



Arman Financial Services Limited

501-504, SAKAR III, OPP. OLD HIGH COURT, OFF ASHRAM ROAD, AHMEDABAD-380 014. GUJARAT, INDIA
PH. : +91-79-40507000, 27541989 e-mail : finance@armanindia.com Web : www.armanindia.com CIN : L55910GJ1992PLC018623

Date: June 29, 2020

To, BSE Limited P. J. Tower, Dalal Street, Mumbai-400001	To, National Stock Exchange of India Limited "Exchange Plaza" C-1, Block G, Bandra Kurla Complex, Bandra, Mumbai- 400051
Script Code: 531179 ISIN: INE109C01017	Symbol: ARMANFIN Series: EQ

Dear Sir,

Sub: Outcome of Board Meeting

Pursuant to Regulation 30, read with part A of Schedule III and Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we wish to inform you that the following decisions have been taken at the Meeting of the Board of Directors of the Company held today:

1. The Board of Directors has approved the audited standalone and consolidated financial results of the Company for the quarter and year ended March 31, 2020. Attached please find the standalone / consolidated financial results together with the Auditors Report thereon in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Due to current market situation, the Board has decided to conserve the resources of the Company and has decided not to declare final dividend for the FY 2019-20.
3. In accordance with SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, granting relaxation from the provision of Regulation 47 of the (Listing Obligations & Disclosure Requirements) Regulations, 2015, the above financial results will not be advertised in the newspapers. However, the same will be available on Company's website: www.armanindia.com.
4. Declaration of C.F.O. regarding unmodified opinion on the aforesaid Financial Results is attached.

The Meeting commenced at 3.45 p.m. and concluded at 5.15 p.m.

Thanking You

For, Arman Financial Services Limited

Jayendra Patel
Vice Chairman & Managing Director
(DIN: 00011814)





ARMAN FINANCIAL SERVICES LIMITED

Reg. off: 502-503, SAKAR III, OPP. OLD HIGH COURT, AHMEDABAD-380014

CIN:L55910GJ1992PLC018623 Ph-079-40507000; E-mail: finance@armanindia.com; Website: www.armanindia.com

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED ON MARCH 31, 2020

(Rs. In Lakhs except per share data)

Sr.No.	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Refer note 12	Unaudited	Refer note 12	Audited	Audited
1	Income from operations					
	a. Revenue from Operations					
	i. Interest Income	4,825.27	5,449.52	4,009.68	20,037.87	13,482.32
	ii. Gain on assignment of financial assets	450.33	-	-	450.33	-
	iii. Fees and Commission Income	200.45	173.80	105.05	646.04	387.71
	iv. Net Gain on Fair Value Changes of Investment Marked To Market	5.45	27.37	-33.32	16.46	21.04
	Total revenue from Operations	5,481.50	5,650.69	4,081.40	21,150.70	13,891.07
	b. Other Income	73.19	53.26	51.91	364.00	67.19
	Total Income	5,554.69	5,703.95	4,133.31	21,514.70	13,958.26
2	Expenses					
	a. Finance cost	2,488.61	2,129.32	1,881.18	8,759.37	5,833.69
	b. Impairment losses on financial assets	1,193.14	436.50	241.32	2,000.85	651.44
	c. Employees benefits expense	1,062.74	901.61	722.25	3,645.68	2,564.22
	d. Depreciation and amortisation expense	21.02	20.50	11.03	79.84	48.44
	e. Other expenses	493.64	403.99	409.97	1,651.35	1,237.58
	Total Expenses	5,259.14	3,891.93	3,265.76	16,137.08	10,335.37
3	Profit / (Loss) before an Exceptional and Tax (1-2)	295.55	1,812.02	867.55	5,377.62	3,622.89
4	Exceptional Items	-	-	-	-	-
5	Profit / (Loss) before Tax (3 - 4)	295.55	1,812.02	867.55	5,377.62	3,622.89
6	Tax Expense (net)					
	- Current tax	80.98	515.97	283.70	1,423.40	977.10
	- Short / (excess) Provision of Income Tax of earlier years	(2.78)	-	26.35	(2.78)	26.35
	- Deferred tax liability / (asset)	(163.20)	(60.16)	(160.04)	(195.00)	(23.74)
	Net Tax Expenses	(85.00)	455.81	150.02	1,225.61	979.72
7	Profit for the period / year from continuing operations (5-6)	380.55	1,356.22	717.53	4,152.00	2,643.17
8	Profit / (loss) from discontinued operations	-	-	-	-	-
9	Tax expense of discontinued operations	-	-	-	-	-
10	Profit / (loss) from discontinued operations (after tax) (8-9)	-	-	-	-	-
11	Profit for the period / year (7+10)	380.55	1,356.22	717.53	4,152.00	2,643.17
12	Other comprehensive income / (loss)					
	(a) (i) Items that will not be reclassified to profit and loss					
	- Remeasurement of Defined Benefit Obligations	(6.61)	(1.68)	(0.92)	(11.67)	(6.74)
	(ii) Income tax relating to items that will not be reclassified to profit and loss	1.64	0.43	0.36	2.94	1.96
	Sub Total (a)	(4.97)	(1.25)	(0.56)	(8.73)	(4.78)
	(b) (i) Items that will be reclassified to profit and loss					
	- Fair valuation gain / (loss) on financial instruments measured at FVOCI	70.14	20.09	(23.43)	85.68	(90.85)
	(ii) Income tax relating to items that will be reclassified to profit and loss	(20.30)	(5.15)	7.32	(24.29)	26.26
	Sub Total (b)	49.84	14.94	(16.11)	61.40	(64.59)
	Net Other comprehensive income / (loss) (a)+(b)	44.87	13.68	(16.67)	52.67	(69.36)
13	Total Comprehensive Income	425.42	1,369.90	700.86	4,204.67	2,573.81
	Paid up Equity Share capital (face value of Rs. 10/-)	845.09	845.01	695.23	845.09	695.23
14	Earnings per share (of Rs. 10/- Each)(Not Annualised)					
	(a) Basic EPS	5.11	16.45	10.34	55.80	38.09
	(b) Diluted EPS	5.09	16.38	8.32	55.54	30.72

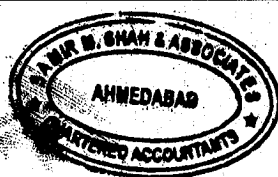


Notes

- 1 The unaudited consolidated financial results of the Company and its subsidiary (collectively referred to as the 'Group') have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act 2013 [the 'Act']. The Group has adopted Ind AS from 1 April 2019 with effective transition date of 1 April 2018 and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - Interim Financial Reporting, prescribed under section 133 of the Act and the other accounting principles generally accepted in India.
This transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act, read with rule 7 of Companies (Accounts) Rules 2014 (as amended), guidelines issued by Reserve Bank of India ('RBI') and other generally accepted accounting principles in India (collectively referred to as the 'Previous GMP'). Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2018 and the corresponding adjustments pertaining to comparative previous quarter as presented in these financial results have been restated / reclassified in order to conform to current period presentation.
These audited consolidated financial results have been drawn up on the basis of Ind AS that are applicable to the Company as at 31 March 2020 based on the Press Release issued by the Ministry of Corporate Affairs ('MCA') on 18 January 2016. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.
- 2 The figures have been presented in accordance with the format prescribed for the financial statements for a Non-Banking Finance Company ("NBFC") whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015, in Division III of Notification dated 11 October 2018 issued by the Ministry of Corporate Affairs, Government of India
- 3 As required by Ind AS 101, the profit reconciliation between the figures previously reported under Previous GAAP and restated as per Ind AS is as under:

Tax Effects on Above Adjustments	Year Ended	Year Ended
	31.03.2019	31.03.2019
Profit after tax as reported under previous GAAP	548.37	2,133.32
Adjustments resulting in Increase/(decrease) in profit after tax as reported under Previous GAAP		
i) Impact on On recognition of financial liabilities at amortised cost by application of Effective Interest Rate method	12.01	114.93
ii) Impact on On recognition of other financial Assets at amortised cost by application of Effective Interest Rate method	(112.58)	(217.83)
iii) Impact on recognition of ECL on Advances	(0.16)	185.25
iv) Impact on Employee stock options at Fair Value Method	72.58	65.63
v) Fair value Impact of Compulsory Convertible Debentures	98.84	387.13
vi) Impact Due to Rerecognition of Securitized portfolio on not qualifying Criteria of Ind AS 32	16.51	16.51
vii) Remeasurement of Defined Benefit Obligations	0.92	6.74
viii) Tax Effects on Above Adjustments	81.03	(48.51)
Profit after tax as reported under Ind AS (A)	717.53	2,643.18
Other Comprehensive Income /(loss) (net of tax)		
i) Fair Value change on Advances	60.68	(6.74)
ii) Tax Effects on Above Adjustments	(16.97)	1.96
iii) Remeasurement of Defined Benefit Obligations	(85.02)	(90.85)
iv) Tax Effects on Above Adjustments	24.65	26.26
Total Other Comprehensive Income / (loss) (net of tax) (B)	(16.66)	(69.36)
Total Comprehensive Income as reported under Ind AS (A+B)	700.87	2,573.81

Particulars	31-03-19
Equity Reported under previous GAAP	7,922.06
Impact on recognition of financial Assets & Liabilities at Amortized cost by application of Effective Interest Rate Method	(185.33)
Impact on application of Expected Credit Loss method for Loan Loss Provision	(187.20)
Impact on Re Recognition of sell out Portfolio as it is not qualifying for Derecognition	16.51
Employee Benefits (Share Based Payment)	(43.39)
Fair Valuation of Investment in Mutual Funds	61.48
Recognition of Compound Financial Instrument as Financial Asset & Financial Liabilities	4,792.28
Tax Impact on Above Adjustments	(6.24)
Other Comprehensive Income/ (Loss)	
Fair Value Through OCI	(68.84)
Tax impact on Above	20.05
Equity as per IND AS	12,321.37

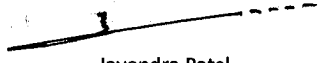


- 4 The audited consolidated financial results for the quarter and year ended 31 March 2020 along with restated comparative period have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 29th June 2020.
- 5 During the Year Ended on March 31, 2020, the Company has allotted 18,90,417 ordinary equity shares of Rs. 10/- each pursuant to conversion of Compulsorily Convertible Debentures (CCDs) into equity shares on October 11, 2019. Further, the Company has allotted 7,82,908 equity shares of Rs. 10/- each against extinguishment of 12,04,474 Class "A" ordinary equity shares (DVRs) of Rs. 10/- each pursuant approval of scheme of arrangement by Hon'ble NCLT vide it's order dated November 18, 2019.
- 6 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant slowdown in economic activity and volatility in the global and Indian financial markets. The Government of India announced nation-wide lockdown on March 24, 2020 till April 14, 2020 with subsequent extension till 31st May 2020 to contain the spread of virus. The lockdown has led to significant disruptions, impacting company's regular operations, including disbursements and collections activities due to inability of employees to physically reach out to the borrowers. The company's major operations are in rural parts of India where the impact of COVID-19 has been relatively less. The government has announced series of relief packages for rural India. This is expected to support the rural borrower's repayment capacity. The relaxations announced in the lockdown since June 1, 2020 has helped the company's employees to contact the borrowers and resume business activities.
- 7 Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and May 23, 2020 allowing the lending institutions to offer moratorium to certain class of borrowers on instalments falling due between march 1, 2020 to August 31, 2020. The company has extended / will be extending moratorium to its borrowers in accordance with its board approved policy. In managements view providing moratorium to the borrowers at a large scale based on RBIs directives by itself is not considered to result in a significant increase in the credit risk (SICR) for such borrowers. Further considering the unique and widespread impact of COVID-19 the management has estimated the expected credit loss in its provisions, based on the information available at this point of time.
- Accordingly, the provision for expected credit loss on financial assets as at 31 March 2020 aggregates, 1950.94 lakh (as at 31 March 2019, Rs. 800.28 lakhs which includes potential impact on account of the pandemic of Rs 667.71 lakhs. Based on the current indicators of future economic conditions. the Management considers this provision to be adequate.
- These estimates are based on the early indicators that are subject to uncertainty and severity and duration of the pandemic. Given these circumstances the business and financial metrics, including the expected credit losses could be different from that estimated by the management.
- 8 In terms of the requirement as per RBI notification no. RBI /2019-20/170 DOR (NBFCJ.CC.PD.No.109/22.10. 106/2019-20 dated 13 March 2020 on implementation of Indian Accounting Standards. Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and income recognition asset classification and provisioning IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning). As at 31 March 2020 and accordingly, no amount is required to be transferred to encashment reserve.
- 9 The Company has decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/remeasured using the new tax rate and the resultant impact is recognised during the year. Pursuant to the selection of this option, the Company has reversed deferred tax assets amounting to Rs. 26.10 lakhs due to reduction in corporate tax rate.
- 10 The Group has adopted Ind AS 116 "Leases" effective April 01, 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019 using modified retrospective method. The adoption of this standard did not have any material impact on the profit of the current quarter.
- 11 the Chief Operating Decision Maker ("CODM") reviews the operations at company level. The Company is engaged primarily on the business of "Financing Activities" only, which is considered to be the only reportable segment in accordance with the provisions of the Ind AS 108 – Operating Segments.
- 12 Figures for the quarter ended 31st March, 2020 and 31st March, 2019 are the balacing figures between audited figures for the full financial year and the reviewed year to date figures upto the third quarter of the respective financial years.
- 13 Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.

Date: 29.06.2020
Place: Ahmedabad



For and on behalf of the Board,
ARMAN FINANCIAL SERVICES LIMITED


Jayendra Patel
Vice Chairman & Managing Director
DIN-00011814





ARMAN FINANCIAL SERVICES LIMITED

Consolidated Balance Sheet as at 31st March, 2020

(Rs. in Lakhs)

Particulars	31st March, 2020	31st March, 2019	1st April, 2018
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	5,842.09	3,832.02	798.02
(b) Bank Balance other than (a) above	3,841.60	3,021.92	2,137.89
(c) Loans	77,849.33	67,044.82	41,261.24
(d) Investments	325.90	331.64	310.59
(e) Other Financial assets	748.47	451.89	494.58
(2) Non-financial Assets			
(a) Current tax assets (Net)	50.30	-	-
(b) Deferred tax Assets (Net)	478.68	192.30	253.07
(c) Property, Plant and Equipment	352.93	325.03	259.13
(d) Other Intangible assets	17.69	25.88	22.39
(e) Right of Use Assets	73.93	-	-
(f) Other non-financial assets	35.52	59.18	34.08
Total Assets	89,616.46	75,284.67	45,570.98
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	78.00	96.91	26.57
(b) Debt Securities	10,570.98	6,686.27	3,302.26
(c) Borrowings (Other than Debt Securities)	57,705.63	53,016.85	34,551.52
(d) Subordinated Liabilities	1,500.00	1,500.00	1,500.00
(e) Other financial liabilities	2,332.66	1,186.88	576.82
(2) Non-Financial Liabilities			
(a) Provisions	79.98	46.88	26.42
(b) Current Tax Liabilities (Net)	-	293.55	52.32
(c) Other non-financial liabilities	126.68	135.96	69.47
(3) EQUITY			
(a) Equity Share capital	845.09	695.23	692.47
(b) Other Equity	16,377.44	11,626.14	4,773.12
Total Liabilities and Equity	89,616.46	75,284.67	45,570.98





ARMAN FINANCIAL SERVICES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Rs. in Lakhs)

PARTICULARS	31-Mar-20	31-Mar-19
Cash from Operating Activities:		
Net profit before taxation	5,377.61	3,622.89
Adjustment For:		
Depreciation and amortisation	79.84	48.44
Interest Income	(20,037.87)	(13,482.32)
Net gain on equity instruments measured through profit and loss	(16.46)	(21.04)
Finance cost Expense	8,748.57	5,779.79
Provision for impairment on financial assets	1,150.66	19.03
(Profit) / loss on sale of property, plant and equipment	-	(6.26)
Loss / (Profit) on sale of Current Investment	(252.45)	(48.62)
Remeasurement of define benefit plan	(11.67)	(6.74)
Employee Stock Option Plan Expense	26.46	59.22
Interest on shortfall of advance Tax	10.80	53.90
	(10,302.12)	(7,604.60)
Operating profit before working Capital changes :	(4,924.50)	(3,981.70)
Adjustment For Increase/(Decrease) in Operating Assets:		
Loans and Advances	(11,852.89)	(24,767.45)
Financial Assets	(216.97)	33.87
Non Financial Assets	1.08	(14.16)
Bank balance other than Cash and Cash equivalents	(819.68)	(884.04)
Adjustment For Increase/(Decrease) in Operating Liabilities:		
Trade Payables	(18.91)	70.34
Other Non Financial liability	(9.28)	66.48
Other Financial Liabilities	669.73	485.49
Provision	33.10	20.46
	(12,213.81)	(24,989.01)
Cash Generated From Operations	(17,138.31)	(28,970.71)
Interest Income Received	19,980.84	13,480.21
Finance Cost Paid	(8,612.26)	(5,769.03)
Income tax paid	(1,775.28)	(816.12)
Net Cash From Operating Activities:	(7,545.00)	(22,075.66)
Cash Flow From Investing Activities:		
Purchase of Property, Plant & Equipment	(84.77)	(176.76)
Purchase of Current investments	(55,290.00)	(17,050.00)
Proceeds from Sale/redemption of investments	55,564.64	17,098.62
Sale of Property, Plant & Equipment	-	65.18
Net Cash from Investment Activities:	189.87	(62.95)
Cash Flow From Financing Activities :		
Proceeds from issue of share capital	14.87	13.82
Dividend paid	(115.70)	(84.61)
Share Issue Expense	(11.48)	-
Proceeds from long term borrowings	54,204.63	42,363.74
Repayment of borrowings	(42,776.14)	(15,035.54)
Net increase / (decrease) in working capital borrowings	(1,941.07)	(2,084.80)
Repayment of Principal Component of Lease Liability	(9.91)	-
Net Cash from Financing Activities:	9,365.21	25,172.62
Net Increase in Cash & Cash Equivalents	2,010.08	3,034.00
Cash & cash equivalents at the beginning	3,832.17	798.17
Cash & cash equivalents at the end	5,842.24	3,832.17



Independent Auditor's Report on Consolidated Financial Results of Arman Financial Services Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended.

To the Board of Directors of
Arman Financial Services Limited
Ahmedabad.

Opinion

1. We have audited the accompanying consolidated annual financial results of **Arman Financial Services Limited** (hereinafter referred to as the 'Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as the 'Group'), for the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations'). In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate audited consolidated financial statements of the subsidiary, the aforesaid consolidated annual financial results:
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate audited financial statements of the subsidiary, the aforesaid consolidated annual financial results:
 - a. include the annual financial results of the following entities:

Namra Finance Limited (Subsidiary Company)
 - b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
 - c. gives a true and fair view in conformity with applicable Indian accounting standards prescribed under section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the net profit and total comprehensive income and other financial information of the group for the year ended March 31st, 2020.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143 (10) of the Companies Act, 2013 (the 'Act'). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act, and the Rules thereunder; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub paragraph (a) of the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Emphasis of Matter

4. As described in Note 6 to the Consolidated Financial Results, the extent to which the COVID-19 pandemic will impact the group's financial performance is dependent on future developments, which are highly uncertain.

As described in Note 7 to the Consolidated annual financial results, in respect of accounts overdue but standard as at 29 February 2020 where moratorium benefit has been granted, the staging of those accounts as at 31 March 2020 is based on the days past due status as on 29 February 2020, in accordance with Reserve Bank of India COVID-19 Regulatory Package.

Our opinion is not modified in respect of the above matters.

Management's Responsibilities for the Consolidated Financial Results

5. These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit / loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and the Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and

completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statement

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control 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 explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
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- 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 Consolidated Financial Statement 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 group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statement, including the disclosures, and whether the Consolidated Financial Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial results of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entity included in the consolidated annual financial results, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Our responsibilities in this regard are further described in para (7) of the section titled 'Other Matters' in this audit report.

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

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

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 issued by the Securities and Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

7.1. The consolidated annual financial results include the audited financial results of a subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 66,465.26 lakhs as at 31 March 2020, total revenue (before consolidation adjustments) of Rs. 14,585.38 lakhs, total net profit after tax (before consolidation adjustments) of Rs. 2,519.54 lakhs and net cash inflow of Rs. 2436.65 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by its independent auditor. The independent auditor's report on the financial statements of this entity has been furnished to us by Management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in the paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

7.2. The statement includes the results for three month ended 31st March 2020 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the nine months of the current financial year which were subject to limited review by us.

For, Samir M Shah & Associates
Chartered Accountants
(Firm Regd. No: 122377W)

Place: Ahmedabad
Date: 29th June, 2020



Samir M Shah

(Samir M Shah)
Partner
(M.No.111052)

(UDIN: 20111052AAAAIS7661)



ARMAN FINANCIAL SERVICES LIMITED

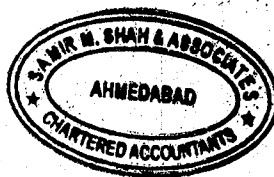
Reg. off: 502-503, SAKAR III, OPP. OLD HIGH COURT, AHMEDABAD-380014 GUJARAT

CIN:L55910GJ1992PLC018623 Ph-079-40507000; E-mail: finance@armanindia.com; Website: www.armanindia.com

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED ON MARCH 31, 2020

(Rs. In Lakhs except per share data)

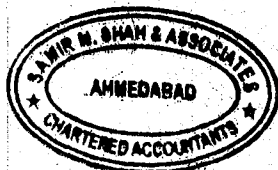
Sr.No.	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Refer Note-13	Unaudited	Refer Note-13	Audited	Audited
1	Income from operations					
	a. Revenue from Operations					
	i. Interest Income	1,472.90	1,828.14	1,381.20	6,537.65	4,660.15
	ii. Gain on Assignment of Financial Assets	173.66	-	-	173.66	-
	Total revenue from Operations	1,646.57	1,828.14	1,381.20	6,711.31	4,660.15
	b. Other Income	68.38	72.48	47.64	298.86	177.69
	Total Income	1,714.95	1,900.62	1,428.85	7,010.17	4,837.85
2	Expenses					
	a. Finance cost	605.10	562.44	531.59	2,202.74	1,569.32
	b. Impairment on Financial Assets	408.96	149.03	73.04	668.79	280.49
	c. Employees benefits expense	362.03	339.81	275.24	1,323.12	945.70
	d. Depreciation and amortisation expense	2.83	2.92	2.09	11.15	10.99
	e. Other expenses	154.93	138.99	173.88	521.76	463.70
	Total Expenses	1,533.85	1,193.20	1,055.83	4,727.56	3,270.19
3	Profit / (Loss) before an Exceptional and Tax (1-2)	181.10	707.42	373.02	2,282.62	1,567.66
4	Exceptional Items	-	-	-	-	-
5	Profit / (Loss) before Tax (3 - 4)	181.10	707.42	373.02	2,282.62	1,567.66
6	Tax Expense (net)					
	- Current tax	31.09	188.47	85.85	516.10	297.10
	- Short / (excess) Provision of Income Tax of earlier years	0.78	-	26.35	0.78	26.35
	- Deferred tax liability / (asset)	(66.12)	(24.52)	(86.27)	(58.04)	8.60
	Net Tax Expenses	(34.25)	163.95	25.94	458.85	332.05
7	Profit for the period / year from continuing operations (5-6)	215.35	543.47	347.08	1,823.77	1,235.60
8	Profit / (loss) from discontinued operations	-	-	-	-	-
9	Tax expense of discontinued operations	-	-	-	-	-
10	Profit / (loss) from discontinued operations (after tax) (8-9)	-	-	-	-	-
11	Profit for the period / year (7+10)	215.35	543.47	347.08	1,823.77	1,235.60
12	Other comprehensive income / (loss)					
	(a) (i) Items that will not be reclassified to profit and loss					
	- Remeasurement of Defined Benefit Obligations	(1.80)	(1.03)	3.12	(4.87)	(4.09)
	(ii) Income tax relating to items that will not be reclassified to profit and loss	0.44	0.27	(0.81)	1.23	1.19
	Sub Total (a)	(1.36)	(0.76)	2.31	(3.64)	(2.90)
	(b) (i) Items that will be reclassified to profit and loss					
	- Fair valuation gain / (loss) on financial instruments measured at FVOCI	40.04	27.41	17.69	46.05	(35.79)
	(ii) Income tax relating to items that will be reclassified to profit and loss	(11.27)	(7.02)	(4.52)	(12.81)	10.36
	Sub Total (b)	28.77	20.39	13.17	33.24	(25.43)
	Net Other comprehensive income / (loss) (a)+(b)	27.40	19.63	15.48	29.59	(28.33)
13	Total Comprehensive Income	242.75	563.10	362.55	1,853.36	1,207.27
	Paid up Equity Share capital (face value of Rs. 10/-)	845.09	845.01	695.23	845.09	695.23
14	Earnings per share (of Rs. 10/- Each)(Not Annualised)					
	(a) Basic EPS	2.89	6.59	5.00	24.51	17.81
	(b) Diluted EPS	2.88	6.56	4.13	24.39	14.78



- 1 The audited standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act 2013 [the 'Act']. The Company has adopted Ind AS from 1 April 2019 with effective transition date of 1 April 2018 and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - Interim Financial Reporting, prescribed under section 133 of the Act and the other accounting principles generally accepted in India.
- This transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act, read with rule 7 of Companies (Accounts) Rules 2014 (as amended), guidelines issued by Reserve Bank of India ('RBI') and other generally accepted accounting principles in India (collectively referred to as the 'Previous GMP'). Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2018 and the corresponding adjustments pertaining to comparative previous quarter as presented in these financial results have been restated / reclassified in order to conform to current period presentation.
- These audited standalone financial results have been drawn up on the basis of Ind AS that are applicable to the Company as at 31 March 2020 based on the Press Release issued by the Ministry of Corporate Affairs ('MCA') on 18 January 2016. Any application guidance / clarifications / directions Issued by RBI or other regulators are implemented as and when they are issued / applicable.
- 2 The figures have been presented in accordance with the format prescribed for the financial statements for a Non-Banking Finance Company ("NBFC") whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015, in Division III of Notification dated 11 October 2018 issued by the Ministry of Corporate Affairs, Government of India.
- 3 As required by Ind AS 101, the profit reconciliation between the figures previously reported under Previous GAAP and restated as per Ind AS is as under:

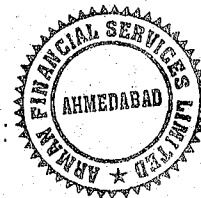
Description	Quarter Ended	Year Ended
	31.03.2019	31.03.2019
Profit after tax as reported under previous GAAP	133.51	637.87
Adjustments resulting in Increase/(decrease) in profit after tax as reported under Previous GAAP		
i) Impact on On recognition of financial liabilities at amortised cost by application of Effective Interest Rate method	12.97	75.97
ii) Impact on On recognition of other financial Assets at amortised cost by application of Effective Interest Rate method	(46.95)	(23.99)
iii) Impact on recognition of ECL on Advances	3.25	(6.30)
iv) Impact on Employee stock options at Fair Value Method	34.13	26.58
v) Fair value Impact of Compulsory Convertible Debentures	98.84	387.13
vi) Impact due to fair valuation of Financial Guarantee	45.34	160.13
vii) Defined Benefit Obligation Through OCI	(3.12)	4.09
viii) Impact Due to Rerecognition of Securitized portfolio on not qualifying Criteria of Ind AS 32	1.35	1.35
ix) Tax Effects on Above Adjustments	67.75	(27.23)
Profit after tax as reported under Ind AS (A)	347.08	1,235.60
Other Comprehensive Income / (loss) (net of tax)		
- Remeasurement of Defined Benefit Obligations	3.12	(4.09)
- Tax Impact on Above	(0.81)	1.19
- Fair Value change on Advances	17.69	(35.79)
- Tax Impact on Above	(4.52)	10.36
Total Other Comprehensive Income / (loss) (net of tax) (B)	15.48	(28.33)
Total Comprehensive Income as reported under Ind AS (A+B)	362.55	1,207.27

Particulars	31.03.2019
Equity Reported under previous GAAP	4,756.71
Impact on recognition of financial Assets & Liabilities at Amortized cost by application of Effective Interest Rate Method	129.24
Impact on application of Expected Credit Loss method for Loan Loss Provision	(155.87)
Impact on Re Recognition of sell out Portfolio as it is not qualifying for Derecognition	1.35
Employee Benefits (Share Based Payment)	(43.39)
Financial Guarantee To Subsidiary	218.58
Recognition of Compound Financial Instrument as Financial Asset & Financial Liabilities	4,792.28
Tax Impact on Above Adjustments	(96.28)
Other Comprehensive Income/ (Loss)	
Fair Value Through OCI	(30.91)
Tax impact on Above	9.00
Equity as per IND AS	9,580.72

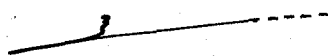


- 4 The audited standalone financial results for the quarter and year ended 31 March 2020 along with restated comparative period have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 29th June 2020.
- 5 During the year ended March 31, 2020 the Company has made an investment of Rs. 990 lakhs in Namra Finance Limited (WOS), by subscribing 30,00,000 Equity shares of 10/- each at a issue price of Rs. 33/- per share.
- 6 During the Year Ended on March 31, 2020, the Company has allotted 18,90,417 ordinary equity shares of Rs. 10/- each pursuant to conversion of Compulsorily Convertible Debentures (CCDs) into equity shares on October 11, 2019. Further, the Company has allotted 7,82,908 equity shares of Rs. 10/- each against extinguishment of 12,04,474 Class "A" ordinary equity shares (DVRs) of Rs. 10/- each pursuant approval of scheme of arrangement by Hon'ble NCLT vide it's order dated November 18, 2019.
- 7 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant slowdown in economic activity and volatility in the global and Indian financial markets. The Government of India announced nation-wide lockdown on March 24, 2020 till April 14, 2020 with subsequent extension till 31st May 2020 to contain the spread of virus. The lockdown has led to significant disruptions, impacting company's regular operations, including disbursements and collections activities due to inability of employees to physically reach out to the borrowers. The company's major operations are in rural parts of India where the impact of COVID-19 has been relatively less. The government has announced series of relief packages for rural India. This is expected to support the rural borrower's repayment capacity. The relaxations announced in the lockdown since June 1, 2020 has helped the company's employees to contact the borrowers and resume business activities.
- 8 Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and May 23, 2020 allowing the lending institutions to offer moratorium to certain class of borrowers on instalments falling due between march 1, 2020 to August 31, 2020. The company has extended / will be extending moratorium to its borrowers in accordance with its board approved policy. In managements view providing moratorium to the borrowers at a large scale based on RBIs directives by itself is not considered to result in a significant increase in the credit risk (SICR) for such borrowers. Further considering the unique and widespread impact of COVID-19 the management has estimated the expected credit loss in its provisions, based on the information available at this point of time. Accordingly, the provision for expected credit loss on financial assets as at 31 March 2020 aggregates, 611.10 lakhs (as at 31 March 2019, Rs. 276.94 lakh) which includes potential impact on account of the pandemic of Rs 214.72 lakh. Based on the current indicators of future economic conditions. the Management considers this provision to be adequate. These estimates are based on the early indicators that are subject to uncertainty and severity and duration of the pandemic. Given these circumstances the business and financial metrics, including the expected credit losses could be different from that estimated by the management.
- 9 In terms of the requirement as per RBI notification no. RBI /2019-20/170 DOR (NBFC).CC.PD.No.109/22.10. 106/2019-20 dated 13 March 2020 on implementation of Indian Accounting Standards. Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and income recognition asset classification and provisioning IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning). As at 31 March 2020 and accordingly, no amount is required to be transferred to encashment reserve.
- 10 The Company has decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/remeasured using the new tax rate and the resultant impact is recognised during the year. Pursuant to the selection of this option, the Company has reversed deferred tax Liabilities amounting to Rs. 7.15 lakhs due to reduction in corporate tax rate.
- 11 The Company has adopted Ind AS 116 "Leases" effective April 01, 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019 using modified restrospective method. The adoption of this standard did not have any material impact on the profit of the current quarter.
- 12 The Chief Operating Decision Maker ("CODM") reviews the operations at company level. The Company is engaged primarily on the business of "Financing Activities" only, which is considered to be the only reportable segment in accordance with the provisions of the Ind AS 108 – Operating Segments.
- 13 Figures for the quarter ended 31st March, 2020 and 31st March, 2019 are the balancing figures between audited figures for the full financial year and the reviewed year to date figures upto the third quarter of the respective financial years.
- 14 Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.

Date: 29.06.2020
Place: Ahmedabad



For and on behalf of the Board,
ARMAN FINANCIAL SERVICES LIMITED


Jayendra Patel
Vice Chairman & Managing Director
DIN-00011814



ARMAN FINANCIAL SERVICES LIMITED

Standalone Balance Sheet as at 31st March, 2020

(Rs. In lakhs)

	Particulars	31st March, 2020	31st March, 2019	1st April, 2018
	ASSETS			
(1)	Financial Assets			
(a)	Cash and cash equivalents	34.15	460.73	33.88
(b)	Bank Balance other than (a) above	561.29	739.88	646.57
(c)	Loans	22,314.24	19,788.15	11,010.16
(d)	Investments	6,236.69	5,109.17	2,339.69
(e)	Other Financial assets	232.66	143.69	155.13
(2)	Non-financial Assets			
(a)	Current tax assets (Net)	130.63	47.40	104.73
(b)	Deferred tax Assets (Net)	106.49	-	57.08
(c)	Property, Plant and Equipment	82.31	77.13	140.99
(d)	Other Intangible assets	0.81	2.13	3.66
(e)	Other non-financial assets	20.44	21.19	16.31
	Total Assets	29,719.68	26,389.46	14,508.19
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	Financial Liabilities			
(a)	Debt Securities	6,453.90	3,369.08	-
(b)	Borrowings (Other than Debt Securities)	10,118.97	12,367.05	9,608.58
(c)	Subordinated Liabilities	500.00	500.00	500.00
(d)	Other financial liabilities	498.07	422.29	270.93
(2)	Non-Financial Liabilities			
(a)	Provisions	35.21	22.84	14.18
(b)	Deferred Tax Liabilities (Net)	-	52.70	-
(c)	Other non-financial liabilities	39.86	74.78	23.03
(3)	EQUITY			
(a)	Equity Share capital	845.09	695.23	692.47
(b)	Other Equity	11,228.60	8,885.49	3,399.01
	Total Liabilities and Equity	29,719.68	26,389.46	14,508.19





ARMAN FINANCIAL SERVICES LIMITED

STANDLAONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Rs. In Lakhs)

PARTICULARS	31-Mar-20	31-Mar-19
A: Cash from Operating Activities:		
Net profit before taxation	2,282.62	1,567.66
Adjustment For:		
Depreciation and amortisation	11.15	10.99
Interest Income	(6,537.65)	(4,660.15)
Finance cost Expense	2,195.44	1,553.42
Provision for impairment on financial assets	334.15	40.73
(Profit) / loss on sale of property, plant and equipment		(6.31)
Remeasurement of define benefit plan	(4.87)	(4.09)
Employee Stock Option Plan Expense	17.56	29.88
Interest on shortfall of advance Tax	7.30	15.90
Financial Gaurantee Income	(191.32)	(160.13)
	(4,168.25)	(3,179.77)
Operating profit before working Capital changes :	(1,885.63)	(1,612.11)
Adjustment For Increase/(Decrease) in Operating Asséts:		
Loans and Advances	(2,814.19)	(8,854.52)
Financial Assets	(71.49)	12.54
Non Financial Assets	(4.58)	1.05
Bank balance other than Cash and Cash equivalents	178.59	(93.31)
Adjustment For Increase/(Decrease) in Operating Liabilities:		
Other Non Financial liability	(34.92)	51.76
Other Financial Liabilities	37.74	99.99
Provision	12.37	8.66
	(2,696.48)	(8,773.84)
Cash Generated From Operations	(4,582.11)	(10,385.95)
Interest Income Received	6,525.50	4,653.12
Finance Cost Paid	(2,136.84)	(1,576.90)
Income tax paid	(607.41)	(282.02)
Net Cash From Operating Activities:	(800.87)	(7,591.74)
B: Cash Flow From Investing Activities:		
Purchase of Property, Plant & Equipment	(15.00)	(4.28)
Purchase of investments	(990.00)	(2,580.00)
Sale of Property, Plant & Equipment	-	65.00
Net Cash from Investment Activities:	(1,005.00)	(2,519.28)
C: Cash Flow From Financing Activities :		
Proceeds from issue of share capital	14.87	13.82
Dividend paid	(115.70)	(84.61)
Share Issue Expense	(5.67)	-
Proceeds from long term borrowings	9,789.79	17,273.39
Repayment of borrowings	(6,925.56)	(5,256.65)
Net increase / (decrease) in working capital borrowings	(1,378.44)	(1,408.07)
Net Cash from Financing Activities:	1,379.29	10,537.88
Net Increase in Cash & Cash Equivalents	(426.58)	426.85
Cash & cash equivalents at the beginning	460.73	33.88
Cash & cash equivalents at the end	34.15	460.73



Independent Auditor's Report on Standalone Financial Results of Arman Financial Services Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended.

To the Board of Directors of
Arman Financial Services Limited
Ahmedabad.

Opinion

1. We have audited the accompanying Statement of Standalone Financial Result of Arman Financial Services Limited (the 'Company') for the year ended March 31, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- b. gives a true and fair view in conformity with applicable Indian accounting standards prescribed under section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the net profit and total comprehensive income and other financial information of the Company for the year ended March 31st, 2020.

Basis for Opinion

2. We conducted our audit 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 Standalone Financial Results 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 Standalone Financial Results under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Results.

Emphasis of Matter

3. As described in Note 7 to the Standalone Financial Results, the extent to which the COVID-19 pandemic will impact the company's operations and financial performance is dependent on future developments, which are highly uncertain.

As described in Note 8 to the standalone annual financial results, in respect of accounts overdue but standard as at 29 February 2020 where moratorium benefit has been granted, the staging of those accounts as at 31 March 2020 is based on the days past due status as on 29 February 2020, in accordance with Reserve Bank of India COVID-19 Regulatory Package.

Our opinion is not modified in respect of the above matters.

Management's Responsibilities for the Standalone Financial Results

4. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited Standalone Financial Statements. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with Indian accounting standards prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations, as amended.

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 Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Statement

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control 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 explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
-

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

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

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

Other Matters

6. The statement includes the results for three month ended 31st March 2020 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the nine months of the current financial year which were subject to limited review by us.

Place: Ahmedabad
Date: 29th June, 2020

For, Samir M Shah & Associates
Chartered Accountants
(Firm Regd. No: 122377W)



(Samir M Shah)
Partner
(M.No.111052)

(UDIN: 2011052AAAAIR8785)



Arman Financial Services Limited

501-504, SAKAR III, OPP. OLD HIGH COURT, OFF. ASHRAM ROAD, AHMEDABAD-380 014. GUJARAT, INDIA
PH. : +91-79-40507000, 27541989 e-mail : finance@armanindia.com Web : www.armanindia.com CIN : L55910GJ1992PLC018623

Date: June 29, 2020

To, BSE Limited P. J. Tower, Dalal Street, Mumbai-400001	To, National Stock Exchange of India Limited "Exchange Plaza" C-1, Block G, Bandra Kurla Complex, Bandra, Mumbai- 400051
Script Code: 531179 ISIN: INE109C01017	Symbol: ARMANFIN Series: EQ

Dear Sir,

Sub: Declaration Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

Declaration

We hereby declare that the statutory Auditors, M/s Samir. M. Shah & Associates, Chartered Accountant have issued Audit Report(s) with unmodified opinion on Standalone & Consolidated Audited Financial Results for the quarter / year ended on March 31, 2020.

This declaration is issued in compliance of Regulation 33(3)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

Kindly take it on your record.

Yours faithfully,

For, Arman Financial Services Limited

Vivek Modi
Group C.F.O.

