has been made.

Type of Loan	No of Loans	Principal overdue	Interest overdue	Total overdue	Remarks
MSME	132	338.32	-	338.32	Since it's a NBFC, their principal business is to give loans. The loans for which overdue for more than 180 days are treated as irregular and these cases are classified as NPA as per RBI IRACP norms. The income recognition of the above has been done as per RBI IRACP norms.
Vehicle Loan	21	74.90	-	74.90	
Micro Loan	62	12.23	-	12.23	
Personal Loan	1	.68	-	.68	
Staff Loan	1	.07	-	.07	
Equipment Finance	14	7.20	-	7.20	
Total	231	433.40	-	433.40	



(d) Out of the total loans and advances following are advances which are overdue for more than 90 days amounting to Rs.1057.34 Lakhs. The company has taken necessary steps for the recovery of principal and interest.

Type of Loan	No of cases	Principal overdue	Interest overdue	Total overdue	Remarks
MSME	213	501.41	15.84	517.25	Since it's a NBFC, their principal business is to give loans. The loans for which overdue for more than 180 days are treated as irregular and these cases are classified as NPA as per RBI IRACP norms. The income recognition of the above has been done as per RBI IRACP norms.
Business Loan	3	284.85	.08	284.93	
Vehicle Loan	46	142.89	6.30	149.20	
Micro Loan	116	18.90	.33	19.24	
Mortgage Loan	2	15.98	.14	16.12	
Personal Loan	1	.68	-	.68	
Staff Loan	5	5.01	.19	5.19	
Equipment Loan	24	15.85	1.20	17.05	
Consumer Loan	575	47.69	.00	47.69	
Total	985	1033.27	24.08	1057.35	

(e) The company is a Non-Banking Financial company (Principal business is to give loans), hence paragraph 3(iii)(e) not applicable.

(f) The company has granted loans and advances which are repayable on demand and the principal outstanding as on 31.03.2022 is Rs. 6952.10 lakhs which constitute 42.26% of total loans outstanding. During the year loan amounting to Rs 650 lakhs were given to promoters or related parties as defined in clause 76 of section 2 of Companies Act,2013 and the loans were fully settled and there are no outstanding balance as on 31.03.2022 .

iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans, made any investments, provided any guarantees, and given any security to which the provision of Section 185 and 186 of the Companies Act are applicable.

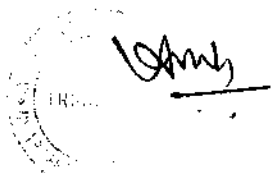
v. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits and accordingly paragraph 3(v) of the order is not applicable.



- vi. Being a Non- Banking Finance Company, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act. Thus paragraph 3(vi) of the order is not applicable.
- vii.
- a) The Company is regular in depositing undisputed statutory dues including provident fund, employers state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no arrears of statutory dues as at the last day of the financial year concerned for a period of more than six months from the date on which they became payable.
- b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute, except the amounts disclosed in Note No. 13 Contingent liabilities forming part of the Financial Statements.
- viii. In our opinion and according to the information and explanation given to us, there are no transactions which were not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders during the period.
- (b) In our opinion and according to the information and explanation given to us, the company is not a declared willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanation given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanation given to us, the company has not utilized the funds raised on short term basis for long term purposes.
- (e) In our opinion and according to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.



- x. (a) In our opinion and according to the information and explanations given to us, money raised by way of further public offer of debt instruments obtained have been applied by the Company during the year for the purpose for which they have been raised.
- (b) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. (a) According to the information and explanations given to us, there were no instances of fraud by the company or on the company during the year.
- (b) There is no report under sub-section (12) of section 143 of the Companies Act that is required to be filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, no whistle – blower complaints have been received during the year by the company.
- xii. As the Company is not a Nidhi Company, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the Notes the financial statements of the Company as required by the applicable Ind AS.
- xiv. (a) The company has an internal audit system that is commensurate with the size and nature of its business;
- (b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditors on a random basis.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable to the Company.
- xvi. (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has obtained the required registration under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company has conducted Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The company is not a Core investment company (CIC) as defined in the regulations made by the Reserve Bank of India, Hence paragraph 3 (xvi)(c) & (d) not applicable.

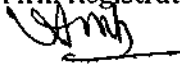


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- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. According to the information and explanations given to us, change in statutory auditor is due to rotation of auditors and the statutory auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. According to the information and explanations given to us and based on our examination of the records of the Company, 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 financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report, that company is 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.
- xx. According to the information and explanations given to us and based on our examination of the records of the Company, Sec 135 of the Companies Act is not applicable to the company and hence clause 3 (xx) (a) and (b) are not applicable.
- xxi. Since this is a standalone financial statement Paragraph 3(xxi) is not applicable.

For Mohandas & Associates
Chartered Accountants

ICAI Firm Registration No: 02116S



Mohandas A

[Partner]

Membership No: 036726

UDIN: 22036726 ATXYXZ 2265

Place: Thrissur

Dated: 30th May, 2022



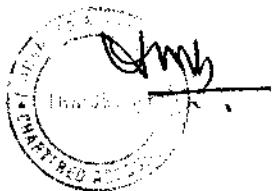
ANNEXURE 2

TO THE AUDITOR'S REPORT

To the Board of Directors of Hedge Finance Limited,

We have audited the Balance Sheet of Hedge Finance Limited for the year ended as on March 31, 2022, the Statement of Profit and Loss (Including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended annexed thereto. As required by the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Direction, 2016, and according to the information and explanations given to us, we provide herewith, a statement on the matters specified in paragraphs 3 and 4 of the aforesaid directions;

- i. The company is engaged in the business of Non-Banking Financial Institution and it has obtained the certificate of registration as provided in section 45-IA of the RBI Act, 1934.
- ii. The Company is entitled to continue to hold the Certificate of Registration in terms of the Asset/ Income pattern as on March 31, 2022
- iii. The Board of Directors of the Company has passed a resolution for non-acceptance of public deposit.
- iv. The Company has not accepted any public deposit during the period under review.
- v. According to the information and explanation given to us, the Company has complied with the prudential norms on Income Recognition, Indian Accounting Standards, Asset Classification, Provisioning for bad and doubtful debts as specified in the direction issued by the Reserve Bank of India in terms of the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and deposit taking Company (Reserve Bank) Directions, 2016.
- vi. The capital adequacy ratio as disclosed in the return submitted to RBI in terms of Master Direction – Non-Banking Financial Company – Systemically Important Non- deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016, has been correctly arrived and such ratio is in compliance with the minimum CRAR as prescribed by the Reserve Bank of India.
- vii. The Company has furnished to RBI the annual statement of Capital Fund, risk assets and risk assets ratio within the stipulated period.



viii. The Company has not been classified as NBFC-MFI for the year ended March 31, 2022

The report has been issued pursuant to the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Direction, 2016 and is issued to the Board of Directors of the Company as required by Paragraph 2 of such directions and should not be used for any other purpose.

For Mohandas & Associates
Chartered Accountants

ICAI Firm Registration No: 02116S


Mohandas A

[Partner]

Membership No: 036726

UDIN: 22036726AJX4X22265

Place: Thrissur

Dated: 30th May, 2022

ANNEXURE 3

TO THE AUDITOR'S REPORT

Annexure 3 to the Independent Auditor's Report of even date on the Financial Statements of Hedge Finance Limited for the year ended 31 March 2022.

Report on the Internal Financial Controls with reference to the aforesaid Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") (Referred to in paragraph 3(h) under Report on Other Legal and Regulatory Requirements 'section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting of Hedge Finance Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

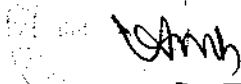
In our opinion, the Company has in all material respects, an adequate internal financial control over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note issued by the ICAI.

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 the internal controls 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 Companies Act, 2013.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have 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 ("the Standards") issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent



applicable to an audit of internal financial controls. Those Standards and 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.

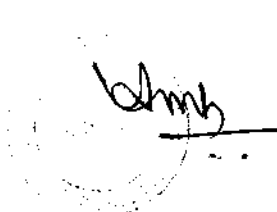
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of the internal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

Meaning of Internal Financial Control over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide a 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

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and the dispositions of the assets of the Company;
- ii. 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 in accordance with authorization of the management and directors of the Company; and
- iii. 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.

A handwritten signature in black ink is written over a circular stamp. The signature appears to be "bhm". The stamp is partially obscured by the signature and is mostly illegible.

Inherent limitation of internal financial controls over financial reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to fraud or error 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 the changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

For Mohandas & Associates
Chartered Accountants

ICAI Firm Registration No: 02116S


Mohandas A

[Partner]

Membership No: 036726

UDIN: 22036726A7XYX22265

Place: Thrissur

Dated: 30th May, 2022



(₹ in Lakhs)

Particulars	Quarter Ended			Year Ended	
	March 31, 2022 (Audited)	December 31, 2021 (Unaudited)	March 31, 2021 (Audited)	March 31, 2022 (Audited)	March 31, 2021 (Audited)
Revenue from operations					
(i) Interest income	844.19	695.03	600.66	2870.80	2239.19
(ii) Dividend income	.00	.00	.73	.35	.73
(iii) Rental income	-	-	-	-	-
(iv) Fees and Commission income	-	-	-	-	-
(v) Net gain on derecognition of financial instruments under amortised cost category	-	-	-	-	-
(vi) Net gain on fair value changes	-4.21	15.28	18.79	16.97	18.79
(vii) Other operation Income	39.64	33.13	23.20	96.86	39.06
(I) Total Revenue from operations	879.62	743.45	643.38	2984.99	2297.77
(II) Other Income	90.21	14.75	13.16	451.86	116.29
(III) Total Income (I + II)	969.83	758.19	656.54	3436.85	2414.06
Expenses					
(i) Finance costs	441.27	447.89	403.74	1763.08	1413.21
(ii) Net loss on fair value changes	-	-	-	-	-
(iii) Impairment on financial instruments	3.15	89.83	8.42	139.35	80.61
(iv) Employee benefits expenses	156.75	127.41	117.03	552.83	407.67
(v) Depreciation, amortization and impairment	11.68	10.51	12.01	40.28	32.92
(vi) Other expenses	215.08	147.99	68.58	571.44	409.69
(IV) Total Expenses (IV)	827.93	823.63	609.77	3066.98	2344.11
(V) Profit before tax (III- IV)	141.90	-65.43	46.76	369.87	69.95
(VI) Tax Expense:					
(1) Current tax	64.39	-14.02	11.42	113.23	29.63
(2) Earlier years adjustments	-	-	-	-	-
(3) Deferred tax	1.52	-21.30	-6.44	-30.80	-16.71
(VII) Profit for the period (V- VI)	75.99	-30.12	41.78	287.44	57.03
A) Other Comprehensive Income					
(i) Items that will not be reclassified to profit or loss					
- Remeasurement of defined benefit plans	-11	-	-	-11	-
- Fair value changes on equity instruments through other comprehensive income	-	-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
Subtotal (A)	-11	-	-	-11	-
B)					
(i) Items that will be reclassified to profit or loss	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Subtotal (B)	-	-	-	-	-
(VIII) Other Comprehensive Income (A + B) (VIII)	-11	-	-	-11	-
(IX) Total Comprehensive Income for the period (VII+VIII)	75.88	-30.12	41.78	287.33	57.03
Earnings per equity share					
(Face value of ₹ 10/- each)					
Basic (₹)	0.29	-0.12	0.24	1.18	0.25
Diluted (₹)	0.29	-0.12	0.24	1.18	0.25

See accompanying notes to financial results



U65926KL2011PLC027672

HEDGE FINANCE LTD



BALANCE SHEET

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
I. ASSETS			
1 Financial assets			
a) Cash and cash equivalents	1.1	1715.23	1300.64
b) Bank Balance other than (a) above	1.2	25.00	-
c) Receivables			
(I) Trade receivables		20.24	20.24
(II) Other receivables		133.52	24.47
d) Loans	2	16115.97	15095.67
e) Investments	3	1004.87	1120.41
f) Other financial assets	4	534.99	537.41
2 Non-financial Assets			
a) Inventories		-	-
b) Investment Properties		-	-
c) Current tax assets (Net)		-	-
d) Deferred tax assets (Net)		73.28	42.47
e) Property, Plant and Equipment	5	476.58	453.38
f) Other intangible assets	6	22.65	15.82
g) Other non-financial assets	7	243.21	121.94
Total Assets		20365.53	18732.46
II. LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
a) Debt Securities	8	15799.01	15210.49
b) Borrowings (other than debt securities)	9	22.60	12.51
c) Deposits		-	-
d) Subordinated liabilities	10	644.37	609.50
e) Other financial liabilities	11	267.48	304.11
2 Non-financial Liabilities			
a) Provisions	12	50.23	47.08
b) Other non-financial liabilities	13	176.23	69.95
3 EQUITY			
a) Equity share capital	14	2886.65	2247.18
b) Other equity	15	518.96	231.63
Total Liabilities and Equity		20365.53	18732.46



CIN : U65923KL2011PLC027672

Hedge Finance Limited

Hedge House, Mamangalam, Kochi - 682025, Kerala, India | Tel: 0484 7160400 / 6130400

Email : hf@hedgefinance.com

Web : www.hedgefinance.com



Particulars	For the year Ended 31/03/2022		For the year Ended 31/03/2021	
A. Cash Flow from Operating Activities				
Profit before tax		369.87		69.95
Adjustments for :				
Impairment on financial instruments	139.76		80.05	
Net (Profit) / loss on fair value changes	-16.97		-18.79	
Net (Profit) / Loss on Sale of assets	.63		-1.94	
Finance Costs	1763.08		1413.21	
Depreciation, amortization and impairment	40.28		32.92	
Income from Non-Operating Business				
- Rental Income	-		-	
- Dividend	-35	1926.43	-73	1504.73
Operating Profit / (Loss) before working capital Adjustments		2296.30		1574.68
Adjustments for :				
Loans	-1160.06		-3830.19	
Other financial assets	-106.63		-453.83	
Other non financial assets	-122.08		49.25	
Bank Balance other than "Cash and cash equivalents"	-1035.00		-	
Provisions	3.04		9.17	
Other financial liabilities	-36.63		99.29	
Other non financial liabilities	106.27	-2351.09	47.69	-4078.63
Cash Generated from operations		-54.79		-2503.94
Income Tax paid		113.23		29.63
Finance cost paid		1763.08		1413.21
Net Cash Flow from Operating Activity		-1931.10		-3946.79
B. Cash Flow from Investment Activities				
Other Investment	132.52		-876.09	
Purchase of Fixed Assets	-71.12		-77.18	
Sale of asset	.17		4.10	
Dividend Paid	-		-53.23	
Dividend Received	.35	61.92	.73	-1001.68
Net Cash Flow from Investment Activity		61.92		-1001.68
C. Cash Flow from Financing Activity				
Change in capital	639.47			
Net increase/(Decrease) in Borrowings(other than debt securities)	10.10		7.71	
Net increase/(Decrease) in Subdebt	34.87		609.50	
Net increase/(Decrease) in Debt Securities	588.52	1272.95	4175.03	4792.24
Net Cash Flow from Financing Activity		1272.95		4792.24
Net Increase/(Decrease) in Cash & Cash Equivalents(A+B+C)		-596.23		-156.23
Opening Balance of Cash & Cash Equivalents		1300.64		1456.87
Closing Balance of Cash & Cash Equivalents		704.41		1300.64
Components of Cash and Cash Equivalents				
Current Account with Banks		667.14		1274.14
Cash in Hand		37.27		26.50
		704.41		1300.64

CIN : U65923KL2011PLC027672

Hedge Finance Limited

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Email : hf@hedgefinance.com

Web : www.hedgefinance.com

The Manager

30/05/2022

BSE Limited Exchange Plaza , Bandra -Kurla Complex

Kochi

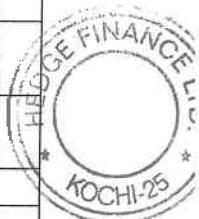
Phiroze Jeejeebhoy Towers Bandra (E),

Dalal Street, Mumbai – 400 001

Dear Sir/Madam,

Disclosures required by Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2022

Sl.No	Particulars	Quarter ended	Year ended
		March 31, 2022	March 31,2022
a	Debt Equity Ratio (Note 2)	4.83	4.83
b	Debt Service Coverage Ratio	NA	NA
c	Interest Service Coverage Ratio	NA	NA
d	Outstanding redeemable preference shares	Nil	Nil
e	Capital Redemption Reserve	Nil	Nil
f	Debenture Redemption Reserve	NA	NA
g	Net Worth (Note 3)	3405.61	3405.61
h	Outstanding Debt (Note 4)	16465.98	16465.98
i	Net Profit after Tax	75.99	287.44
j	Earnings per share		
(i)	Basic (Rs)	0.29	1.18
(ii)	Diluted (Rs)	0.29	1.18
k	Current Ratio	NA	NA
l	Long term debt to working capital	NA	NA
m	Bad debts to Accounts receivable ratio	NA	NA
n	Current liability ratio	NA	NA
o	Total Debts to total assets (Note 5)	0.81	0.81
p	Debtors turnover	NA	NA
q	Inventory turnover	NA	NA
r	Operating margin (%)	NA	NA
s	Net Profit margin (%) (Note 6)	7.84	8.36
t	Sector specific equivalent ratios		
(i)	Stage III loan assets to gross loan assets (Note 7)	4.43	4.43
(ii)	Net Stage III loan assets to gross loan assets (Note 8)	4.01	4.01
(iii)	Capital Adequacy Ratio (Note 9)	21.07%	21.07%
(iv)	Provision Coverage Ratio (Note 10)	9.43	9.43
u	Liquidity Coverage Ratio (Note 11)	281.64	281.64



Hedge Finance Limited

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- The information furnished is based on Standard Financial Results.

Notes:

1. The figures/ratios which are not applicable to the Company, being an NBFC are marked as "NA"
2. Debt- Equity Ratio = (Debt Securities + Borrowings (other than debt securities) + subordinated liabilities) / Equity Share Capital + Other Equity)
3. Net worth = Equity Share Capital + Other Equity – Deferred Revenue Expenditure
4. Total debts to total assets = (Debt Securities + Borrowings (other than debt securities) + subordinated liabilities) / Total Assets
5. Net profit margin (%) = Net profit after tax / Total Income
6. Capital Adequacy Ratio has been computed as per RBI guidelines
7. PCD = Total provisions / Gross NPAs

For Hedge Finance Ltd



Alex K Babu

Managing Director





Annexure II

Format for submitting the half yearly financial results by banks and NBFCs

(₹ In lacs)

Particulars	6 months ended (31/03/2022)	Corresponding 6 months ended in the previous year (31/03/2021)	Year to date Figures for Current Period Ended (31/03/2022)	Previous accounting year ended (31/03/2021)
	Audited	Audited	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	1623.07	1303.64	2984.99	2297.77
(a) Interest/disc. on advances/bills	1539.22	1252.68	2870.80	2239.19
(b) Income on investments	11.07	18.79	17.33	19.52
(c) Interest on balances with Reserve Bank of India and other interbank funds	-	-	-	-
(d) Others	72.77	32.17	96.86	39.06
2. Other Income	104.96	46.40	451.86	116.29
3. Total Income (1+2)	1728.02	1350.04	3436.85	2414.06
4. Interest Expended	889.16	768.66	1763.08	1413.21
5. Operating Expenses (i)+(ii)	669.42	497.80	1164.55	850.29
(i) Employee cost	284.16	225.79	552.83	407.67
(ii) Other operating expenses	385.26	272.00	611.73	442.61
(All items exceeding 10% of the total expenditure excluding interest expenditure may be shown separately)				
6. Total Expenditure (4+5) excluding provisions and contingencies	1558.58	1266.46	2927.64	2263.50
7. Operating Profit before Provisions and Contingencies (3-6)	169.45	83.58	509.21	150.56
8. Provisions (other than tax) and contingencies	92.98	16.99	139.35	80.61
9. Exceptional Items	-	-	-	-
10. profit (+)/ Loss (-) from Ordinary Activities before tax (7-8-9)	76.47	66.59	369.87	69.95
11. Tax expense	30.60	10.99	82.43	12.92
12. Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	45.87	55.60	287.44	57.03
13. Extraordinary items (net of tax expense)	.11	-	.11	-
14. Net profit (+)/ Loss (-) for the period (12-13)	45.76	55.60	287.33	57.03
15. Paid-up equity share capital (face value of share capital shall be indicated) of Rs 10 per share	2886.65	2247.18	2886.65	2247.18
16. Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)	45.76	36.72	518.96	231.63
17. Analytical Ratios				
(i) Capital Adequacy Ratio	21.07%	17.55%	21.07%	17.55%
(ii) Earning Per Share (EPS)	0.19	0.25	1.18	0.25
18. NPA Ratios				
a) Gross/Net NPA	1.1	1.56	1.1	1.56
b) % of Gross/Net NPA	4.43% / 4.03	2.82% / 1.81%	4.43% / 4.03	2.82% / 1.81%
c) Return on Assets	1.78	0.37	1.78	0.37

*strike off whichever is not applicable

Notes (as per RBI requirements)

- Employee cost under Operating expenses to include all forms of consideration given by the bank in Exchange for services rendered by employees. It should also include provisions for post-employment benefits such as gratuity, pension, other retirement benefits, etc.
- Extraordinary items as defined in Accounting Standard 5 as income or expenses that arise from the ordinary activities of the enterprise and therefore, are not expected to recur frequently or regularly.
- Since its our first reporting to SEBI, only YOY comparison is provided



CIN : U65923KL2011PLC027672

Hedge Finance Limited

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Web : www.hedgefinance.com



**THE MANAGER
BSE LIMITED, P J TOWERS
DALAL STREET
MUMBAI -400001**

**30 May 2022
Kochi**

Re. Scrip No.959111


Dear Sir/Madam

Sub: Declaration with respect to Audit report with unmodified opinion to the Audited Standalone Financial results for the financial year ended 31st March 2021

We declare that the audited standalone financial results for the year ended 31st March 2022 have been approved by the Board of Directors of the Company at their meeting held on 30th May 2022, the statutory Auditors of the Company , Mohandas & Associates ,Chartered Accountants,(Firm Reg.No:02116S) has not expressed any qualifications or any modified Opinion(s) in their Audit Report.

The above declaration is made in pursuant to Regulation 52 of the SEBI(LODR)Regulations,2015, as amended from time to time.

Thanking You
For Hedge Finance Limited


Girish Kumar .G
Company Secretary
ICSI Membership No: ACS 6146



CIN : U65923KL2011PLC027672

Hedge Finance Limited



To
The Manager
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai -400001

30th May 2022
Kochi

Disclosures required by Regulation 52(7) and Regulation 52 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended March 31 , 2022

As required by Regulation 52(7) and Regulation 52 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations , 2015 , we hereby state the following:

1. The proceeds of Non- Convertible Debentures issued by the Company have been fully utilized for the purpose for which these proceeds were raised;
2. There is no deviation in the use of proceeds of Non- Convertible Debentures as compared to the objects of the issue.

For Hedge Finance Limited

Alex Kalluvila Babu

Managing Director (DIN : 01254207)



CIN : U65923KL2011PLC027672

Hedge Finance Limited

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