Draft Prospectus
July 28, 2023

VIVRITI CAPITAL LIMITED

(formerly known as Vivriti Capital Private Limited)

Our Company was incorporated as Vivriti Capital Private Limited on June 22, 2017 as a private limited company under the provisions of the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Central Registration Centre on behalf of the Registrar of Companies, Tamil Nadu at Chennai ("**RoC**"). Our Company has obtained a certificate of registration bearing number N-07.00836 dated January 5, 2018, issued by the RBI to commence/ carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934. Our Company was converted from a private limited company to a public limited company pursuant to a special resolution passed by our Shareholders on May 10, 2023, and the name of our Company was changed to 'Vivriti Capital Limited'. Further, a fresh certificate of incorporation dated June 9, 2023 consequent upon change of name on conversion to a public limited company was granted by the RoC.[(1)] For details regarding changes to our Registered Office, see "*History and Certain Corporate Matters*" beginning on page 117.

[(1)] Our Company has made an application dated June 12, 2023 to the RBI to obtain a fresh certificate under Section 45IA of the RBI Act, 1934 pursuant to conversion upon change of name of our Company from a private limited to a public limited company to commence/ or carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.

Corporate Identity Number: U65929TN2017PLC117196**; PAN:** AAFCV9757P
Registered Office and Corporate Office: Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai 600 002, Tamil Nadu, India
Tel: +91 44 4007 4800; **Website**: www.vivriticapital.com; **Email**: contact@vivriticapital.com
Compliance Officer for the Issue and Company Secretary: P S Amritha; **Tel**: +91 44 4007 4800; **Email**: cs@vivriticapital.com
Chief Financial Officer: Srinivasaraghavan B; **Tel**: +91 44 4007 4800; **Email**: Srinivasaraghavan.B@vivriticapital.com

PUBLIC ISSUE BY OUR COMPANY OF SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH ("NCDS") FOR AN AMOUNT UP TO ₹ 25,000 LAKH ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹ 25,000 LAKH ("GREEN SHOE OPTION"), CUMULATIVELY AGGREGATING UP TO 50,00,000 NCDs FOR AN AGGREGATE AMOUNT OF UP TO ₹ 50,000 LAKH ("ISSUE SIZE" OR "ISSUE LIMIT") (HEREINAFTER REFERRED TO AS THE "ISSUE") THROUGH THIS DRAFT PROSPECTUS AND THE PROSPECTUS ("ISSUE DOCUMENT").

THIS ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON - CONVERTIBLE SECURITIES) REGULATIONS, 2021, AS AMENDED (THE "SEBI NCS REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT, 2013") AND THE SEBI MASTER CIRCULAR.

OUR PROMOTERS

Our Promoters are Vineet Sukumar and Gaurav Kumar; **Email**: compliance@vivriticapital.com; **Tel:** +91 44 4007 4800. For further details, see "*Our Promoters*" beginning on page 151.

GENERAL RISKS

Investment in non-convertible securities is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under "*Risk Factors*" and "*Material Developments*" on page 14 and 212 respectively of this Draft Prospectus. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities. This Draft Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), RoC or any stock exchange in India nor do they guarantee the accuracy or adequacy of this document.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus, contains and will contain all information with regard to our Company and the Issue, which is material in the context of this Issue. The information contained in this Draft Prospectus, is true and correct in all material respects and is not misleading and that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading.

CREDIT RATING

The NCDs proposed to be issued pursuant to this Issue have been rated [ICRA] A (Stable) by ICRA Limited for an amount of up to ₹ 50,000 Lakh by way of its letter dated June 7, 2023 (and revalidation letter dated July 12, 2023) and rated CARE A; Positive by CARE Ratings Limited for an amount of up to ₹ 50,000 Lakh by way of its letter dated June 12, 2023 (and revalidation letter dated July 11, 2023). Ratings issued by ICRA Limited and CARE Ratings Limited will continue to be valid for the life of the instrument unless withdrawn or reviewed. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. The rating provided by ICRA Limited and Care Ratings Limited may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. For the rationale, revalidated letters and press release for these ratings, see *"General Information"*, "*Annexure B*" and "*Annexure C*" of this Draft Prospectus, beginning on page 32, 332 and 333 respectively.

PUBLIC COMMENTS

This Draft Prospectus dated July 28, 2023 has been filed with BSE Limited ("**BSE**") (the "**Stock Exchange**"), pursuant to Regulation 27(2) of the SEBI NCS Regulations and will be open for public comments for a period of seven Working Days (i.e., until 5:00 p.m.) from the date of filing of this Draft Prospectus with the Stock Exchange. All comments on this Draft Prospectus are to be forwarded to the attention of P S Amritha, Compliance Officer for the Issue at the following address: Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai 600 002, Tamil Nadu, India, Tel: +91 44 4007 4800; Email: cs@vivriticapital.com. Comments may be sent through post or email. However, please note that all comments by post must be received by the Issuer by 5:00 p.m. (Indian Standard Time) on the seventh Working Day from the date on which this Draft Prospectus is hosted on the website of the Stock Exchange. All comments received on this Draft Prospectus will be suitably addressed prior to filing of the Prospectus with the RoC.

LISTING

The NCDs offered through this Draft Prospectus along with the Prospectus are proposed to be listed on BSE Limited ("**BSE**") (the "**Stock Exchange**"). Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number [●] dated [●]. For the purposes of this Issue, BSE shall be the Designated Stock Exchange.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT AND ELIGIBLE INVESTORS

For details pertaining to Coupon Rate, Coupon Payment Frequency, Redemption Date and Redemption Amount of the NCDs, see "*Terms of the Issue*" beginning on page 216. For details relating to eligible investors, see "*Issue Structure*" beginning on page 232. The Issue is not underwritten.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India **Tel:** +91 22 6630 3030 **Facsimile:** +91 22 6630 3330 **Email**: vcl.ncdissue2023@jmfl.com **Investor Grievance Email:** grievance.ibd@jmfl.com **Website:** www.jmfl.com **Contact Person:** Prachee Dhuri **SEBI Registration No.:** INM000010361 **CIN:** L67120MH1986PLC038784	**Integrated Registry Management Services Private Limited** II Floor, "Kences Towers", No.1 Ramakrishna Street, North Usman Road, T Nagar, Chennai 600 017, Tamil Nadu, India **Tel:** 044-28140801/802/ 803 **Facsimile:** 044-28142479 **Email:** yuvraj@intergratedindia.in **Investor Grievance Email:** corpserv@integratedindia.in **Website:** www.integratedindia.in **Contact Person:** S Yuvraj **Compliance Officer:** Sriram S **SEBI Registration No.:** INR000000544 **CIN:** U74900TN2015PTC101466

CREDIT RATING AGENCIES		DEBENTURE TRUSTEE**	STATUTORY AUDITOR
ICRA Limited Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon 122 002, India **Tel:** +91 124 4050424 **Email:** shivakumar@icraindia.com **Website:** www.icra.in **Contact Person:** L. Shivakumar **SEBI Registration No.:** IN/CRA/008/15 **CIN:** L74999DL1991PLC042749	**CARE Ratings Limited** 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion(E), Mumbai 400 022, Maharashtra, India **Tel:** +91 22 6754 3456 **Email:** P.Sudhakar@careedge.in **Website:** www.careratings.com/ **Contact Person:** Sudhakar Prakasam **SEBI Registration No.:** IN/CRA/004/1999 **CIN:** L67190MH1993PLC071691	**Catalyst Trusteeship Limited**** GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune 411 038, Maharashtra, India **Tel:** +91 22 4922 0555 **Email:** deesha.trivedi@ctltrustee.com **Investor Grievance Email:** grievance@ctltrustee.com **Website:** catalysttrustee.com/ **Contact Person:** Deesha Trivedi **Compliance Officer:** Kalyani Pandey **SEBI Registration No.:** IND000000034 **CIN:** U74999PN1997PLC110262	**B S R & Co. LLP** KRM Tower, 1st & 2nd Floors, No.1, Harrington Road, Chetpet, Chennai 600 031, Tamil Nadu, India. **Tel:** +91 44 4608 3100 / +91 44 4608 3199 **Firm registration no.:** 101248W/W-100022 **Email:** sethuramans@bsraffliates.com **Peer review certificate no.:** 014196 **Contact Person:** S Sethuraman

ISSUE PROGRAMME*

ISSUE OPENS ON: As specified in the Prospectus	**ISSUE CLOSES ON:** As specified in the Prospectus

** This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period indicated above, except that this Issue may close on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of ten Working Days from the date of opening of the Issue and subject to not exceeding thirty days from filing the Prospectus with ROC) as may be decided by the Board of Directors of our Company or Borrowing Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Issue our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 216 of this Draft Prospectus.*

***Catalyst Trusteeship Limited pursuant to Regulation 8 of the SEBI NCS Regulations and by way of letter dated July 20, 2023 has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Draft Prospectus, the Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.*

A copy of the Prospectus shall be filed with the RoC, in terms of Section 26 of the Companies Act, 2013, along with the certified copies of all requisite documents. For further details, see "Material Contracts and Documents for Inspection" beginning on page 321.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Draft Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

The words and expressions used in this Draft Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI NCS Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, the RBI Act and the rules and regulations notified thereunder.

General Terms

Term	Description
Company / Issuer	Vivriti Capital Limited (*formerly known as Vivriti Capital Private Limited*), a public limited company incorporated under the provisions of the Companies Act, 2013, having its Registered Office at Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai 600 002, Tamil Nadu, India
We / us / our	Unless the context otherwise indicates or implies, refers to our Company

Company related terms:

Term	Description
Amended and Restated Shareholders' Agreement	Amended and Restated Shareholders' Agreement dated September 15, 2020, entered into amongst our Company, Vineet Sukumar, Gaurav Kumar, Creation Investments India III, LLC and Lightstone Fund S.A.
Amended and Restated Shareholders' Agreement 2022	Amended and Restated Shareholders' Agreement dated April 27, 2022 entered into amongst our Company, our Promoters, Creation Investments India III, LLC, Lightrock Growth Fund I S.A., SICAV-RAIF *(formerly known as Lightstone Fund S.A.)*, Financial Investments SPC, LR India Holdings Limited and TVS Shriram Growth Fund 3
Amended and Restated Shareholders' Agreement 2023	Amended and Restated Shareholders' Agreement dated February 4, 2023 entered into amongst our Company, our Promoters, Creation Investments India III, LLC, Lightrock Growth Fund I S.A., SICAV-RAIF, LR India Fund I S.A.R.L, SICAV-RAIF *(formerly known as LR India Holdings Limited)*, Financial Investments SPC and TVS Shriram Growth Fund 3
Articles / Articles of Association / AoA	Articles of association of our Company, as amended
Audit Committee	Audit committee of Board of Directors of our Company, constituted in accordance with applicable laws
Audited Financial Statements	Audited Standalone Financial Statement and Audited Consolidated Financial Statement
Audited Standalone Financial Statements	The audited standalone financial statements of our Company comprises of standalone balance sheet as at March 31, 2023, March 31, 2022 and March 31, 2021, the standalone statement of profit and loss (including other comprehensive income) for the financial years ended March 31, 2023 March 31, 2022 and March 31, 2021, standalone statements of changes in equity for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, the standalone statement of cash flows for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information as audited by our Statutory Auditor as at and for the year ended March 31 2023, March 31 2022 and by our Previous Statutory Auditor as at and for the year ended March 31 2021.
Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company (Holding Company) and its subsidiary(ies) (Holding company and its subsidiary together is referred to as Group), its associate(s), comprises of consolidated balance sheet as at March 31, 2023, March 31, 2022 and March 31, 2021, the consolidated statement of profit and loss (including other comprehensive income) for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, consolidated statements of changes in equity for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, the consolidated statement of cash flows for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information as audited by our Statutory Auditor as at and for the year ended March 31 2023, March 31 2022 and by our Previous Statutory Auditor as at and for the year ended March 31 2021.
Bluevine	Bluevine Technologies Private Limited
Board / Board of Directors	Board of directors of our Company and includes any committee constituted thereof
Borrowings	Includes debt securities and borrowings other than debt securities as per Audited Standalone Financial Statements and Audited Consolidated Financial Statements

Term	Description
Borrowing Committee	Borrowing Committee constituted by the Board of Directors of our Company, in accordance with applicable laws
CAPL	CredAvenue Private Limited
CCPS	Compulsorily Convertible Preference Shares
Class B Equity Shares	Class B Differential equity shares of face value ₹ 10 each of our Company
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Corporate Social Responsibility Committee	Corporate social responsibility committee of Board of Directors of our Company constituted in accordance with applicable laws
Committee	A committee constituted by the Board, from time to time
Compliance Officer for the Issue and Company Secretary	Compliance Officer for the Issue and Company Secretary of our Company, namely, P S Amritha
Creation/ Creation Investments	Creation Investments India III, LLC
CSPL	CredAvenue Securities Private Limited
CSTL, Dubai	CredAvenue Spocto Technology Ltd
DIFC	Dubai International Financial Centre
Director(s)	Director(s) of our Company
ESOP 2018	Vivriti Capital Limited Employees' Stock Option Plan 2018
ESOP 2019	Vivriti Capital Limited Employees' Stock Option Plan 2019
ESOP 2019 – II	Vivriti Capital Limited Employees' Stock Option Plan 2019 - II
ESOP 2020	Vivriti Capital Limited Employees' Stock Option Plan 2020
ESOP 2022	Vivriti Capital Limited Employees' Stock Option Plan 2022
ESOP 2023	Vivriti Capital Limited Employees' Stock Option Plan 2023
Equity Shares	Equity shares of face value ₹ 10 each of our Company
Financial Investments	Financial Investments SPC
Finfort	Finfort Infotech LLP
Group Companies	Group Companies as identified for the Issue in accordance with regulation 2(1) (r) of SEBI NCS Regulations, namely, Aye Finance Private Limited, Epimoney Private Limited, Vivriti Next Private Limited (*formerly known as QED Business Solutions Private Limited*), Shapos Services Private Limited, Smartcoin Financials Private Limited, Sonata Finance Private Limited and UC Inclusive Credit Private Limited
Independent Directors(s)	Independent director(s) of our Company, as disclosed under *"Our Management"*, beginning on page 124
Key Managerial Personnel(s) / KMP(s)	Key managerial personnel(s) of our Company as disclosed under *"Our Management"*, beginning on page 124 and appointed in accordance with regulation 2(1) (sa) of SEBI NCS Regulations and the provisions of the Companies Act, 2013
Lightrock	Collectively, wherever the context so permits, Lightrock Growth Fund I S.A., SICAV-RAIF *(formerly known as Lightstone Fund S.A)*, Financial Investments and LR India Fund I S.A.R.L, SICAV-RAIF *(formerly known as LR India Holdings Limited)*
Memorandum / Memorandum of Association/ MoA	Memorandum of association of our Company
Nomination and Remuneration Committee/ NRC	Nomination and remuneration committee of Board of Directors of our Company, constituted in accordance with applicable laws
Non-Executive Director(s)	Non-executive director(s) of our Company, as disclosed under *"Our Management"*, beginning on page 124
Previous Statutory Auditor	Deloitte Haskins & Sells LLP
Promoters	Vineet Sukumar and Gaurav Kumar
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2 (1) (pp) of the SEBI ICDR Regulations, 2018, as amended
Registered and Corporate Office	Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai 600 002 Tamil Nadu, India
Registrar of Companies / RoC	Registrar of Companies, Tamil Nadu at Chennai
Senior Management	Senior Management of our Company in accordance with Regulation 2(1)(iia) of the SEBI NCS Regulations
Shareholders	Equity Shareholders of our Company from time to time

Term	Description
Shareholders' Agreement 2018	Shareholders' Agreement dated August 4, 2018, entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and Creation Investments India III, LLC
Shareholders' Agreement 2019	Amended and Restated Shareholders' Agreement dated March 27, 2019, entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and Creation Investments India III, LLC
Shareholders' Agreement 2020	Shareholders' Agreement dated March 13, 2020, entered into amongst our Company, Vineet Sukumar, Gaurav Kumar, Creation Investments India III, LLC and Lightstone Fund S.A.
Spocto	Spocto Solutions Private Limited
SSA 2018	Share Subscription Agreement dated August 4, 2018 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and Creation Investments India III, LLC
SSA 2019	Share Subscription Agreement dated March 27, 2019 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and Creation Investments India III, LLC
SSA 1 of 2020	Share Subscription Agreement dated March 13, 2020 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and Lightstone Fund S.A
SSA 2 of 2020	Share Subscription Agreement dated September 15, 2020 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and Creation Investments India III, LLC
SSA 2022	Share Subscription Agreement dated April 27, 2022 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar, and TVS Shriram Growth Fund 3
Statutory Auditor/ Auditor	B S R & Co. LLP
Subsidiaries	Vivriti Asset Management Private Limited, CredAvenue Private Limited*, Spocto Solutions Private Limited*, CredAvenue Securities Private Limited*, Bluevine Technologies Private Limited*, Finfort Infotech LLP* and CredAvenue Spocto Technology Ltd*. * *These entities are treated as Associates in the Audited Standalone Financial Statement and Audited Consolidated Financial Statement in accordance with Ind AS w.e.f September 21, 2021.*
TVS/ TVS Capital	TVS Shriram Growth Fund 3
VAMPL	Vivriti Asset Management Private Limited

Issue related terms

Term	Description
Abridged Prospectus	A memorandum containing the salient features of the Prospectus
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allot/ Allotment / Allotted	Unless the context otherwise requires, the issue and allotment of the NCDs pursuant to this Issue to the Allottees.
Allotment Advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in accordance with the Basis of Allotment.
Allottee(s)	The successful Applicant to whom the NCDs are Allotted, either in full or in part in terms of this Issue.
Applicant / Investor / ASBA Applicant	The person who applies for issuance and Allotment of NCDs through ASBA process or through UPI Mechanism pursuant to the terms of this Draft Prospectus, Prospectus, Abridged Prospectus and Application Form.
Application / ASBA Application	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorized an SCSB to block the Application Amount in the ASBA Account or to block the Application Amount using the UPI Mechanism, where the Bid Amount or an Application Amount of up to UPI Application Limit will be blocked upon acceptance of UPI Mandate Request by retail investors which will be considered as the application for Allotment in terms of the Prospectus.
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the Issue
ASBA Account	A bank account maintained by an ASBA Bidder with an SCSB, as specified in the ASBA Form submitted by ASBA Applicants for blocking the Bid Amount mentioned in the ASBA Form, and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value up to UPI Application Limit.
ASBA Applicant	Any Applicant who applies for NCDs through the ASBA process.
ASBA / Application Supported by Blocked Amount	The Application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application by authorized SCSB to block the Application Amount in the specified bank account maintained with such SCSB or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an Application Amount of up to UPI Application Limit which will be considered as the application for Allotment in terms of the Prospectus.

Term	Description
Bankers to the Issue	Collectively Public Issue Account Bank(s), Refund Bank and Sponsor Bank
Base Issue Size/ Base Issue	₹25,000 lakh
Basis of Allotment	The basis on which NCDs will be allotted to applicants as described in "*Issue Procedure – Basis of Allotment for NCDs*" on page 265.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Consortium, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centres	Broker centres notified by the Stock Exchange where Applicants can submit the ASBA Forms (including ASBA Forms under UPI in case of UPI Investors) to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchange at www.bseindia.com.
Category I Investor - Institutional Investors	• Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorized to invest in the NCDs; • Provident funds and pension funds each with a minimum corpus of ₹ 2,500 Lakh, superannuation funds and gratuity funds, which are authorized to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 50,000 lakh as per the last audited financial statements; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI.
Category II Investor - Non-Institutional Investors	• Companies within the meaning of Section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorized to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorized to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorized to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons.
Category III Investor – High Net-Worth Individual Investors	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1,000,000 across all options of NCDs in this Issue.
Category IV Investor – Retail Individual Investors	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all options of NCDs in this Issue and shall include retail individual investors, who have submitted bid for an amount not more than UPI Application Limit in any of the bidding options in the Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
Collecting Depository Participants / CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered with the SEBI Act and who is eligible to procure Applications at the Designated CDP Locations in terms of the SEBI Master Circular.
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Designated RTA Locations.
Consortium Agreement	Consortium Agreement to be entered between the Company, Lead Manager and Consortium Member to the Issue.
Consortium Member	As specified in the Prospectus.

Term	Description
Consortium/Members of the Consortium/Members of Syndicate (each individually, a Member of the Consortium)	The Lead Manager and the Consortium Member.
Coupon/ Interest Rate	The aggregate rate of interest payable in connection with the NCDs as specified in the Prospectus. For further details, see "*Issue Structure*" on page 232.
Credit Rating Agency(ies)	ICRA and CARE
Debenture Holder(s) / NCD Holder(s)	The holders of the Secured NCDs whose name appears in the database of the relevant Depository and/or the register of NCD Holders (if any) maintained by our Company if required under applicable law.
Debenture Trust Deed	The trust deed to be entered between the Debenture Trustee and our Company which shall be executed in relation to the NCDs within the time limit prescribed by applicable statutory and/or regulatory requirements, including creation of appropriate security, in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure at least 100% security cover of the outstanding principal amounts of NCDs and all interest due and payable thereon in respect of the NCDs maintained at all times as security until the Final Settlement Date, issued pursuant to the Issue. The contents of the Debenture Trust Deed shall be as prescribed by SEBI or any other applicable statutory/regulatory body from time to time.
Debenture Trustee Agreement	Agreement dated July 28, 2023 entered into between our Company and the Debenture Trustee.
Debenture Trustee / Trustee	Trustee for the NCD holders in this case being Catalyst Trusteeship Limited.
Deemed Date of Allotment	The date on which the Board of Directors or the Borrowing Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Borrowing Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Demographic Details	The demographic details of an Applicant such as his address, email, bank account details, MICR Code, UPI ID (as applicable), category, PAN etc.
Depository(ies)	National Securities Depository Limited and /or Central Depository Services (India) Limited
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms used by the ASBA Applicants and a list of which is available at http://www.sebi.gov.in/sebi_data/attachdocs/1365051213899.html or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other weblink as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchange at www.bseindia.com.
Designated Date	The date on which the Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Account to the Public Issue Account(s) or to the Refund Account, as appropriate, in terms of the Prospectus and the Public Issue Account and Sponsor Bank Agreement
Designated Intermediaries	The Members of the Consortium, Sub-Consortium/agents, Trading Members, agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs eligible to accept ASBA Forms and Application Forms submitted using the UPI Mechanism as a payment option (for a maximum amount of UPI Application Limit) are available on the website of the Stock Exchange at www.bseindia.com. updated from time to time
Designated Stock Exchange	The designated stock exchange for the Issue, being BSE
Direct Online Application Mechanism	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of debt securities with an online payment facility
DP / Depository Participant	A depository participant as defined under the Depositories Act
Draft Prospectus	This draft prospectus dated July 28, 2023 filed with the Stock Exchange for receiving public comments and with SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations.
Final Settlement Date	The date on which all secured obligations (including all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Company to the holders of the debentures or the debenture trustee under the Transaction Documents in respect of the debentures, including without limitation, the making of payment of any coupon, interest, redemption of principal amounts, the default interest, additional interest, liquidated damages, indemnity payments and all costs, charges, expenses and other amounts payable by the company in respect of the debentures) have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the holders of the debentures.

Term	Description
Issue	Public issue by our Company of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each ("**NCDs**") for an amount up to ₹ 25,000 lakhs ("**Base Issue Size**") with an option to retain oversubscription up to ₹ 25,000 lakh ("**Green Shoe Option**"), cumulatively aggregating up to 50,00,000 NCDs for an aggregate amount of up to ₹ 50,000 lakh ("**Issue Size**" or "**Issue Limit**") pursuant to the Prospectus. The Issue is being made pursuant to the provisions of SEBI NCS Regulations, the Companies Act, 2013 and rules made thereunder as amended to the extent notified and the SEBI Master Circular
Issue Agreement	Agreement dated July 28, 2023 entered into by our Company and the Lead Manager
Issue Closing Date	As specified in the Prospectus.
Issue Document	This Draft Prospectus, the Prospectus, the Abridged Prospectus, the Application Form and supplemental information, if any, read with any notices, corrigenda and addenda thereto.
Issue Opening Date	As specified in the Prospectus.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days, during which prospective Applicants can submit their Application Forms.
JM Financial/ Lead Manager	JM Financial Limited
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchange in connection with the listing of debt securities of our Company.
Market Lot	1 (one) NCD
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue.
NCDs / Debentures	Secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each ("**NCDs")** for an amount up to ₹ 25,000 lakhs **("Base Issue Size")** with an option to retain oversubscription up to ₹ 25,000 lakh **("Green Shoe Option")**, cumulatively aggregating up to 50,00,000 NCDs for an aggregate amount of up to ₹ 50,000 lakh **("Issue Size" or "Issue Limit")** offered through this Draft Prospectus and the Prospectus.
NCD Holders/ Debenture Holder	Any debenture holder who holds the NCDs issued pursuant to this Issue and whose name appears on the beneficial owners list provided by the Depositories.
Option(s)/ Series	An option of NCDs which are identical in all respects including, but not limited to terms and conditions, listing and ISIN and as further stated to be an individual option in this Draft Prospectus and the Prospectus. Collectively, the options of NCDs being offered to the Applicants as stated in the Prospectus.
Prospectus	The Prospectus to be filed with the RoC and submitted with SEBI and BSE in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations.
Public Issue Account	Account(s) to be opened with the Banker(s) to the Issue to receive monies from the ASBA Accounts maintained with the SCSBs (including under the UPI mechanism) on the Designated Date.
Public Issue Account and Sponsor Bank Agreement	Agreement to be entered into amongst our Company, the Registrar to the Issue, the Public Issue Account Bank, the Refund Bank and Sponsor Bank, and the Lead Manager for the appointment of the Public Issue Account Bank and Sponsor Bank in accordance with the UPI Mechanism Circular and for collection of the Application Amounts from ASBA Accounts under the UPI mechanism from the Applicants on the terms and conditions thereof and where applicable, refund of the amounts collected from the applicants.
Public Issue Account Bank	Banks which are clearing members and registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, with whom the Public Issue Account will be opened and as specified in the Prospectus.
Record Date	15 (fifteen) Days prior to the interest payment date, and/or Redemption Date for NCDs issued under the Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In case the Record Date falls on a day when the Stock Exchange are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchange, will be deemed as the Record Date.
Recovery Expense Fund	Our Company will create a recovery expense fund in the manner as specified by SEBI in circular bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 titled "Master Circular for Debenture Trustees" dated March 31, 2023 and as updated on July 6, 2023, as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and will inform the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
Redemption Amount	The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date as specified in the Prospectus.
Redemption Date	The date on which our Company is liable to redeem the NCDs in full as specified in the Prospectus.

Term	Description
Refund Account(s)	The account(s) to be opened by our Company with the Refund Bank(s), from which refunds of the whole or part of the Application Amounts (excluding for the successful ASBA Applicants), if any, shall be made.
Refund Bank	The Banker(s) to the Issue with whom the Refund Account will be opened and as specified in the Prospectus.
Register of NCD holder	A register of debenture holders maintained by our Company in accordance with the provisions of the Companies Act, 2013.
Registrar Agreement	Agreement dated July 28, 2023 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Registered Brokers or Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 as amended from time to time, and the stock exchange having nationwide terminals, other than the Consortium and eligible to procure Applications from Applicants
Registrar to the Issue	Integrated Registry Management Services Private Limited
SCSBs / Self Certified Syndicate Banks	The banks registered with SEBI, offering services in relation to ASBA and UPI, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes for ASBA and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for UPI, updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
SEBI LODR IV Amendment	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2021
Security	The principal amount of the NCDs to be issued together with all interest due and payable on the NCDs, thereof shall be secured by an exclusive charge by way of hypothecation of identified book debts of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover to the extent of at least 100% of the outstanding principal amounts of NCDs and all interest due and payable thereon in respect of the NCDs maintained at all times as security until the Final Settlement Date, issued pursuant to the Issue. The NCDs proposed to be issued shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment.
Stock Exchange	BSE
Specified Locations	Centers where the member of the Consortium shall accept ASBA Forms from Applicants a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time.
Sponsor Bank(s)	Banker to the Issue, registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchange and NPCI in order to push the UPI Mandate Requests and / or payment instructions of the retail individual investors into the UPI.
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Centres named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Tenor	Tenor shall mean the tenor of the NCDs as specified in the Prospectus.
Trading Members	Intermediaries registered with a broker or a sub-broker under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and/or with the Stock Exchange under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchange from time to time and duly registered with the Stock Exchange for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchange.
Transaction Documents/ Issue Documents	Shall mean Draft Prospectus, Prospectus read with any notices, corrigenda, addenda thereto, Abridged Prospectus, the Issue Agreement, Registrar Agreement, Consortium Agreement, Debenture Trustee Agreement, Public Issue Account and Sponsor Bank Agreement, Tripartite Agreements, Application Form, the Debenture Trust Deed and Security Documents to be executed between our Company and the Debenture Trustee. For further details see, "*Material Contracts and Documents for Inspection*" on page 321.
Tripartite Agreements	Tripartite Agreement dated August 27, 2018 entered into between our Company, Registrar to the Issue and NSDL and Tripartite Agreement dated September 30, 2020 entered into between our Company, Registrar to the Issue and CDSL for offering demat option to the NCD Holders.
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India.
UPI Application Limit	Maximum limit to utilize the UPI mechanism to block the funds for application value up to ₹500,000 for issues of debt securities pursuant to SEBI Master Circular or any other investment limit, as applicable and prescribed by SEBI from time to time.
UPI Mandate Request / Mandate Request	A request initiated by the Sponsor Bank on the retail individual investor to authorize blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent

Term	Description
	to the bid amount (not exceeding UPI Application Limit) and subsequent debit of funds in case of allotment.
UPI Mechanism / UPI	Unified Payments Interface mechanism in accordance with SEBI Master Circular as amended from time to time, to block funds for application value up to UPI Application Limit submitted through intermediaries.
Wilful Defaulter	Includes wilful defaulters as defined under Regulation 2(1)(lll) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 which includes a Person or a company categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes a company whose director or promoter is categorized as a wilful defaulter.
Working Day	Working day means all days on which commercial banks in Mumbai, are open for business. In respect of announcement or bid/issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Further, in respect of the time period between the bid/ issue closing date and the listing of the NCDs on the Stock Exchange, working day shall mean all trading days of the Stock Exchange for non-convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.

Technical/Industry Related Terms/Abbreviations

Term	Description
ALM	Asset liability management
Anchors	Entities which aides and facilitate our Company financing to vendors/ dealers
AUM	Assets under management
Average ticket size	Average amount of the loans given in a certain category
CareEdge Research	CARE Advisory Research and Training Limited
CareEdge Report	The report titled "*Industry Research Report on NBFC Sector*" released in India in June 2023 by CareEdge Research
CARE Ratings	CARE Ratings Limited
CRAR	Capital to risk (weighted) assets ratio, or capital risk adequacy ratio
CRR	Cash reserve ratio
ESG	Environmental, social, and corporate governance
Gross NPA	Gross carrying amount - Stage 3 - Loans
Gross NPA %	Gross NPA % represents closing balance of the gross carrying amount - Stage 3 - Loans to gross loan book as of the last day of the relevant period.
ICRA	ICRA Limited
IT	Information technology
KYC	Know Your Customer
LIBOR	London Interbank Offer Rate
LOS	Loan origination system
LMS	Loan management system
MLDs	Market Linked Debentures
MSME	Micro, small and medium enterprises
NBFC	Non-banking financial company registered with the RBI
NBFC-ND-SI	Systemically important non-deposit taking non-banking financial company
NCDs	Non-convertible Debentures
Net NPA	Closing balance of the gross carrying amount - stage 3 – Loans less impairment loss allowance – stage 3 loans
Net NPA %	Net NPA% represents the closing balance of the gross carrying amount - stage 3 - Loans less impairment loss allowance - stage 3 loans to gross loan book as of the last day of the relevant period
Net Worth	Equivalent to Total Equity, and is the sum of Equity share capital, convertible preference share capital and Other equity as contained in our Audited standalone financial statement and Audited consolidated financial statement
NPA	Non-performing asset/ Stage 3 loans
PTC	Pass through Certificate
SCF	Supply Chain Financing

Term	Description
SOFR	Secured Overnight Financing Rate
Stage 3 Assets	Loans considered credit- impaired on gross basis
Total Assets	Total Assets represents the total of our financial assets and non-financial assets
Total Borrowings	Total Borrowings represents the aggregate of debt securities and borrowings (other than debt securities) as per Audited Standalone Financial Statements and Audited Consolidated Financial Statements
Total Equity	The sum of Equity share capital and Other equity
UPI	Unified Payments Interface
WCDL	Working capital demand loan

Conventional and general terms

Term	Description
₹/ Rs. / INR/ Rupees	The lawful currency of the Republic of India
AGM	Annual general meeting
AS	Accounting standard
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time
AY	Assessment year
BSE	BSE Limited
CSR	Corporate social responsibility
CDSL	Central Depository Services (India) Limited
Companies Act	The Companies Act, 1956, or the Companies Act, 2013, as applicable
Companies Act, 2013	Companies Act, 2013, and rules made thereunder
Consumer Protection Act	Consumer Protection Act, 1986
COVID-19	Pandemic caused due to the worldwide spread of the novel coronavirus disease
Depositories Act	The Depositories Act, 1996
DRR	Debenture redemption reserve
EGM	Extraordinary general meeting
ESOP	Employee Stock Option Plan
FEMA	Foreign Exchange Management Act, 1999
Fiscal / Financial Year / FY	Financial year ending March 31
GDP	Gross domestic product
GoI	Government of India
HUF	Hindu undivided family
IBC	Insolvency and Bankruptcy Code, 2016
IFRS	International financial reporting standards
IFSC	Indian financial system code
Ind AS	Indian Accounting Standards
Indian GAAP	Generally accepted accounting principles in India
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International securities identification number
IST	Indian standard time
IT Act	Income Tax Act, 1961
ITAT	Income Tax Appellate Tribunal
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic ink character recognition
NACH	National automated clearing house
NBFC-ND-SI Directions	Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
NEFT	National electronic funds transfer

Term	Description
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent account number
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RTAs	Registrar and share transfer agents
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI Debenture Trustee Regulations	Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI LODR Regulations/ SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI NCS Regulations/ Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
SEBI Master Circular	Master Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 issued by SEBI and as updated on July 7, 2023, as amended
SEBI Master Circular for Debenture Trustees	Circular no. SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 issued by SEBI and updated as on July 6, 2023, as amended
TDS	Tax deducted at source
USD/US$	United States Dollars

Notwithstanding the foregoing, the terms defined as part of "Risk Factors", "General Information", "Industry Overview", "Regulations and Policies", "Statement of Possible Tax Benefits Available to the Debenture Holders", "Other Regulatory and Statutory Disclosures", "Provisions of Articles of Association" and "Financial Information" on pages 14, 32, 73, 291, 61, 276,306 and 153, respectively, shall have the meaning ascribed to them as part of the aforementioned sections. Terms not defined as part of the sections "Our Business", "Risk Factors", "Industry Overview" and "Regulations and Policies", on pages 102, 14, 73 and 291, respectively, shall have the meaning ascribed to them hereunder.

FORWARD-LOOKING STATEMENTS

Certain statements in this Draft Prospectus that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as *"aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "seek", "should", "will", "would",* or other words or phrases of similar import. Similarly, statements that describe strategies, objectives, plans or goals are also forward-looking statements.

All statements regarding expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to business strategy, revenue and profitability, new business and other matters discussed in this Draft Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including financial conditions and results of operations to differ from expectations include, but are not limited to, the following:

1. Disruption in our sources of capital could have an adverse effect on our business operations and financial condition;

2. Volatility in interest rates and other market conditions;

3. Material defaults by the customers of our Company in their repayment obligations;

4. Inability to sustain our Company's growth or manage it effectively;

5. Deficiency or interruption in the third parties' services could adversely affect our business and reputation;

6. Inability to maintain the level of Stage 3 Assets in our portfolio could impact our profitability due to higher provisions;

7. Inability to meet our Company's obligations, including financial and other covenants under our financing arrangements.

For further discussion of factors that could cause our actual results to differ, see "*Risk Factors*" on page 14.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the "*Industry Overview*", "*Our Business*" and *"Outstanding Litigations and Defaults"* on pages *73,102 and 271* respectively.

The forward-looking statements contained in this Draft Prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

By their nature, certain market risk disclosures are only estimate(s) and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company or the Lead Manager or any of its respective Directors and officers, or any of its respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI NCS Regulations, as amended, our Company and the Lead Manager will ensure that investors are informed of material developments between the date of filing the Prospectus with the RoC and the date of receipt of listing and trading permission being obtained from the Stock Exchange for the NCDs.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY PRESENTATION

General

In this Draft Prospectus, unless the context otherwise indicates or implies, references to *"you", "offeree", "purchaser", "subscriber", "recipient", "investors"* and *"potential investor"* are to the prospective investors in this Issue, references to our *"Company"*, the *"Company", "we", "us", "our"* or the *"Issuer"* are to Vivriti Capital Limited (*formerly known as Vivriti Capital Private Limited*).

In this Draft Prospectus, references to *"Rupees","₹", "Rs.", "INR"* are to the legal currency of India *and references to "USD", "US$"* are to the legal currency of the United States. All references herein to the *"U.S."* or the *"United States"* are to the United States of America and its territories and possessions and all references to *"India"* are to the Republic of India and its territories and possessions, and the *"Government"*, the *"Central Government"* or the *"State Government"* are to the Government of India, central or state, as applicable.

Certain figures contained in this Draft Prospectus, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than two decimal points to conform to their respective sources. India has decided to adopt the "Convergence of its existing standards with IFRS with some difference" referred to as the "Indian Accounting Standards" or "Ind AS". In terms of a notification released by the MCA, our Company is required to prepare its financial statements in accordance with Ind AS for accounting periods beginning on April 1, 2019.

Unless otherwise stated, references in this Draft Prospectus to a particular year are to the calendar year ended on December 31.

Unless stated otherwise all references to time in this Draft Prospectus are to Indian standard time.

Presentation of Financial Information

The current financial year of our Company commences on April 1 and ends on March 31 of the next year, so all references to particular "financial year", "fiscal year" and "fiscal" or "FY", unless stated otherwise, are to the 12 months period ended on March 31 of that year.

The Audited Financial Statements in this Draft Prospectus consist of Audited Standalone Financial Statements and Audited Consolidated Financial Statements, and have been prepared in accordance with Ind AS, as applicable, applicable standards and guidance notes specified by the ICAI, applicable accounting standards prescribed by the ICAI, Companies Act, as applicable and other applicable statutory and/or regulatory requirements.

The Audited Financial Statements and the related audit reports, as issued by the Statutory Auditor and Previous Statuotory Auditor of our Company are included in this Draft Prospectus in "*Financial Statements*", beginning on page 331.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in this Draft Prospectus in "lakh" units, "million" units, "billion" units or in whole numbers where the numbers have been too small to represent in lakhs, millions or billions. One lakh represents 100,000, one million represents 1,000,000 and one billion represents 1,000,000,000.

Exchange Rates

This Draft Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI NCS Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and USD (in Rupees per USD):

Currency	As at			
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	82.03	82.22	75.81	73.50

Source: RBI reference rate and www.fbil.org.in and www.xe.com
In case March 31 of any of the respective years/ period is a public holiday, the previous working day not being a public holiday has been considered.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been obtained from various industry publications and sources, including the report titled "*Industry Research Report on NBFC Sector* " released in India in June 2023 by CareEdge Research (the "**CareEdge Research Report**"), which have been paid for and commissioned by our Company for an agreed fee. CareEdge Research have been commissioned by our Company for the purposes of confirming our understanding of the industry in which the Company operates, in connection with the Issue.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. Although the industry and market data used in this Draft Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation however, no material data in connection with the Issue has been omitted. Data from these sources may also not be comparable.

Disclaimer of CareEdge Research

This Draft Prospectus contains data and statistics from the CareEdge Research Report, which is subject to the following disclaimer:

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The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*", on page 14. Accordingly, investment decisions should not be based solely on such information.

SECTION II: RISK FACTORS

An investment in NCDs involves a certain degree of risk. You should carefully consider all the information contained in this Draft Prospectus, including the risks and uncertainties described below, before making an investment decision in relation to NCDs. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the NCDs.

If any of the following risks or other risks that are not currently known or are now deemed immaterial, actually occur, our business, financial condition and results of operations could suffer, the market price of the NCDs could decline and you may lose all or part of your interest and/or redemption amounts. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein.

Unless the context otherwise requires, indicates or implies, "we", "us" or "our" refers to our Company.

This Draft Prospectus contains forward looking statements that involve risk and uncertainties. Our Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of several factors, including the considerations described below and elsewhere in this Draft Prospectus.

To the extent applicable financial information for Fiscal 2021, 2022 and 2023 used in this section is derived from the Audited Standalone Financial Statements included in this Draft Prospectus. For further information, see "Financial Statements" on page 331.

INTERNAL RISKS

1. ***We require substantial capital for our business and any disruption in our sources of capital could have an adverse effect on our business, results of operations and financial condition.***

   The liquidity and profitability of our business depends, significantly, on our timely access to, and the costs associated with financing. Our financing requirements historically have been met from several sources, including term loans, external commercial borrowings and working capital facilities, proceeds from non-convertible debentures, commercial papers, market linked debentures and equity and preference shares. For the Financial Years 2023, 2022 and 2021, the capital adequacy ratio (Tier I and Tier II) of our Company was 25.74%, 29.57% and 40.31%, respectively. Further, our total borrowing (on a standalone basis) for the Financial Years 2023, 2022 and 2021 was ₹ 501,988.84 lakh, ₹ 355,013.38 lakh and ₹136,818.05 lakh, respectively. We may require additional capital for our business operations from time to time. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes, including any changes to RBI's monetary policies which are applicable to us or unforeseen delays in our operations. To the extent our capital requirements exceed our available resources, we will be required to seek additional debt or equity capital. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements.

   Our ability to raise funds on favourable terms, at competitive rates and timely manner, depends on various factors, including our current and future results of operations and financial condition, our credit ratings, the regulatory, environmental and policy initiatives in India, macro and micro economic conditions and lack of liquidity in the market.

   Further, any additional financing that we require on an ongoing basis for our capital requirements may place restrictions on us, which may, *inter alia*, limit our flexibility in planning for, or limit our ability to pursue our growth plans or require us to dedicate a substantial portion of our cash flow from operations to service our debt obligations, or reacting to changes in our business and our industry, either through the imposition of restrictive financial or operational covenants or otherwise.

   We cannot assure you that we will be able to raise financing on acceptable terms in a timely manner or at all. If we are unable to obtain adequate financing in a timely manner and on acceptable terms, our business, results of operations and financial condition may be adversely affected.

2. ***We are affected by volatility in interest rates and other market conditions, which could materially and adversely impact our business, prospects, financial condition, results of operations and cash flows.***

   Our results of operations and cash flows are dependent upon the level of our interest income which represented 89.28%, 91.97% and 89.39% of our total income in Financial Years 2023, 2022 and 2021, respectively. Further, the rate of interest that we charge on our loans impacts the market demand of the loans.

The carrying amount of fixed interest-bearing AUM in our Company was ₹335,571.71 lakh, ₹241,588.32 lakh and ₹153,276.47 lakh for the Financial Years 2023, 2022 and 2021, respectively which represented 57.50%, 63.30% and 80.47% of total fixed interest-bearing AUM for the Financial Yeats 2023, 2022 and 2021, respectively and the carrying amount of floating interest-bearing AUM was ₹248,008.30 lakh, ₹140,097.77 lakh and ₹37,197.37 lakh for the Financial Years 2023, 2022 and 2021, respectively which represented 42.50%, 36.70% and 19.53% of total floating interest-bearing AUM in the Financial Years 2023, 2022 and 2021, respectively.

Further, our fixed interest-bearing borrowings was ₹ 210,835.17 lakh, ₹145,893.50 lakh and ₹ 46,016.77 lakh for the Financial Years 2023, 2022 and 2021, respectively and our floating interest-bearing borrowings were ₹265,176.74 lakh, ₹183,944.14 lakh and ₹83,801.06 lakh for the Financial Years 2023, 2022 and 2021, respectively.

Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, deregulation of the financial sector in India, and other macro and micro economic factors, which have historically resulted in changes in interest rates in India. For instance, between January 2022 and June 2023, the RBI has revised the repo rate from 4.00% to 6.50%, which has led to increase in interest rates by lenders. Fluctuations in interest rates may also adversely affect our operations. In a rising interest rate environment, especially if the rise is sudden or sharp, we could be adversely affected by the decline in the market value of our securities portfolio and other fixed income securities. Also, in a rising interest rate environment there might be decline in the demand of loans from our customers. Our Company in the past has entered into cross currency interest rates swap arrangement. Further, to the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than companies that borrow only at fixed interest rates. Our failure to pass on increased interest rates on our borrowings to our customers, including pursuant to the measures taken by us for protection against interest rate volatility or our inability to effectively and efficiently manage interest rate variations, may result in decline of our net interest income, which would decrease our return on assets and could adversely affect our business, prospects, financial condition, results of operations and cash flows.

Further, in a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, it could lead to a reduction in our net interest income and net interest margin.

3. ***If our customers materially default in their repayment obligations, our business, results of operations, financial condition and cash flows may be adversely affected.***

Our customers may delay and/or default on their repayment obligations due to a variety of reasons, including as a result of their business failure, insolvency, lack of liquidity, government or other regulatory intervention. Additionally, some customers may intentionally default on their repayment obligations. Historically, customers in our loans business have been adversely affected by economic conditions in varying degrees. Such adverse impact may limit our ability to recover the dues from such customers and the predictability of our cash flows. Increasing credit losses due to financial difficulties of customers in our business in the future could adversely affect our business, financial condition, results of operations and cash flows. Further, we also provide financial services to mid corporate borrowers / clients with limited banking and credit history. Earning capacity of customers in these segments depends on various macro and micro economic factors that affect them from time to time. Further, we may not be able to recover, on a timely basis or at all the full value of the security provided by our customers or amounts which are sufficient to cover the outstanding amounts due under defaulted loans. The value of the security provided to us, may be subject to reduction in value on account of extraneous reasons *inter alia*, prevailing market conditions, general economic and political conditions etc. Consequently, the realizable value of the security for the loans provided by us, when required to be liquidated, may be lower than principal amount outstanding along with interest and other costs recoverable from such customers. We have a greater risk of loan defaults and losses in the event there are adverse economic conditions which may have a negative effect on the ability of our borrowers to make timely payments of their loans. As a result, we are more vulnerable to customer default risks including delay in repayment of principal or interest on our loans.

As of March 31, 2023, March 31, 2022 and March 31, 2021, our Gross NPA% was 0.31%, 0.29% and 0.32%, respectively, and our Net NPA% was 0.08%, 0.07% and 0.00%, respectively.

We also provide loans to customers who are unrated SME borrowers and mid corporate borrowers / clients where rating is not applicable. Such consumers are often considered to be higher credit risk consumers due to their increased exposure to fluctuations in cash flows particularly in adverse economic conditions. To the extent we are unable to successfully manage the risks associated with lending to such consumers, it may become difficult for us to recover outstanding loan amounts from such consumers. We cannot assure you that our risk management controls will be sufficient to prevent future losses on account of customer defaults, which may adversely affect our business, results of operations, financial condition and cash flows.

4. ***We have experienced significant growth in recent periods, and we may not be able to sustain our growth or manage it effectively.***

We have experienced significant growth in recent periods. Our Company's total revenue from operations (standalone) has grown to ₹65,315.13 lakh in the Financial Year 2023 from ₹ 21,938.19 lakh in the Financial Year 2021, representing a CAGR of 72.55%. Further, our Company's net profit after tax (standalone) has grown to ₹12,929.75 lakh in the Financial Year 2023 from ₹ 3,000.51 lakh in the Financial Year 2021. We may not be able to effectively manage this growth or achieve the desired profitability in the expected timeframe or at all and may not be able to reflect improvement in other indicators of financial performance from the expansion.

Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates could have an adverse effect on our business and results of operations. We will also need to manage relationships with a greater number of customers, service providers, lenders and other parties as we expand.

In order to manage our growth effectively, we must implement and improve our operational systems, processes, procedures and controls in a timely manner. If we fail to implement these systems, processes, procedures and controls in a timely manner, we may not be able to meet our customers' needs, hire and retain new employees or operate our business effectively. Our ability to sustain our rate of growth also depends significantly upon our ability to select and retain key managerial personnel, maintaining effective risk management policies and training managerial personnel to address emerging challenges. Further, a number of external factors beyond our control could also affect our ability to continue to grow our business and loan portfolio, such as demand for small business loans in India, business and domestic economic growth, the RBI's monetary and regulatory policies, RBI Master Directions, inflation, competition and availability of cost-effective debt and equity capital. We cannot assure you that our existing or future management, operational and financial systems, processes, procedures and controls will be adequate to support future operations or establish or develop business relationships beneficial to future operations.

5. ***We utilise the services of certain third parties for our business operations. Any deficiency or interruption in the third parties' services could adversely affect our business and reputation.***

We utilise third-party service provider platforms for our lending operations, such as the Yubi platform operated by our Subsidiary, CAPL, which is utilized by our Company for various steps in the lending journey, including customer onboarding, processing and lead generation. Further, we also engage with third-party service providers for ascertaining the creditworthiness of customers, KYC and customer onboarding. Risks involved with reliance on third parties for significant portion of our revenues may include, but are not limited to, failure to renew one or more material contracts, failure to renegotiate favourable terms with our service providers and vendors, all of which may have a material adverse effect on the business, results of operations, financial condition, cash flows and future prospects of our Company

In the event any of these third parties were to terminate their contractual relationships with us or fail to provide the agreed services to us for any reason, our business, results of operations and cash flows may be disrupted and we may be held liable legally or suffer reputational damage on account of any deficiency of services on the part of such service providers.

6. ***If we are unable to control the level of Stage 3 Assets in our portfolio effectively it may impact our profitability due to higher provisions.***

As of March 31, 2023, 2022 and 2021, our Gross NPA amounted to ₹1,803.97 lakh, ₹ 1,091.69 lakh and ₹592.52 lakh, respectively and our Net NPA amounted to ₹ 453.56 lakh, ₹ 249.58 lakh and Nil, respectively. Various factors that are beyond our control may cause a further increase in the level of Stage 3 Assets and have an adverse impact on the quality of our loan portfolio. These factors include macro-economic factors (including a rise in unemployment, a sharp and sustained rise in interest rates, adverse developments in the Indian economy, movements in global commodity markets and exchange rates) regulatory hurdles and global competition as well as customer specific factors such as wilful default and mismanagement of a customer's operations. If our Stage 3 Assets increase, we will be required to increase our provisions, which would result in our net profit being less than it otherwise would be and would adversely affect our results of operation and financial condition. There can be no assurance that the levels of Stage 3 Assets and losses will not increase in future or will remain at levels that will maintain our profitability, that the credit performance of our customers will be maintained, that our credit and our underwriting analysis, servicing and collection systems and controls will continue to be adequate. We may also not be successful in our efforts to improve collections and/ or foreclose on existing Stage 3 Assets. In addition, as our loan portfolio matures, we may experience greater defaults in principal and/ or interest repayments. Thus, if we are unable to control or reduce our level of Stage 3 Assets, the overall quality of our loan portfolio may deteriorate, and our results of operations and cash flows may be adversely affected. Moreover, there can be no assurance that there will be no deterioration in our provisioning coverage as a percentage of Stage 3 Assets or otherwise, or that the percentage of Stage 3 Assets that we will be able to recover will be similar to our past experience of recoveries of Stage 3 Assets. In the event of any further deterioration in our Stage 3 Asset portfolio, or if our provisions are insufficient to cover our existing or future levels of Stage 3 Assets, our ability to raise additional capital and debt funds as well as our results of operations, cash flows and financial condition could be adversely affected.

As of March 31, 2021, 2022 and 2023, our provision coverage ratio, which comprises provision for Stage 3 Assets divided by the gross amount of Stage 3 Assets was 100%, 77.20% and 74.72%, respectively.

Further, as NBFCs, we are regulated by the RBI and are required to adhere to the prudential norms on income recognition, asset classification and provisioning ("**IRACP**") notified by the RBI from time to time, in addition to the Ind AS accounting and provisioning requirements applicable to our Company in the ordinary course. For instance, on November 12, 2021, the RBI issued a circular titled "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications" ("**November 12 Circular**") with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The November 12 Circular, among other matters, requires borrower accounts to be flagged as overdue by lending institutions as part of their day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as special mention accounts ("**SMA**") as well as NPA is required to be undertaken as part of day-end processes for the relevant date, such that the date of SMA/ NPA shall reflect the asset classification status of an account at the day-end of that calendar date. The November 12 Circular clarifies that the SMA classification requirement for borrower accounts is applicable to all loans, including retail loans, irrespective of size of exposure of the lending institution. Further, the November 12 Circular provides that accounts classified as NPAs may be upgraded to 'standard' only if the entire arrears of interest and principal are paid by the borrower, as opposed to such upgradation being undertaken upon payment of only interest overdues. Further, as our loan portfolio grows, our NPAs may increase and the current level of our provisions may not adequately cover any such increases. General economic slowdown or financial difficulties faced by our customers could unexpectedly increase delinquency rates.

On December 14, 2021, the RBI issued a circular titled "Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs)" ("**PCA Framework Circular**") to enable supervisory intervention and implement 18 remedial measures of NBFCs, including NBFC-NDs, on the basis of tracking certain indicators such as CRAR, Tier I Capital Ratio and Net NPA Ratio. Pursuant to the PCA Framework Circular, the PCA framework for NBFCs has come into effect from October 1, 2022, based on the financial position of NBFCs on or after March 31, 2022. We cannot assure you that in the future, we will be able to maintain the thresholds prescribed by the RBI under the PCA Framework Circular including on account of certain factors beyond our control, which could have an adverse effect on our business, financial condition and results of operations. Further, we are required to adhere to provisioning requirements pursuant to the Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended ("**Master Directions**"). If future regulations require us to increase our provisions for any reason, our profits may be adversely affected. Also, our ability to raise additional capital and debt financing as well as our results of operations, cash flows and financial condition could be adversely affected as a result thereof. The amount of our reported NPAs may increase in the future due to the aforementioned factors and other factors beyond our control, and we cannot assure you that we will be able to effectively control or reduce the level of the impaired loans in our total AUM. If we are unable to manage our NPAs or adequately recover our loans, our business, financial condition and results of operations will be adversely affected. In addition, our current loan loss provisions may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of our total AUM. If the quality of our loan portfolio deteriorates, we may be required to increase our loan loss provisions. If such provisions are not sufficient to provide adequate cover for loan losses that may occur, this could have an adverse effect on our business, financial condition and results of operations

7. ***Our inability to meet our obligations, including financial and other covenants under our financing arrangements could adversely affect our business, results of operations and financial condition.***

As of June 30, 2023, our outstanding total borrowings on a standalone basis aggregated to ₹503,793.95 lakh. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business, which depends on the timely repayment by our customers. For details in relation to our outstanding indebtedness and certain indicative terms of our borrowing facilities, see "*Disclosures on Existing Financial Indebtedness*" on page 153. Our financing agreements contain several restrictive covenants and we are required to obtain prior approval from our lenders for undertaking various actions, including:

- effect any change to or alter our capital structure without the prior approval of the lender;
- effect any change in the constitutional documents of our Company without the prior approval of the lender;
- undertaking or permitting any merger, de-merger, consolidation, reorganisation, scheme of arrangement or compromise between our Company and its creditors or shareholders or effecting any scheme of amalgamation or reconstruction including creation of any subsidiary or permitting any company to become a subsidiary of our Company without the prior approval of the lender;
- declaration or payment of dividends, or authorising or making any distribution to the Shareholders pending repayment of the outstanding dues to lenders without the prior approval of the lender; and

- making any equity investments in the primary or secondary markets.

Further, certain of our financing agreements require us to obtain consent from our lenders to incur further borrowings. We have applied to our lenders as required under respective financing agreements, and while we have received consents from our lenders in relation to this Issue, certain of our lenders have responded "acknowledged" to our requests for consents. We cannot assure you that such consents are complete for the purpose of this Issue. Our failure to meet our obligations under our financing agreements, including *inter alia* creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, default in payment of penal interest wherever applicable could have an adverse effect on our business, results of operations and financial condition. For details in relation to our outstanding indebtedness and certain indicative terms of our borrowing facilities, see "*Disclosures on Existing Financial Indebtedness*" on page 153.

Our future borrowings may also contain similar or more stringent restrictive provisions. If we fail to meet our debt service obligations or covenants provided under the financing agreements, the relevant lenders could declare us to be in default under the terms of our agreements and/ or accelerate the maturity of our obligations. We cannot assure you that, in the event of any such acceleration, we will have sufficient resources to repay the borrowings.

The negative covenants as mentioned in this risk factor and in the section "*Disclosures on Existing Financial Indebtedness*" on page 153, and other clause/covenants of a similar nature under the financing arrangements entered into by us with our lenders are in the ordinary course of business and will continue post listing of the NCDs, as is customary for such borrowing arrangements for listed and unlisted companies. Any inability to meet our obligations under such financing arrangements could adversely affect our business, results of operations and financial condition.

8. ***We operate in a highly regulated industry and are subject to laws and regulations governing the lending and non-banking financial services industry in India. Any changes in laws, rules and regulations applicable to us may adversely affect our business, financial condition, results of operations and cash flows.***

We operate in a highly regulated industry and we have to adhere to various laws, rules and regulations. Our Company has a certificate of registration from the RBI to operate as an NBFC and is regulated by the RBI. Further, our Company qualified as a 'high value debt listed entity' as per the thresholds set out under the SEBI Listing Regulations in February 2022. As a 'high value debt listed entity', certain provisions of Chapter IV of the SEBI Listing Regulations are applicable to our Company. Accordingly, the required compliance with stipulated regulations of Chapter IV of the SEBI Listing Regulations may cause additional compliance and legal costs for our Company and any non-compliance in relation to this may attract penalties, which may affect our financials adversely. Accordingly, legal and regulatory risks are inherent and substantial in our business. As we operate under licenses or registrations obtained from the applicable regulators, we are subject to actions that may be taken by such regulators in the event of any non-compliance with any applicable policies, guidelines, circulars, notifications and regulations issued by the relevant regulators. For a description of the material laws, rules and regulations applicable to us, see "*Regulations and Policies*" on page 291.

The laws and regulations governing the banking and financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, investments, ethical issues, money laundering, consumer grievance redressal mechanism, data protection and privacy. These laws and regulations can be amended, supplemented or changed at any time such that we may be required to restructure our activities and incur additional expenses to comply with such laws and regulations, which could adversely affect our business and our financial performance. In the regular course of our business, we may receive queries, clarifications and observations from the RBI and other statutory or regulatory authorities. Failure to address or satisfactorily address these queries and clarifications in a timely manner or at all may result in us being subject to statutory and/or regulatory actions. Further, responding to these regulatory actions, regardless of their seriousness or ultimate outcome, requires a significant investment of resources and management's time and effort. Moreover, our provisions, defenses, grounds or interpretations against regulatory actions may be inadequate. Given the uncertainties and complexity of many of these regulatory actions, their outcome generally cannot be predicted with any reasonable degree of certainty and may have adverse effects on our operations.

The RBI revised regulatory framework for NBFCs ("**SBR Framework**") on October 22, 2021 which was effective from October 1, 2022 read with the detailed guidelines, circulars, regulations put in place by the RBI from time to time. Our Company has been classified under the "middle layer" category and any non-compliance in relation to this may attract penalties, which may affect our operations.

The laws and regulations governing the banking and financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, investments, ethical issues, money laundering and privacy. These laws and regulations can be amended, supplemented or changed at any time such that we may be required to redesign our activities and incur additional expenses to comply with such laws and regulations, which could adversely affect our business and our financial performance.

In relation to our digital offerings for loan products, we are subject to Guidelines on Digital Lending issued by the RBI on September 2, 2022, which are applicable to all, *inter alia*, all NBFCs. While the Company has made adequate changes to its processes and products to adhere to the relevant guidelines, there could be difference of interpretation of the guidelines and their applicability between the Company and RBI, which may result into us being subject to regulatory action under the Digital Lending Guidelines.

Our ability to function in the lending and financial services industry will depend on our ability to constantly monitor and promptly react to legislative and regulatory changes. Any change to the existing legal or regulatory framework may require us to allocate additional resources to our business, which may increase our regulatory compliance costs and direct management attention, and consequently affect our business, financial condition, results of operations and cash flows. To the extent that we enter new geographies or new product markets, the complexity of our regulatory environment will increase, potentially increasing the cost of compliance and the risk of noncompliance. Further, if the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. If we fail to comply with these requirements, or are interpreted by the regulators as not having complied with these requirements, we may be subject to penalties and compounding proceedings.

9. ***A portion of our loans are unsecured. If borrowers under unsecured loans default and we are unable to recover such receivables in a timely manner or at all, our financial condition, results of operations and cash flows may be adversely affected.***

As at March 31, 2023, we had unsecured loans of ₹ 1,83,754.51 lakh which represented 40.15% of our total loans outstanding. Since these loans are unsecured, in the event of defaults by such customers, our ability to realise the amounts due to us would be restricted to initiating legal proceedings for recovery. There can be no guarantee as to the length of time it could take to conclude such legal proceedings or for the legal proceedings to result in a favourable outcome for us.

Any failure to recover the full amount of principal and interest on unsecured loans given to our customers could adversely affect our financial condition, results of operations and cash flows.

10. ***We have entered into co-lending arrangements with certain other non-banking financial companies. We cannot assure that such co-lending arrangements will not be terminated or paused which may impact the growth of our business.***

We have entered into co-lending arrangements with certain other non-banking financial companies where such co-lender disburses between 10% - 20% of the loan and our Company disburses 80% - 90% of the loan to customers. Further, our ability to co-originate loans also depends on the financial institutions with which we enter to co-lending agreements. We cannot assure that such co-lending arrangements will not be terminated or paused which may impact the growth of our business.

11. ***We are subject to regulations in relation to minimum capital adequacy requirements and our inability to maintain our capital adequacy ratio could adversely affect our business.***

The RBI Master Directions currently require NBFCs to comply with a capital to risk (weighted) assets ratio ("**CRAR**"), consisting of Tier I and Tier II capital. Under these requirements, Tier I and Tier II capital should not be less than 15% of the sum of the NBFC's risk-weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items, as applicable. In addition, our Tier I capital, at any point in time, shall not be less than 10%. For details, see "*Regulations and Policies*" on page 291.

As of March 31, 2023, our CRAR was 25.74%, with Tier I capital comprising 25.35% and Tier II capital comprising of 0.39 %. As we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier I and Tier II capital in order to remain in compliance with the applicable CRARs. Further, the RBI may increase its minimum CRAR threshold, which may require us to raise additional capital.

We cannot assure you that we will be able to raise adequate capital in the future on terms favourable to us, or at all, which may adversely affect the growth of our business. Further, the RBI may also in the future require compliance with other prudential norms and standards, which may require us to alter our business and accounting practices or take other actions that could adversely affect our business and operating results.

12. ***Non-compliance with the RBI's observations made pursuant to its periodic inspections or other regulatory compliance requirements by us may have an adverse effect on our business, financial condition or results of operation and could expose us to certain penalties and restrictions.***

We are subject to periodic inspections by the RBI under the Banking Regulation Act and the RBI Act, wherein the RBI inspects our books of accounts and other records for the purpose of verifying the correctness or completeness of

any statement, information or particulars furnished to the RBI or for obtaining any information, which we may have failed to furnish when called upon to do so.

In the past, the RBI has issued scrutiny report and has made certain observations regarding the business and operations of our Company in relation to, but not limited to computation of income recognition, asset classification ("**IRAC**") prudential norms, interest rate and service charge, outsourcing guidelines and fair practice code. We have responded to these observations from time to time, and have taken steps, or are in the process of taking steps to address the identified issues.

While we attempt to be in compliance with all regulatory provisions, directions or observations applicable to us, we cannot assure you that the RBI or any other regulatory or statutory authority will not find any deficiencies in future inspections or the RBI will not make similar or other observations in the future. In the event that we are unable to comply with the observations made or fail to address or satisfactorily address these queries and clarifications in a timely manner or at all, we could be subject to regulatory actions and penalties. Imposition of any penalty or adverse finding by the RBI during any future inspection may have an adverse effect on our reputation, business, financial condition, results of operations and cash flows.

13. ***One of our subsidiaries, VAMPL, is a fixed income fund manager, whose alternate investment funds are registered with SEBI. If VAMPL is not successful in such business, we may lose some or all of the investments that we have made in it and our reputation, results of operations, financial condition and cash flows may be adversely affected.***

One of our Subsidiaries, VAMPL, is a fixed income fund manager, whose alternate investment funds are registered with SEBI. We are subject to all the business risks and uncertainties associated with the AIF business, which may adversely affect our business, prospects, results of operations, financial condition and cash flows.

These risks include the following:

- General economic and political conditions in India and globally that affect the Indian securities markets. Downturns and adverse market conditions could adversely affect the volume of trading in securities offered, thereby reducing brokerage revenues;
- Market movements and volatility may affect the demand for third-party products, thereby reducing commission income;
- Increased competition in this business, leading to lower fee and commissions and lower income;
- Financing costs may increase due to the limited access to liquidity and the capital markets or volatility in interest rates;
- The laws applicable to such business continue to evolve and may be amended, revised or replaced in the future by the Government or regulatory authorities, or due to judicial decisions. Such measures may affect trading volumes and increase trading costs, which may affect our business, financial condition and cash flows.

In the event that we are unable to comply with the requirements specified under such regulations, we may be subject to regulatory actions by the SEBI or the Stock Exchange, including levy of fines or penalties. If the business of VAMPL is adversely affected, we may lose some or all of the investments that we made in VAMPL and our reputation, financial condition and results of operations could be adversely affected.

14. ***We operate in a highly competitive industry and our inability to compete effectively in an increasingly competitive industry may adversely affect our business.***

We operate in a highly competitive industry, given the diversity of our business, and the range of products and services that we offer and we face competition from the full spectrum of public sector banks, private sector banks (including foreign banks), NBFCs, financial institutions and entities which provides B2B lending. Consistent with developments over the years, we may also see the entrance of new competitors. Our competitors may have more resources, a wider branch and distribution network, access to cheaper capital, superior technology and may have a better understanding of and relationships with customers in these markets. This may make it easier for competitors to expand and to achieve economies of scale to a greater extent.

We cannot assure you that we will be able to react effectively to market developments or compete effectively with new and existing players in the industries in which we operate. If we are unable to compete effectively, our net interest margin, income and market share may decline, and our business and results of operations may be adversely affected.

15. ***Any failure or significant weakness of our internal controls system could cause operational errors or incidents of fraud, which would adversely affect our profitability and reputation.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal controls on an ongoing basis so that business units adhere to our policies, compliance requirements and internal guidelines. While we periodically test and update, as necessary, our internal controls systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given the size of our operations, it is possible that errors may repeat or compound before they are discovered and rectified.

Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. Failures or errors in our internal controls systems may lead to transaction errors, pricing errors, inaccurate financial reporting, fraud and failure of critical systems and infrastructure. Such instances may also adversely affect our reputation, business and results of operations. There can also be no assurance that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our reputation, business, results of operations and financial condition.

16. ***We rely significantly on our information technology systems for our business and operations and any failure, inadequacy or security breach in such systems could adversely affect our business, results of operations and reputation.***

We use our interdependent technology platforms to assist with functions such as loan operations and management, financial accounting, business development etc. and our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis.

In addition, our systems are potentially vulnerable to data security breaches, whether by employees, who may have a lack of experience with our newer information technology systems, or others, that may expose sensitive data to unauthorized persons. Data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive financial and personal information) of our customers and employees. Further, we may not detect or prevent all attempts to compromise our systems, including distributed denial-of-service attacks, viruses, malicious software, break-ins, ransomware attacks, phishing attacks, social engineering, fraudulent emails and related payments scams, security breaches or other attacks and similar disruptions that may jeopardize the security of information stored in and transmitted by our systems or that we otherwise maintain.

Further, we may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyberattacks. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on our business and reputation. We face the threat of fraud and cyberattacks, such as hacking, phishing, trojans and other threats, attempting to exploit our network to disrupt services to customers and/or theft of sensitive internal company data or customer information. This may cause damage to our reputation and adversely impact our business and financial results.

17. ***We have securitized/ assigned a portion of the receivables from our loan portfolio to banks and other institutions. Any deterioration in the performance of any pool of receivables assigned to banks and other institutions or any change in RBI or government policies may adversely affect our results of operations, financial condition and cash flows.***

We have securitized and assigned through bilateral transactions a significant portion of the receivables from our loan portfolio to banks and other institutions. These securitization and assignment transactions are conducted on the basis of internal estimates of our funding requirements and may vary from time to time. As at March 31, 2023, the sold portion of our Company's direct assignments outstanding amounted to ₹ 8,674.37 lakh which is 1.49% of our total AUM as of March 31, 2023.

Securitization and assignment transactions help us in maintaining our capital adequacy, and are considered as a true sale as per RBI guidelines relating to securitisation and direct bilateral assignment and also provides us with relief on capital.

For such transactions, in the event that a relevant bank or institution or NBFC does not realize the receivables due under loans that have been securitized/ assigned and the relevant bank or NBFC enforces the underlying credit enhancements assured by us, it could have a material adverse effect on our results of operations, financial condition and/or cash flows. Further, any deterioration in the performance of any batch of receivables assigned to banks and NBFCs could adversely affect our credibility and therefore our ability to conduct further assignments and

securitizations. We may also be named as a party in legal proceedings initiated by an assignee in relation to the securitized assets. Should a substantial portion of our securitized/ assigned loans be put back to us, it could have an adverse effect on our financial condition and results of operations.

Any adverse changes in the policy and/or regulations in connection with securitisation of assets by NBFCs and/or new circulars and/or directions issued by the RBI in this regard, affecting NBFCs or the purchasers of assets, would affect the securitisation market in general and our ability to securitise and/or assign our assets.

18. ***There may be litigations pending against us which, if determined adversely, could affect our business, results of operations and financial condition.***

In the ordinary course of business, we may be involved in certain legal proceedings before various courts, tribunals and statutory, regulatory and other judicial authorities in India, and, if decided against us, could adversely affect our reputation, business, results of operations and financial condition. For further information of the material legal proceedings that we are subject to, see "*Outstanding Litigations and Defaults*" on page 271.We cannot assure you that the currently outstanding legal proceedings will be decided favourably or that no further liability will arise from these claims in the future. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally.

Further, if any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

19. ***We require certain statutory and regulatory approvals and licenses for conducting our business. Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, results of operations and cash flows.***

We are required to obtain and maintain a number of approvals and licenses from governmental and regulatory authorities, including the RBI for operating our business. For an overview of the applicable regulations and the nature of key approvals and licenses to be obtained, see "*Regulations and Policies*" on page 291.

Some of these approvals are granted for a limited duration and are subject to detailed conditions. We cannot assure you that these approvals would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. There is no assurance that the approvals and licenses that we require will be granted or renewed in a timely manner or at all by the relevant governmental or regulatory authorities. Failure to obtain or renew such approvals and licenses in a timely manner would render our operations non-compliant with applicable laws, and may subject us to regulatory action by relevant authorities.

20. ***Our non-convertible debentures are listed on the Stock Exchange and we are subject to rules and regulations with respect to such listed non-convertible debentures. If we fail to comply with such rules and regulations, we may be subject to certain penal actions, which may have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our non-convertible debentures are listed on the debt segment of Stock Exchange. We are required to comply with various applicable rules and regulations, including the applicable SEBI regulations and applicable provisions of the Listing Regulations, in terms of our listed non-convertible debentures. If we fail to comply with such rules and regulations, we may be subject to certain penal actions, including, without limitation, restrictions on the further issuance of securities and the freezing of transfers of securities, which may have an adverse effect on our business, results of operations, financial condition and cash flows. In the past, stock exchanges have had levied certain penalties, see "*Outstanding Litigations and Defaults*" on page 271, For details of such listed non-convertible securities, see "*Disclosures on Existing Financial Indebtedness*" on page 153.

21. ***We may face asset-liability mismatches, which may adversely affect our business, financial condition, results of operations and cash flows.***

Assets and liabilities mismatches, which represent a situation when the financial terms of assets and liabilities do not match, are a key financial parameter. We face liquidity risk due to varying periods over which our assets and liabilities mature. We borrow through different instruments of different tenures and rely on short to medium term instruments such as commercial papers, non-convertible debentures, etc. Further, change in the tenor of our loan products can also result in assets and liabilities mismatches.

While we aim to diversify our funding sources, and we pay careful attention to the maturity of liabilities while creating financial assets, extending the duration of our financial liabilities as needed, the maturity of our loan assets may not match the maturity of our liabilities. Consequently, our inability to raise further credit facilities or renew our existing facilities in a timely and cost-effective manner or at all, may lead to mismatches in our assets and liabilities. Further,

mismatches between our assets and liabilities are compounded in case the assets are restructured and we need to give customers longer tenor loans. Such mismatches could adversely affect our business, financial condition, results of operations and cash flows. For details of asset liability management maturity pattern, see "*Other Regulatory and Statutory Disclosures*" on page 276.

22. ***Any non-compliance with mandatory Anti-Money Laundering and Know Your Customer policies could expose us to additional liability and harm our business and reputation.***

In accordance with the requirements applicable to us, we are mandated to comply with anti-money laundering, anti-terrorism laws, KYC and other regulations in India. These laws and regulations require us, among other things, to adopt and enforce anti-money laundering and KYC policies and procedures. In the ordinary course of our operations, we run the following risks: (i) risk of failing to comply with the prescribed KYC procedures; (ii) the consequent risk of fraud and money laundering by fraudulent customers; and (iii) risk of assessment of penalties or imposition of sanctions against us for such compliance failures despite having implemented systems and controls designed to prevent the occurrence of these risks. Although we believe that we have adequate internal policies, processes and systems in place to prevent and detect any anti-money laundering activity and ensure KYC compliance, we cannot assure you that we will be able to fully control instances of any potential or attempted violation by other parties. Any inability on our part to detect such activities fully and on a timely basis, may subject us to regulatory actions including imposition of fines and penalties and adversely affect our business and reputation.

23. ***Our Company's insurance coverage may not adequately protect us against any or all hazards, which may adversely affect our business, results of operations, financial condition and cash flows.***

Our Company's insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. We cannot, assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have obtained sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, or at acceptable cost, or at all.

There are many events, other than the ones covered in the insurance policies specified in "*Our Business – Insurance*" on page 115, that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our business, results of operations, financial condition and cash flows could be adversely affected. For details in relation to our insurance coverage, see "*Our Business – Insurance*" on page 115.

24. ***Our inability to protect or use our intellectual property rights may adversely affect our business.***

Our name and trademarks are significant to our business and operations. The use of our brand name or logo by third parties could adversely affect our reputation, which could in turn adversely affect our financial performance. We use the "Vivriti" or "Vivriti Capital" trademark, which is the trademark for our primary business operations, and is owned by our Company. It is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition. It is also possible that third parties may use trademarks which are very similar to ours, which may result in customers associating such third parties with our business. Further, our trademark applications may fail to result in trademarks being issued in a timely manner or at all. We may also be susceptible to claims from third parties asserting infringement and other related claims. Any of the foregoing could have an adverse effect on our business, results of operations and financial condition.

25. ***Our operations could be adversely affected by strikes or demands by our employees or any other kind of disputes with our employees.***

As of March 31, 2023, we employed 205 personnel across our operations. Although, we have not experienced any material employee unrest in the recent past, however we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. Such employee actions are difficult or impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

Further, we are subject to several labour laws and regulations that change periodically, and we cannot assure you that we will continue to be able to comply with such laws and regulations in the future. Any non-compliance by us in the future may adversely affect our business, financial condition and results of operations.

26. ***We do not own all our offices, including our Registered Office and Corporate Office. Any termination or failure by us to renew the lease and license agreements in a favourable and timely manner, or at all, could adversely affect our business and results of operations.***

As on the date of this Draft Prospectus, our Registered Office and Corporate Office, are located on leased premises. If any of the owners of these premises do not renew the agreements under which we occupy the premises, or if they seek to renew such agreements on terms and conditions unfavourable to us, or if they terminate the agreements, we may suffer a disruption in our operations or increased costs, or both, which may adversely affect our business and results of operations.

27. ***We have contingent liabilities and our financial condition could be adversely affected if any of these contingent liabilities materialise.***

The following table sets forth our Company's contingent liabilities on a standalone basis (guarantees issued to third parties as part of our Loan guarantee business) as per Ind AS 37, as of March 31, 2023:

(₹ in lakh)

Contingent liabilities	As of March 31, 2023
Guarantees issued to third party	1,139.18
Total	**1,139.18**

We cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future. If any of these contingent liabilities materialise, our financial condition and results of operation may be adversely affected. For further details on our contingent liabilities, see also "*Financial Statements*" on page 331.

28. ***We have in the past entered into related-party transactions and may continue to do so in the future, which may potentially involve conflicts of interest.***

We have entered into certain transactions with related parties and are likely to continue to do so in the future. Although all such related-party transactions are at arm's length, as required under the Companies Act and SEBI Listing Regulations. We cannot assure you that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Such related-party transactions may potentially involve conflicts of interest which may be detrimental to our interest and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition and results of operations. For further details, see also "*Financial Statements*" on page 331.

29. ***This Draft Prospectus contains information from third parties including reports prepared by independent third-party research agency, which we have commissioned and paid for purposes of confirming our understanding of the industry.***

The industry and market information contained in this Draft Prospectus includes information that is derived from the report entitled "*Industry Research Report on NBFC Sector*" dated June 2023 prepared by an independent third-party research agency, CareEdge Research. The report has been commissioned and paid for by us for the purposes of confirming our understanding of our industry in connection with the Issue. The report uses certain methodologies for market sizing and forecasting, and may include numbers relating to us that differ from those we record internally. While we believe such information to be true, we cannot assure you that such information is complete or reliable. Given the scope and extent of the reports, disclosures herein are limited to certain excerpts and the reports have not been reproduced in their entirety in this Draft Prospectus. There are no parts, data or information (which may be relevant for the Issue) that have been left out or changed in any manner. Accordingly, investors should read the industry-related disclosure in this Draft Prospectus in this context.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Statements from third parties that involve estimates are subject to change, and actual amounts may differ from those included in this Draft Prospectus. While these industry sources and publications may take care and caution while preparing their

reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information.

30. ***Our Directors may have interests in entities which are in similar lines of business as our Company and may have interest in our Company other than reimbursement of expenses incurred and receipt of remuneration or benefits from our Company.***

Certain of our Directors may have interest in entities, which are in businesses similar to ours and this may result in conflict of interest with us. For further details, see "*Our Management*" on page 124.

Further, certain of our Directors are interested in us, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, direct and indirect benefits arising therefrom. Further, certain of our Directors may have interest in entities to the extent of their shareholding and/or directorships, which are in businesses similar to ours and this may result in conflict of interest with us.

31. ***We have had negative net operating cash flows in the past and may continue to have negative cash flows in the future.***

The following table sets forth a summary of our cash flows (standalone) for the periods indicated:

Particulars	For the Financial Year Ended March 31,		
	2023	2022	2021
	(₹ in lakh)		
Net cash generated from/ (used in) operating activities	(139,335.66)	(124,468.12)	(75,729.69)
Net cash generated from/ (used in) investing activities	(36,235.77)	(91,924.84)	17, 257.45
Net cash generated from/ (used in) financing activities	161,635.29	245,966.35	69,065.56

For further details, see "*Financial Statements*" on page 331.

32. ***We have included certain Non-GAAP measures related to our operations and financial performance in this Draft Prospectus. Such Non-GAAP measures may vary from any standard methodology that is applicable across the financial services industry and may not be comparable with the financial or operational information of similar nomenclature computed and represented by other companies.***

This Draft Prospectus includes certain non-GAAP measures, including, *inter alia*, Gross NPA%, Net NPA%, Net Worth, Return on Total Assets, Return on Equity, AUM, Gross Loan Book, Total Debts to total assets, etc, for further details, please see "*Our Business - Key Operational and Financial Parameters*" on page 107 which are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. We consider these non-GAAP measures useful in evaluating our business and financial performances. However, these non-GAAP measures are not alternatives to any measure of performance or liquidity or as an indicator of our operating performance or liquidity. They should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. There are no standard methodologies in the industry for computing such measures, and those non-GAAP measures we included in this Draft Prospectus may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to our data. We encourage investors and others to review our financial information in its entirety and not rely on a single financial measure.

33. ***The objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. Any variation in the utilisation of the Net Proceeds or in the terms of the conditions as disclosed in this Draft Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.***

We intend to use the Net Proceeds of the Issue for the purpose of onward lending, financing and for repayment of interest and principal of existing borrowings of our Company, as described in "*Objects of the Issue*" on page 58. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to fund any other expenditure or any exigencies arising out of changes in our competitive environment, business conditions, economic conditions or other factors beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates and current market conditions and have not been appraised by any bank or financial institution or other independent agency. It is subject to amendment due to changes in external circumstances, costs, other financial condition or business strategies.

We operate in a highly competitive and dynamic industry and may need to revise our estimates from time to time based on changes in external circumstances or costs, or changes in other financial conditions, business or strategy. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at our discretion. For details, see "*Objects of the Issue*" on page 58. Additionally, various risks and uncertainties, including those set forth in this "*Risk Factors*" section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth.

34. ***We have not entered into any definitive agreements to utilise a substantial portion of the net proceeds of the Issue.***

We intend to use the Net Proceeds for the purposes described in "*Objects of the Issue*" on page 58 of this Draft Prospectus. Our management will have broad discretion to use the Net Proceeds and you will be relying on the judgment of our management regarding the application of these Net Proceeds. Our funding requirements are based on current conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time. Any such change in our plans may require rescheduling of our current plans or discontinuing existing plans and an increase or decrease in the fund requirements for the objects, at the discretion of the management. Pending utilisation for the purposes described above, we intend to temporarily invest the funds in interest bearing liquid instruments. Such investments would be in accordance with the investment policies approved by our Board from time to time.

Risks relating to the Issue and the NCDs

35. ***Credit ratings may not reflect all risks. Any downgrading in credit rating of our NCDs may adversely affect the value of NCDs and thus our ability to raise further debts.***

The NCDs proposed to be issued under the Issue have been rated "CARE A; Positive" by CARE Ratings Limited vide its letter dated June 12, 2023 (and revalidation letter dated July 11, 2023) and "[ICRA]A(Stable)" by ICRA Limited vide its letter dated June 7, 2023 (and revalidation letter dated July 12, 2023). Credit rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed here, and other factors that may affect the value of the NCDs.

The rating provided by CARE Ratings may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Please refer to page 332 and 333 of this Draft Prospectus for rating letters and rationale for the above rating.

36. ***Changes in interest rate may affect the price of our NCDs. Any increase in rate of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.***

All securities where a fixed rate of interest is offered, such as our NCDs, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.

37. ***Security on our NCDs may rank pari passu with our Company's secured indebtedness in the future.***

Substantially all of our Company's current assets represented by the receivables are being used to secure our Company's debt. As of June 30, 2023, our Company's secured borrowings was ₹ 499,493.53 lakh. While the security on our NCDs is exclusive as of the date of this Draft Prospectus, the terms of the NCDs do not prevent our Company from incurring additional debt subject to maintenance of minimum security cover.

38. ***You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. Failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.***

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure at least 100% security cover for the NCDs at the time of allotment of NCDs, which shall be free from any encumbrances, any decrease in assets provided as security in future might result in Company not meeting the security cover stipulated as per the respective term sheet. This can adversely affect ability

of our Company to meet its payment obligations. Further, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the NCDs.

While the debenture is secured against a charge to the tune of at least 100% of the principal and unpaid interest amount in favour of debenture trustee, and it is the duty of the debenture trustee to monitor that the security is maintained, however, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

39. ***There may be no active market for the NCDs on the retail debt market/capital market segment of the Stock Exchanges. As a result, the liquidity and market prices of the NCDs may fail to develop and may accordingly be adversely affected.***

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors inter alia including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market for listed debt securities, (iii) general economic conditions, and, (iv) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

40. ***The rights over the security provided will not be granted directly to holders of the NCDs.***

The rights over the security securing the obligations of our Company under the NCDs and the Trust Deed will not be granted directly to the NCD holders, but will be granted only in favour of the Debenture Trustee. As a consequence, NCD holders will not have direct security and will not be entitled to take enforcement action in respect of the security for the NCDs, except through the Debenture Trustee.

41. ***Payments to be made on the NCDs will be subordinated to certain tax and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.***

The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to these NCDs have been paid as per section 327 of the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

42. ***There may be a delay in making refund/ unblocking of funds to Applicants.***

We cannot assure you that the monies refundable to you, on account of (i) withdrawal of your applications, (ii) our failure to receive minimum subscription in connection with the Base Issue, (iii) withdrawal of the Issue, or (iv) failure to obtain the final approval from the BSE for listing of the NCDs, will be refunded to you in a timely manner. We, however, shall refund / unblock such monies, with the interest due and payable thereon (in case of any delays) as prescribed under applicable statutory and/or regulatory provisions.

43. ***Permission to list in any stock exchange in India or abroad.***

Any refusal to list securities or debt instruments by any stock exchange in India or abroad in future might adversely affect tradability as well as price of then existing other listed securities or debt instruments. For instance, in the year 2020, our Company was denied in-principle approval from BSE as the Company did not have audited financials for preceding 3 (three) financial years due to which BSE declined to process the application for listing. Any such refusal in future might adversely affect tradability as well as price of then existing other listed securities or debt instruments.

EXTERNAL RISKS

Risks Relating to India

44. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. We are incorporated in India, and all of our assets and employees are located in India. As a result, the

performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be adversely affected by central or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. The following external risks may have an adverse impact on our business and results of operations, should any of them materialise:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war;
- India has experienced epidemics, and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years; and
- contagious diseases such as the COVID-19 pandemic, the pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. Future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

45. ***If the rate of inflation in India increases, our financial condition and results of operations may be adversely affected.***

Inflation rates could be volatile, and we may face high inflation in the future as India has experienced consistently high inflation, which has increased interest rates and increased costs to our business, including finance costs as well as costs of salaries and other expenses relevant to our business. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. Consequently, we may also be affected and fall short of business growth and profitability.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our operating expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition.

While the Government of India through the RBI has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future. As a result, high inflation in India could have a material adverse effect on our financial condition and results of operations.

46. ***Changing laws, rules and regulations and legal uncertainties, including tax laws and regulations, may adversely affect our business, results of operation and prospects and could lead to new compliance requirements that are uncertain.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example:

- The Government of India announced the Union Budget for Financial Year 2023 ("**Budget 2023**"), pursuant to which the Finance Bill 2023 has proposed various amendments. The Finance Bill 2023 has received assent from the President of India on March 31, 2023 and has been enacted as the Finance Act 2023. We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments proposed by the Finance Act, 2023 will have an adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

- On September 2, 2022, the RBI issued the 'Guidelines on Digital Lending' following the 'Recommendations of the Working Group on Digital Lending – Implementation' (the "**Recommendations**") issued by the RBI on August 10, 2022. Our Company is engaged in digital lending within the meaning of the Guidelines on Digital Lending. On June 8, 2023, the RBI issued the 'Guidelines on Default Loss Guarantee' ("**DLG Guidelines**") in Digital Lending. The DLG Guidelines is applicable to our Company. Failure to comply with the obligations in a timely manner may lead to imposition of penalties, and/or other regulatory action being taken by the RBI against us, which may adversely affect our business operations.

- In India, the Supreme Court, in a judgment delivered on 24 August 2017, has held that the right to privacy is a fundamental right. Following this judgment, the Government of India is considering the enactment of the Digital Personal Data Protection Bill, 2022 on personal data protection for implementing organizational and technical measures in processing personal data and lays down norms for cross-border transfer of personal data and to ensure the accountability of entities processing personal data. The enactment of the aforesaid bill may introduce stricter data protection norms for a company such as us and may impact our processes.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.

47. ***Any volatility in exchange rates may lead to a decline in India's foreign exchange reserves and may affect liquidity and interest rates in the Indian economy, which could adversely impact us.***

Foreign inflows into India have remained extremely volatile responding to concerns about the domestic macroeconomic landscape and changes in the global risk environment. The widening current account deficit has been attributed largely to the surge in gold and oil imports. Further, increased volatility in foreign flows may also affect monetary policy decision making.

48. ***Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.***

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, all which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional external financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and future financial performance and our ability to obtain financing for capital expenditures.

49. ***We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.***

The Competition Act, 2002, as amended (the "**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition ("**AAEC**") in certain markets in India and has mandated the Competition Commission of India (the "**CCI**") to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an AAEC is deemed void and attracts substantial penalties.

Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of customers in the relevant market is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void. Further, the Competition Act prohibits abuse of dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and liable to be punished.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act which came into effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations)

Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

Further, on April 3, 2023, the Government notified Competition (Amendment) Act, 2023 which has *inter alia*, proposed the introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a "combination", expedited merger review timelines, codification of the lowest standard of "control" and enhanced penalties for providing false information or a failure to provide material information.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. The impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, if we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of operations, cash flows and prospects.

50. ***Our ability to raise foreign debt capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

51. ***Investors may have difficulty in enforcing foreign judgments against us or our management.***

We are a limited liability company incorporated under the laws of India. Certain of our directors and executive officers are residents of India. Many of our assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons in India or to enforce judgments obtained against us or such parties outside India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). The United States has not been notified as a reciprocating territory.

In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record; such presumption may be displaced by proving want of jurisdiction. The Civil Procedure Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, or other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards even if such awards are enforceable as a decree or judgment. A foreign judgment rendered by a superior court (as defined under the Civil Procedure Code) in any jurisdiction outside India which the Government of India has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of

obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court will award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with public policy in Indian. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside of India, against Indian companies, entities, their directors and executive officers and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

SECTION III: INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated as Vivriti Capital Private Limited on June 22, 2017 as a private limited company under the provisions of the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Central Registration Centre on behalf of the Registrar of Companies, Tamil Nadu at Chennai ("**RoC**"). Our Company has obtained a certificate of registration bearing number N-07.00836 dated January 5, 2018 issued by the RBI to commence/ carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934. Our Company was converted from a private limited company to a public limited company pursuant to a special resolution passed by our Shareholders on May 10, 2023, and the name of our Company was changed to 'Vivriti Capital Limited'. Further, a fresh certificate of incorporation dated June 9, 2023 consequent upon change of name on conversion to a public limited company was granted by the RoC.[(1)] For details regarding changes to our Registered Office, see "*History and Certain Corporate Matters*" beginning on page 117.

[(1)] *Our Company has made an application dated June 12, 2023 to the RBI to obtain a fresh certificate under Section 45IA of the RBI Act, 1934 pursuant to conversion upon change of name of our Company from a private limited to a public limited company to commence/ or carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.*

Registered Office and Corporate Office

Vivriti Capital Limited (*formerly known as Vivriti Capital Private Limited*)
Prestige Zackria Metropolitan No. 200/1-8
2nd Floor, Block -1, Annasalai
Chennai 600 002
Tamil Nadu, India
Contact Number: +91 44 4007 4800
Email: contact@vivriticapital.com
Website: www.vivriticapital.com

For further details regarding changes to our Registered Office, see "*History and Certain Corporate Matters*" on page 117.

Registration

Corporate Identity Number: U65929TN2017PLC117196

Our Company has obtained a certificate of registration bearing number N-07.00836 dated January 5, 2018 issued by the RBI to commence/ carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.[(1)]

[(1)] *Our Company has made an application dated June 12, 2023 to the RBI to obtain a fresh certificate under Section 45IA of the RBI Act, 1934 pursuant to conversion upon change of name of our Company from a private limited to a public limited company to commence/ or carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.*

Permanent Account Number ("PAN"): AAFCV9757P

Legal Entity Identifier: 335800NKJHUIS5AOUH45

Liability of the members of the Company

Limited by shares

Chief Financial Officer

Srinivasaraghavan B
Prestige Zackria Metropolitan No. 200/1-8
2nd Floor, Block -1, Annasalai
Chennai 600 002
Tamil Nadu, India
Tel: +91 44 4007 4800
Email: srinivasaraghavan.B@vivriticapital.com

Compliance Officer for the Issue and Company Secretary

P S Amritha
Prestige Zackria Metropolitan No. 200/1-8
2nd Floor, Block -1, Annasalai

Chennai 600 002
Tamil Nadu, India
Tel: +91 44 4007 4800
Email: cs@vivriticapital.com

Lead Manager

JM Financial Limited

7th Floor, Cnergy
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6630 3030
Facsimile: +91 22 6630 3330
Email: vcl.ncdissue2023@jmfl.com
Investor Grievance Email: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Prachee Dhuri
Compliance Officer: Sunny Shah
SEBI Registration No.: INM000010361
CIN: L67120MH1986PLC038784

Debenture Trustee

Catalyst Trusteeship Limited

GDA House, Plot No. 85
Bhusari Colony (Right)
Kothrud, Pune 411 038
Maharashtra, India **Tel:** +91 22 4922 0555
Email: deesha.trivedi@ctltrustee.com
Investor Grievance Email: grievance@ctltrustee.com
Website: https://catalysttrustee.com/
Contact Person: Ms. Deesha Trivedi
Compliance Officer: Ms. Kalyani Pandey
SEBI Registration No.: IND000000034
CIN: U74999PN1997PLC110262

Catalyst Trusteeship Limited has, pursuant to Regulation 8 of SEBI NCS Regulations, by its letter dated July 20, 2023 has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Draft Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue. Please see "*Annexure D*" of this Draft Prospectus.

All the rights and remedies of the Debenture Holders under this Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Issue without having it referred to the NCD Holders. All investors under this Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Issue to act as their trustee and for doing such acts, deeds, matters, and things in respect of or relating to the Debenture Holders as the Debenture Trustee may in his absolute direction deem necessary or require to be done in the interest of Debenture Holders and signing such documents to carry out their duty in such capacity. Any payment by our Company to the NCD Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company *pro tanto* from any liability to the NCD Holders. For details on the terms of the Debenture Trust Deed see, "*Issue Related Information*" on page 216.

Registrar to the Issue

Integrated Registry Management Services Private Limited
II Floor, "Kences Towers"
No.1 Ramakrishna Street
North Usman Road
T Nagar, Chennai 600 017
Tamil Nadu, India
Tel: 044-28140801/802/ 803
Facsimile: 044-28142479
Email: yuvraj@intergratedindia.in
Investor Grievance Email: corpserv@integratedindia.in
Website: www.integratedindia.in
Contact Person: S Yuvraj
Compliance Officer: Sriram S
SEBI Registration No.: INR000000544
CIN: U74900TN2015PTC101466

Integrated Registry Management Services Private Limited has by its letter dated July 20, 2023 given its consent for its appointment as Registrar to the Issue and for its name to be included in this Draft Prospectus, and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Applicants or prospective investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer of our Company in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, demat credit, transfers, etc.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, Permanent Account Number, number of NCDs applied for, amount paid on application, Depository Participant ("**DP**") name and client identification number, and the collection centre of the Members of the Consortium where the Application was submitted and ASBA Account number (for Bidders other than retail individual investors bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of retail individual investors bidding through the UPI mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (i) the relevant Designated Branch of the SCSB where the Application Form was submitted by the Applicant, or (ii) the concerned Member of the Consortium and the relevant Designated Branch of the SCSB in the event of an Application submitted by an Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for and amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchange Mechanism (app based/wed interface platform) of the Stock Exchange, or through Trading Members, may be addressed directly to the Stock Exchange, with a copy to the Registrar to the Issue.

Statutory Auditor

Name of the Auditor	Address	Date of Appointment
B S R & Co. LLP **Tel:** +91 44 4608 3100 / +91 44 4608 3199 **Firm registration no.:** 101248W/W-100022 **Email:** sethuramans@bsraffliates.com **Peer review certificate no.:** 014196 **Contact Person:** S Sethuraman	KRM Tower 1st and 2nd Floors, No.1 Harrington Road, Chetpet Chennai 600 031, Tamil Nadu, India	August 17, 2021

B S R & Co. LLP has been the Statutory Auditors of our Company since August 17, 2021.

Change in Statutory Auditors for preceding three financial years and current financial year as on date of this Draft Prospectus:

Name of the Auditor	Address	Date of Appointment	Date of cessation if applicable	Date of Resignation if applicable
B S R & Co. LLP	KRM Tower 1st and 2nd Floors, No.1, Harrington Road, Chetpet, Chennai 600 031, Tamil Nadu, India	August 17, 2021	NA	NA
Deloitte Haskins & Sells LLP	One International Centre, Tower 3, 27th-32nd Floor, Indiabulls Finance Centre, Elphinstone Mill Compound, Senapati Bapat Marg, Prabhadevi (W), Mumbai 400 013, Maharashtra, India	April 30, 2018	NA	August 6, 2021*

* *Pursuant to circular issued by RBI on Appointment of Statutory Auditors for NBFC's vide circular no. RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, Deloitte Haskins & Sells LLP had completed a term of three years and subsequently B S R & Co. LLP were appointed as the Statutory Auditors.*

Credit Rating Agencies

ICRA Limited
Building No. 8, 2nd Floor, Tower A
DLF Cyber City, Phase II
Gurgaon 122 002
India
Tel: +91 124 4050424
Email: shivakumar@icraindia.com
Website: www.icra.in
Contact Person: L. Shivakumar
SEBI Registration No.: IN/CRA/008/15
CIN: L74999DL1991PLC042749

CARE Ratings Limited
4th Floor, Godrej Coliseum, Somaiya Hospital Road
Off Eastern Express Highway, Sion(E)
Mumbai 400 022,
Maharashtra, India
Tel: +91 22 6754 3456
Email: P.Sudhakar@careedge.in
Website: https://www.careratings.com/
Contact Person: Sudhakar Prakasam
SEBI Registration No.: IN/CRA/004/1999
CIN: L67190MH1993PLC071691

Credit Rating, Rationale, Revalidated Letter and Press Release

The NCDs proposed to be issued pursuant to this Issue have been rated "[ICRA]A(Stable)" by ICRA Limited vide its letter dated June 7, 2023 (and revalidation letter dated July 12, 2023) and "CARE A; Positive" by CARE Ratings Limited vide its letter dated June 12, 2023 (and revalidation letter dated July 11, 2023). The ratings provided by the Credit Rating Agency may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. For details regarding rating letters and rationale for the aforementioned rating, see "*Annexure B*" and "*Annexure C*" beginning on page 332 and 333.

Disclaimer clause of ICRA

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

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The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information.

Legal Counsel to the Issue

Cyril Amarchand Mangaldas
3rd Floor, Prestige Falcon Towers
19, Brunton Road, Off M.G Road
Bengaluru 560 025
Karnataka, India
Tel: +91 80 6792 2000

Banker(s) to our Company

FEDERAL BANK
YOUR PERFECT BANKING PARTNER
The Federal Bank Limited
Corporate & Institutional Banking
The Federal Bank Ltd.
Akshaya Santhi Building
No.27/44, 6th Floor Anna Salai
Chennai 600 002
Tamil Nadu
Contact Person: Vimal Karunakaran
Tel: +91 44 4774 8506
Email: vimalk@federalbank.co.in
Website: www.federalbank.co.in
CIN No: L65191KL1931PLC000368

Bankers to the Issue

Public Issue Account Bank(s)

As specified in the Prospectus.

Refund Bank(s)

As specified in the Prospectus.

Sponsor Bank

As specified in the Prospectus.

Consortium Member

As specified in the Prospectus.

Impersonation

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

"Any person who -

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 10 lakh or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10 lakh or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakh or with both.

Minimum subscription

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of the Base Issue Size being ₹ 18,750 lakh, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Accounts of the Applicants within eight Working Days from the Issue Closing Date. In the event the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within eight Working Days from the Issue Closing Date. In the event there is delay in unblocking of funds/refunds, our Company shall be liable to repay the money, with interest at the rate of 15 % per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Underwriting

This Issue will not be underwritten**.**

Recovery Expense Fund

Our Company will create a recovery expense fund in the manner as specified by SEBI in circular bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 titled "Master Circular for Debenture Trustees" dated March 31, 2023 and as updated on July 6, 2023, as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and will inform the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Arrangers to the Issue

There are no arrangers to the Issue.

Guarantor to the Issue

There are no guarantors to the Issue.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA and UPI Mechanism process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 respectively as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms and UPI Mechanism through app/web interface from the Designated Intermediaries, refer to the above-mentioned links.

In relation to Applications submitted to a member of the Consortium, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes), or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Member of the Consortium at Specified Locations, see the website of the SEBI (http://www.sebi.gov.in/ sebiweb/other/OtherAction.do?doRecognised =yes) or any such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to ASBA Applications submitted to the Members of the Consortium or the Trading Members of the Stock Exchange only in the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat), the list of branches of the SCSBs at the Specified Cities named by the respective SCSBs to receive deposits of ASBA Applications from such Members of the Syndicate or the Trading Members of the Stock Exchange is provided on (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45) or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting ASBA Applications from Members of the Syndicate or the Trading Members of the Stock Exchange only in the Specified Cities, see http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers / RTAs / CDPs

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and Master Circular No. SEBI/HO/MIRSD/POD-1/CIR/2023/70 dated May 17, 2023 and the ASBA Circular, applicants can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchange, *i.e.*, through the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.bseindia.com.

The list of the Registered Brokers, RTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the websites of the BSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 for Registered Brokers and http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 for RTAs and CDPs, as updated from time to time.

In relation to Applications submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the ASBA Forms from the Registered Brokers is available on the website of the SEBI at www.sebi.gov.in and updated from time to time.

For further details, see "*Issue Procedure*" on page 239.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds, see "*Objects of the Issue*" on page 58.

Issue Programme

ISSUE OPENS ON	As specified in the Prospectus
ISSUE CLOSES ON	As specified in the Prospectus
PAY IN DATE	Application Date. The entire Application Amount is payable on Application.
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors or Borrowing Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ Borrowing Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

*Note: *This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period indicated above, except that this Issue may close on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of ten Working Days from the date of opening of the Issue and subject to not exceeding thirty days from filing the Prospectus with ROC) as may be decided by the Board of Directors of our Company or Borrowing Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Issue our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 216 of this Draft Prospectus.*

Application Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Consortium or the Trading Members of the Stock Exchange, as the case maybe, at the centres mentioned in Application Form through the ASBA mode, (ii) directly by the Designated Branches of the SCSBs or (iii) by the centres of the Consortium, sub-brokers or the Trading Members of the Stock Exchange, as the case maybe, only at the selected cities. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchange. It is clarified that the Applications not uploaded in the Stock Exchange platform would be rejected.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Manager or Trading Members of the Stock Exchange are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that, within each category of investors the Basis of Allotment under the Issue will be on a date priority basis except from the day of oversubscription and thereafter, if any, where the Allotment will be proportionate.

Responsibilities of the Lead Manager:

The following table sets forth responsibility of various activities for the Lead Manager.

S. No.	Activities
1.	Due diligence of Issuer's operations/ management/ business plans/ legal etc and drafting the Draft Prospectus, Prospectus (together "**Issue Documents**")
2.	Co-ordination with Auditors on Comfort Letter and co-ordination with lawyers for legal opinion.
3.	Structuring of various issuance options with relative components and formalities etc.
4.	Appointment of other intermediaries viz., Registrar(s), Printers, Debenture Trustee, Consortium Members, Advertising Agency and Bankers to the Issue
5.	Drafting and design of the statutory advertisement
6.	Preparation and Finalisation of Application form
7.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (5) above including corporate advertisement, brochure, etc.
8.	Preparation of road show presentation, FAQs
9.	Individual / HUF marketing strategy which will cover, inter alia: § Finalize collection centers § Follow-up on distribution of publicity and Issue material including form, Prospectus and deciding on the quantum of the Issue material

S. No.	Activities
10.	Institutional and Non-institutional marketing strategy which will cover, inter alia: • Finalize media, marketing and public relation strategy and publicity budget • Finalize the list and division of investors for one on one meetings • Finalize centers for holding conferences for brokers, etc.
11.	Coordination with the stock exchange for the bidding software
12.	Coordination for security creation by way of execution of Debenture Trust Deed/ Deed of Hypothecation
13.	Post-issue activities including - • Co-ordination with Bankers to the Issue for management of management of Public Issue Account and Refund Account, and timely submission of application forms/ data to RTA and daily collection figures under different categories. • Co-ordination with the Registrars and the Bankers to the Issue for timely submission of certificate, finalization of basis of allotment and allotment of bonds.
14.	Co-ordination with the Registrar for dispatch of allotment and refund advices, dispatch of debenture certificates and credit of bonds.
15.	Finalization of draft of other stationery items like refund order, allotment & refund advice, etc
16.	Coordination for generation of ISINs and Corporate action for dematerialized credit /delivery of securities;
17.	Coordination with Registrar & Stock Exchange for completion of listing and trading.
18.	Redressal of investor grievances in relation to post issue activities

CAPITAL STRUCTURE

Details of share capital

The following table lays down details of our authorised, issued, subscribed and paid-up share capital and securities premium account as on June 30, 2023:

(In ₹, except for share data)

Particulars	Amount in (₹)
AUTHORISED SHARE CAPITAL	
26,000,000 Equity Shares of face value of ₹10 each	260,000,000
1,960,000 Class B Equity Shares of face value of ₹10 each	19,600,000
90,637,063 CCPS of face value of ₹10 each	906,370,630
TOTAL	**1,185,970,630**
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL*	
21,575,735 Equity Shares of face value of ₹ 10 each	215,757,350
90,021,966 CCPS of face value of ₹ 10 each	900,219,660
TOTAL	**1,115,977,010**
Securities Premium Account^	**12,108,245,910**

Note: There will be no change in the capital structure and securities premium account due to the issue and allotment of the NCDs.

**The paid-up share capital is inclusive of final call money of ₹ 105,265 pursuant to the allotment of 21,053 Equity Shares of face value ₹10 each on which ₹5 was called up and paid for as final call money resulting in conversion of such partly paid equity shares to fully paid Equity Shares of our Company. The said change was reported to ROC vide Form PAS-3. However, the same is not reflecting in the master data on Ministry of Corporate Affairs' portal till date. Our Company has raised a service ticket to the Ministry of Corporate Affairs on the above point, to resolve the discrepancy and align the paid-up capital in the master data with the figure given above.*

^ Includes securities premium received on account of issuance of equity share capital and preference share capital of our Company net-off applicable Ind AS adjustments as of June 30, 2023.

1. **Details of change in authorised share capital of our company for the preceding three financial years and current financial year as on June 30, 2023:**

S. No.	Date of Change (AGM/EGM)	Particulars
1.	September 14, 2020 (EGM)	Increase in authorized share capital from ₹ 993,480,350 divided into 15,900,000 Equity Shares of ₹ 10 each, 78,348,035 CCPS of ₹ 10 each and 850,000 OCRPS of ₹ 60 each to ₹ 1,044,370,630 divided into 15,900,000 Equity Shares of ₹ 10 each, 83,437,063 Compulsorily Convertible Preference Shares of ₹ 10 each and 850,000 OCRPS of ₹ 60 each
2.	April 16, 2021 (EGM)	Increase in authorized share capital from ₹ 1,044,370,630 divided into 15,900,000 Equity Shares of ₹ 10 each, 83,437,063 CCPS of ₹ 10 each and 850,000 OCRPS of ₹ 60 each to ₹ 1,054,370,630 divided into 16,900,000 Equity Shares of ₹ 10 each, 83,437,063 CCPS of ₹ 10 each and 850,000 OCRPS of ₹ 60 each
3.	March 22, 2022 (EGM)	Increase in authorized share capital from ₹ 1,054,370,630 divided into 16,900,000 Equity Shares of ₹ 10 each, 83,437,063 CCPS of ₹ 10 each and 850,000 OCRPS of ₹ 60 each to ₹ 1,139,370,630 divided into 20,900,000 Equity Shares of ₹ 10 each, 87,937,063 CCPS of ₹ 10 each and 850,000 OCRPS of ₹ 60 each.
4.	April 14, 2022 (EGM)	Increase in authorized share capital from ₹ 1,139,370,630 divided into 20,900,000 Equity Shares of ₹ 10 each, 87,937,063 CCPS of ₹ 10 each and 850,000 OCRPS of ₹ 60 each to ₹ 1,166,370,630 divided into 20,900,000 Equity Shares of ₹ 10 each, 90,637,063 CCPS of ₹ 10 each and 850,000 OCRPS of ₹ 60 each
5.	September 22, 2022 (AGM)	Reclassification of authorized share capital from ₹ 1,166,370,630 divided into 20,900,000 Equity Shares of ₹ 10 each, 90,637,063 CCPS of ₹ 10 each and 850,000 OCRPS of ₹ 60 each to ₹ 1,166,370,630 divided into 26,000,000 Equity Shares of ₹ 10 each and 90,637,063 CCPS of ₹ 10 each.
6.	May 10, 2023 (EGM)	Increase in authorized share capital from ₹ 1,166,370,630 divided into 26,000,000 Equity Shares of ₹ 10 each and 90,637,063 CCPS of ₹ 10 each to ₹ 1,185,970,630 divided into 26,000,000 Equity Shares of ₹ 10/- each, 90,637,063 CCPS of ₹ 10/- each and 1,960,000 Class B Equity Shares.

2. **Equity Share capital history of our Company for the preceding three financial years and current financial year as on June 30, 2023**

The history of the paid-up Equity Share capital of our Company for the preceding three financial years and current financial year is set forth below:

Equity Shares having a face value of ₹10 each

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						Number of Equity Shares	Equity Share capital (in ₹)	Equity Shares Premium (in ₹)
June 10, 2020	1,151,310	10	173.66	Cash	Allotment pursuant to ESOP 2020[1]	15,641,010	156,410,100.00	255,283,415.96
April 28, 2021	230,322	10	173.67	Cash	Private placement [2]	16,101,654	161,016,540.00	330,677,019.44
	115,161	10	173.67	Cash	Private placement [3]			
	115,161	10	173.67	Cash	Private placement [4]			
May 27, 2021	225,000	10	10.00	Cash	Private placement [5]	16,326,654	163,266,540.00	330,677,019.44
March 29, 2022	100	10	815.00	Cash	Private placement/ Preferential allotment [6]	16,326,754	163,267,540.00	330,757,519.44
April 26, 2022	4,227,828	10	33.33	Other than Cash	Conversion of OCRPS into Equity Shares [7]	20,554,582	205,545,820.00	429,392,746.68
May 9, 2022	100	10	815.00	Cash	Private placement/ Preferential allotment [8]	20,554,682	205,546,820.00	429,473,246.68
November 8, 2022	1,000,000	10	815.00	Cash	Allotment pursuant to ESOP 2022 [9]	21,554,682	215,546,820.00	1,234,473,246.68
December 12, 2022	21,053	10	950.00	Cash	Private placement/ Preferential allotment [10]	21,575,735	215,757,350.00	1,254,263,066.68

1. *Allotment of 1,151,310 Equity Shares to Vamshi Vasudevan (in the capacity of trustee of Vivriti ESOP Trust).*
2. *Allotment of 115,161 Equity Shares each to Namrata Kaul and Sridhar Srinivasan. Such shares were partly paid and ₹17.37 per equity share was paid at the time of allotment of such equity shares, which were issued at an issue price of ₹173.67. The partly paid-up shares Namrata Kaul and Sridhar Srinivasan were made fully paid up on March 25, 2022 and March 29, 2022, respectively, for the balance amount of ₹156.30 per equity share of face value of ₹10 each being made on the partly paid-up shares.*
3. *Allotment of 115,161 Equity Shares to Sanjiv Malhotra. Such shares were partly paid and ₹43.42 per equity share was paid at the time of allotment of such equity shares, which were issued at an issue price of ₹173.67. The partly paid-up shares were made fully paid up on March 29, 2022, for the balance amount of ₹130.25 per equity share of face value of ₹10 each being made on the partly paid-up shares.*
4. *Allotment of 115,161 Equity Shares to Narayan Ramachandran.*
5. *Allotment of 225,000 Equity Shares jointly to Kalpa S Mehta and Shailesh J. Mehta.*
6. *Allotment of 100 Equity Shares to LR India Holdings Ltd.*
7. *Allotment of 2,113,914 Equity Shares each to Gaurav Kumar and Vineet Sukumar.*
8. *Allotment of 100 Equity Shares to TVS Shriram Growth Fund 3.*
9. *Allotment of 1,000,000 Equity Shares to V Sowjanya and Hemang Lalit Mehta (in the capacity of trustee of Vivriti ESOP Trust).*
10. *Allotment of 21,053 Equity Shares to Anita Belani. Such shares were partly paid and ₹475.00 per equity share was paid at the time of allotment of such equity shares, which were issued at an issue price of ₹950.00. The partly paid-up shares were made fully paid up on April 16, 2023, for the balance amount of ₹475 per equity share of face value of ₹10 each being made on the partly paid-up shares.*

Class B equity shares having a face value of ₹10 each

Our Company has not allotted any Class B Equity Shares for the preceding three financial years and current financial year.

3. **Shareholding pattern of our Company as on the last quarter end**

The table below presents the shareholding pattern of our Company as on June 30, 2023.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held* (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V) + (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)	(XIII)	(XIV)		
(A)	Promoter and Promoter Group	2	13,370,417	-	-	13,370,417	61.97	13,370,417	-	13,370,417	61.97	-	13.55	-	-	-	-	13,370,417
(B)	Public*	41	3,723,103		-	3,723,103	17.26	3,723,103	-	3,723,103	17.26	90,021,966	81.91	-	-	-	-	3,490,491
(C)	Non Promoter-Non Public	1	4,482,215	-	-	4,482,215	20.77	4,482,215	-	4,482,215	20.77	-	4.54	-	-	-	-	4,482,215
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	1	4,482,215	-	-	4,482,215	20.77	4,482,215	-	4,482,215	20.77	-	4.54	-	-	-	-	4,482,215
	Total (A+B+C)	44	21,575,735		-	21,575,735	100	21,575,735	-	21,575,735	100	90,021,966	100	-	-	-	-	21,343,123

4. **Statement showing shareholding pattern of the Promoter and Promoter Group**

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held*	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class eg : Equity Shares	Class eg : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	**Indian**																		
(a)	Individuals/Hindu undivided Family																		
	Vineet Sukumar	ATYPS8757R	1	6,737,840	-	-	6,737,840	31.23	6,737,840		6,737,840	31.23	-	6.83	-	-	-	-	6,737,840
	Gaurav Kumar	AHSPG4205C	1	6,632,577	-	-	66,32,577	30.74	6,632,577		6,632,577	30.74	-	6.72	-	-	-	-	6,632,577
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	**Any Other**																		
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	-	2	13,370,417	-	-	13,370,417	61.97	13,370,417	-	13,370,417	61.97	-	13.55	-	-	-	-	13,370,417
(2)	**Foreign**																		

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held*	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class eg : Equity Shares	Class eg : Y	Total								
(a)	Individuals (Non-Resident Individuals/Foreign Individuals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	**Any Other**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	-	2	13,370,417	-	-	13,370,417	61.97	13,370,417	-	13,370,417	61.97	-	13.55	-	-	-	-	13,370,417

5. **Statement showing shareholding pattern of public Shareholders**

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class eg : Equity Shares	Class eg : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	**Institutions**																		
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	**Venture Capital Funds**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	**Alternate Investment Funds**	-	2	392,578	-	-	392,578	1.82	392,578	-	392,578	1.82	-	3.15	-	-	-	-	392,578
	TVS Shriram Growth Fund 3	AADTT1656Q	1	287,313	-	-	287,313	1.33	287,313	-	287,313	1.33	-	3.04	-	-	-	-	287,313
	Ananta Capital Ventures Fund 1	AAJTA3075C	1	105,265	-	-	105,265	0.49	105,265	-	105,265	0.49	-	0.11	-	-	-	-	105,265
(d)	**Foreign Venture Capital Investors**	-	2	465,024	-	-	465,024	2.16	465,024	-	465,024	2.16	-	13.76	-	-	-	-	232,412
	Lightrock Growth Fund I S.A., SICAV-RAIF	NA	1	232,512	-	-	232,512	1.08	232,512	-	232,512	1.08	-	11.99	-	-	-	-	2,32,412
	LR India Fund I S.à r.I., SICAV-RAIF.	NA	1	232,512	-	-	232,512	1.08	232,512	-	232,512	1.08	-	1.77	-	-	-	-	-
(e)	**Foreign Portfolio Investors**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class eg : Equity Shares	Class eg : Y	Total								
(f)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other																		
	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(1)		4	857,602	-	-	857,602	3.98	857,602	-	857,602	3.98	-	16.91	-	-	-	-	624,990
(2)	Central Government/State Government(s) /President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non-Institutions																		
(a)	i. Individual shareholders holding nominal share capital up to Rs.2 lakhs*	-	22	160,225	-	-	160,225	0.74	160,225	-	160,225	0.74	-	0.16	-	-	-	-	160,225

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class eg : Equity Shares	Class eg : Y	Total								
	ii. Individual shareholders holding nominal share capital in excess of ₹2 Lakhs	-	11	2,363,150	-	-	2,363,150	10.95	2,363,150	-	2,363,150	10.95	-	2.40	-	-	-	-	2,363,150
	Soumendra Nath Ghosh	AIGPG5477P	1	582,200	-	-	582,200	2.70	582,200	-	582,200	2.70		0.59	-	-	-	-	582,200
	Aniket Satish Deshpande	AMRPD0549G	1	551,000	-	-	551,000	2.55	551,000	-	551,000	2.55		0.56	-	-	-	-	551,000
	Shaik Mohammed Irfan Basha	CSTPS7528G	1	509,550	-	-	509,550	2.36	509,550	-	509,550	2.36		0.52	-	-	-	-	509,550
	Kalpa S Mehta and Shailesh J Mehta (Joint Shareholder)	AOYPM5316H	1	225,000	-	-	225,000	1.04	225,000	-	225,000	1.04		0.23	-	-	-	-	225,000
	Others	-	7	495,400	-	-	495,400	2.30	495,400	-	495,400	2.30	-	0.50	-	-	-	-	495,400
(b)	**NBFCs Registered with RBI**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	**Employee Trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	**Overseas Depositories (Holding**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class eg : Equity Shares	Class eg : Y	Total								
	DRs)(Balancing figure)																		
(e)	**Any Other**																		
	TRUSTS	AADTP7583L	1	105,265	-	-	105,265	0.49	105,265	-	105,265	0.49	-	0.11	-	-	-	-	105,265
	NON RESIDENT INDIANS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CLEARING MEMBERS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	NON RESIDENT INDIAN NON REPATRIABLE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BODIES CORPORATES	-	3	236,861	-	-	236,861	1.10	236,861	-	236,861	1.10	-	62.34	-	-	-	-	236,861
	Sub Total (B)(3)		37	2,865,501	-	-	2,865,501	13.28	2.865,501	-	2.865,501	13.26	-	65.00	-	-	-	-	2.865,501
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		41	3,723,103	-	-	3.723,103	17.26	3.723,103	-	3.723,103	17.26	-	81.91	-	-	-	-	3.490,491

6. **Statement showing shareholding pattern of non-Promoter – non-public Shareholders**

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class eg : Equity Shares	Class eg : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Custodian/ DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust	AACTV7744A	1	4,482,215	-	-	4,482,215	20.77	4,482,215	-	4,482,215		-	4.54	-	-	-	-	4,482,215
	Total Non-Promoter-Non Public Shareholding = I(1)+(C)(2)		1	4,482,215	-	-	4,482,215	20.77	4,482,215	-	4,482,215		-	4.54	-	-	-	-	4,482,215

7. **List of top ten holders of Equity Shares as on June 30, 2023**

Sr. No	Name of the Shareholder	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
1.	Vineet Sukumar	6,737,840	6,737,840	31.23
2.	Gaurav Kumar	6,632,577	6,632,577	30.74
3.	Vivriti ESOP Trust	4,482,215	4,482,215	20.77
4.	Soumendra Nath Ghosh	582,200	582,200	2.70
5.	Aniket Satish Deshpande	551,000	551,000	2.55
6.	Shaik Mohammad Irfan Basha	509,550	509,550	2.36
7.	TVS Shriram Growth Fund 3	287,313	287,313	1.33
8.	Lightrock Growth Fund I S.A., SICAV-RAIF (formerly Lightstone Fund S.A.)	232,512	232,412	1.08
9.	LR India Fund I S.A. r.l., SICAV-RAIF	232,512	0	1.08
10.	Kalpa S Mehta and Shailesh J Mehta (Jointly)	225,000	225,000	1.04
	Total	**20,472,719**	**20,240,107**	**94.89**

8. **List of top ten holders of non-convertible securities as on June 30, 2023 (on cumulative basis)**

Sr. No	Name	Category of holder	Face value of holding (in INR lakh)	% Of Total Non-Convertible Securities Outstanding
1.	Standard Chartered Bank	Foreign commercial bank	10,000	7.55
2.	Credavenue Securities Private Limited	Corporate body-domestic	9,216	6.95
3.	Nippon Mutual Fund	Mutual fund	5,850	4.41
4.	Kotak Mutual Fund	Mutual fund	5,000	3.77
5.	JM Financial Products Limited	Corporate body-domestic	5,000	3.77
6.	Sundaram Finance Limited	Corporate body-domestic	5,000	3.77
7.	Axis Mutual Fund	Mutual fund	4,900	3.70
8.	MAS Financial Services Limited	Corporate body-domestic	4,620	3.49
9.	Kairus Shavak Dadachanji	Resident - ordinary	4,450	3.36
10.	Shyam Metalics And Energy Limited	Corporate body-domestic	4,000	3.02
Total			**58,036**	**43.79**

9. **Shareholding of the Promoter and Promoter Group in our Company as on June 30, 2023**

Sr. No	Name of the Promoter/ Promoter Group	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
1.	Gaurav Kumar	6,632,577	6,632,577	30.74
2.	Vineet Sukumar	6,737,840	6,737,840	31.23

10. **Details of the Directors' shareholding in our Company, as on June 30, 2023:**

As on June 30, 2023, except the following, none of the Directors hold any Equity Shares, qualification shares or any outstanding options in our Company:

Sr. No	Name of the Directors	Designation	Total number of Equity Shares	Total shareholding as a % of total number of Equity Shares	Total shareholding as a % of total number of Equity Shares on a fully diluted basis
1.	Vineet Sukumar	Managing Director	6,737,840	31.23	6.83
2.	Gaurav Kumar	Non-Executive Director	6,632,577	30.74	6.72
3.	Namrata Kaul	Independent Director	115,161	0.53	0.12
4.	Anita Belani	Independent Director	21,053	0.10	0.02

11. **Statement of the aggregate number of securities of our Company and our Subsidiaries purchased or sold by our Promoters, Promoter Group, our Directors and the directors of our Promoters and/or their relatives within six months immediately preceding the date of filing of this Draft Prospectus.**

Our Promoters, Promoter Group, Directors and/ or their relatives have not purchased or sold securities of our Company and our Subsidiaries within six months immediately preceding the date of filing of this Draft Prospectus.

12. **(a) Statement of capitalization (Debt to Equity Ratio) of our Company - Consolidated**

(₹ in lakh, except percentage)

Particulars	Pre – Issue (As at March 31, 2023)	Post Issue (2)
(i) Total Debt -Note 1	**4,77,243.05**	**5,27,243.05**
(ii) Total Equity- Note - 2	**2,80,359.82**	**2,80,359.82**
Debt – Equity Ratio (1) (i/ii)	1.70	1.88

(1) Debt - Equity ratio is (Debt Securities + Borrowings (Other than debt securities) - Bank overdrafts - Unamoritzed issues expenses) / net worth i.e. Equity share capital + Other equity + Convertible preference share capital

(2) Debt – Equity Ratio post issue indicative on account of the assumed inflow of ₹ 50,000 lakh from the proposed Issue. The actual Debt - Equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.

Note 1:

Particulars	Pre – Issue (As at March 31, 2023)	Post Issue (2)
Debt - Securities	1,51,887.19	2,01,887.19
Borrowings (Other than Debt Securities)	3,50,698.27	3,50,698.27
Less:		
Bank Overdrafts	21,087.13	21,087.13
Unamortised Issue Expenses	4,255.28	4,255.28
Total	**4,77,243.05**	**5,27,243.05**

Note 2:

Particulars	Pre – Issue (As at March 31, 2023)	Post Issue (2)
Equity Share Capital	1,708.12	1,708.12
Convertible Preference Share Capital	9,002.20	9,002.20
Other Equity	2,69,649.50	2,69,649.50
Total	**2,80,359.82**	**2,80,359.82**

(b) Statement of capitalization (Debt to Equity Ratio) of our Company - Standalone

(₹ in lakh, except percentage)

Particulars	Pre – Issue (As at March 31, 2023)	Post Issue (2)
(i) Total Debt -Note 1	4,76,646.43	5,26,646.43
(ii) Total Equity- Note - 2	1,56,474.55	1,56,474.55
Debt – Equity Ratio (1) (i/ii)	3.05	3.37

(1) Debt - Equity ratio is (Debt Securities + Borrowings (Other than debt securities) - Bank overdrafts - Unamoritzed issues expenses) / net worth i.e. Equity share capital + Other equity + Convertible preference share capital

(2) Debt – Equity Ratio post issue indicative on account of the assumed inflow of ₹ 50,000 lakh from the proposed Issue. The actual Debt - Equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.

Note 1:

Particulars	Pre – Issue (As at March 31, 2023)	Post Issue
Debt - Securities	1,51,887.19	2,01,887.19
Borrowings (Other than Debt Securities)	3,50,101.65	3,50,101.65
Less:		
Bank Overdrafts	21,087.13	21,087.13
Unamortised Issue Expenses	4,255.28	4,255.28
Total	**4,76,646.43**	**5,26,646.43**

Note 2:

Particulars	Pre – Issue (As at March 31, 2023)	Post Issue
Equity Share Capital	1,708.12	1,708.12

Particulars	Pre – Issue (As at March 31, 2023)	Post Issue
Convertible Preference Share Capital	9,002.20	9,002.20
Other Equity	1,45,764.23	1,45,764.23
Total	**1,56,474.55**	**1,56,474.55**

13. **Details of shareholding of our Promoters in our Company's Subsidiaries**

As on the date of this Draft Prospectus, the following are the details of our Promoters' shareholding in our Subsidiaries:

VAMPL		
Name of the Promoter	**Total number of equity shares**	**Total shareholding as a % of total number of equity shares**
Vineet Sukumar	2,235,266	10.00
Gaurav Kumar	2,235,267	10.00

CAPL		
Name of the Promoter	**Total number of equity shares**	**Total shareholding as a % of total number of equity shares**
Vineet Sukumar	6,589,300	9.86
Gaurav Kumar	6,668,000	9.98

14. **Debt securities issued at a premium or a discount**

Except as set out in *"Disclosures on Existing Financial Indebtedness*" on page 153 of this Draft Prospectus, our Company has not issued debt securities at a premium or discount.

15. **Details of any acquisition or amalgamation with any entity in the preceding one year**

Our Company has not made any acquisition or amalgamation with any entity in the preceding one year prior to the date of this Draft Prospectus.

16. **Details of any reorganization or reconstruction in the preceding one year**

Our Company has not made any reorganisation or reconstruction in the preceding one year prior to the date of this Draft Prospectus.

17. **Details of shareholding of Directors in subsidiaries, associates and joint ventures as of the date of this Draft Prospectus**

Except as disclosed below, none of our Directors hold any equity share in our Subsidiaries:

VAMPL			
Name of the Director	**Total number of equity shares**	**Total shareholding as a % of total number of equity shares**	**Total shareholding as a % of total number of equity shares on a fully diluted basis**
Vineet Sukumar	2,235,266	10.00	6.92
Gaurav Kumar	2,235,267	10.00	6.92

CAPL			
Name of the Director	**Total number of equity shares**	**Total shareholding as a % of total number of equity shares**	**Total shareholding as a % of total number of equity shares on a fully diluted basis**
Vineet Sukumar	6,589,300	9.86	6.74
Gaurav Kumar	6,668,000	9.98	7.85

Further, our Company does not have any associates and joint ventures as of the date of this Draft Prospectus.

18. **Details of change in the promoter holding in our Company during the preceding financial year beyond the threshold prescribed by the RBI from time to time**

There has been no change in the promoter holding in our Company during the preceding financial year beyond 26%.

19. None of the Equity Shares held by the Promoter and Promoter Group in our Company are pledged or encumbered otherwise by our Promoters and Promoter Group.

20. **Employee Stock Option Plans**

As of June 30, 2023, our Company has six Employee Stock Option Plans. The Employee Stock Option Plans cover the employees of our Company and our Subsidiaries. The Employee Stock Option Plans are implemented through Vivriti ESOP Trust and through direct route i.e., via committee of the Company.

The details of our Employee Stock Option Plans in force as of June 30, 2023 are set forth below:

(i) ESOP 2018

Our Company instituted the Vivriti Capital Limited Employees' Stock Option Plan 2018 ("**ESOP 2018**") pursuant to a special resolution dated June 15, 2018.

Under ESOP 2018, our Company can grant 1,922,500 employee stock options exercisable into 1,922,500 equity shares of ₹ 10 each. The eligibility and number of options to be granted to an employee would be determined by 'ESOP Committee' in accordance with ESOP 2018 and the applicable laws. The options granted shall vest on the eligible employees of our Company or subsidiaries, as determined in accordance with ESOP 2018.

Please refer below for the details of ESOP 2018 as on June 30, 2023:

Sr. No	Particulars	Number
1.	Stock Options granted*	1,937,500
2.	Stock Options vested	651,200
3.	Stock Options exercised	850,300
4.	Stock Options cancelled	436,000
5.	Total number of shares arising out of exercise of stock options	850,300
6.	Stock Options Lapsed	0
7.	Exercise price (in Rupees)	INR 10, INR 47.48 and INR 71.67

** Includes certain options granted pursuant to cancellation*

(ii) ESOP 2019

Our Company instituted Vivriti Capital Limited Employees' Stock Option Plan 2019 ("**ESOP 2019**") pursuant to a special resolution dated April 22, 2019.

Under ESOP 2019, our Company can grant 467,000 employee stock options exercisable into 467,000 equity shares of ₹ 10 each. The eligibility and number of options to be granted to an employee would be determined by 'ESOP Committee' in accordance with ESOP 2019 and the applicable laws. The options granted shall vest on the eligible employees of our Company or subsidiaries, as determined in accordance with ESOP 2019.

Please refer below for the details of ESOP 2019 as on June 30, 2023:

Sr. No	Particulars	Number
1.	Stock Options granted*	467,500
2.	Stock Options vested	210,325
3.	Stock Options exercised	71,175
4.	Stock Options cancelled	186,000
5.	Total number of shares arising out of exercise of stock options	71,175
6.	Stock Options Lapsed	0
7.	Exercise price (in Rupees)	INR 47.48 and INR 71.67

** Includes certain options granted pursuant to cancellation*

(iii) ESOP 2019 II

Our Company instituted the Vivriti Capital Limited Employees' Stock Option Plan 2019 -II ("**ESOP 2019 II**") pursuant to a special resolution dated November 9, 2019.

Under ESOP 2019 II, our Company can grant 800,000 employee stock options exercisable into 800,000 equity shares of ₹ 10 each. The eligibility and number of options to be granted to an employee would be determined by 'ESOP Committee' in accordance with ESOP 2018 and the applicable laws. The options granted shall vest on the eligible employees of our Company or subsidiaries, as determined in accordance with ESOP 2019 II.

Please refer below for the details of ESOP 2019 II as on June 30, 2023:

Sr. No	Particulars	Number
1.	Stock Options granted*	829,500
2.	Stock Options vested	322,425
3.	Stock Options exercised	202,775
4.	Stock Options cancelled	304,300
5.	Total number of shares arising out of exercise of stock options	202,775
6.	Stock Options Lapsed	0
7.	Exercise price (in Rupees)	INR 71.67

* *Includes certain options granted pursuant to cancellation*

(iv) ESOP 2020

Our Company instituted the Vivriti Capital Limited Employees' Stock Option Plan 2020 ("**ESOP 2020**") pursuant to a special resolution dated May 30,2020.

Under ESOP 2020, our Company can grant 1,562,510 employee stock options exercisable into 1,562,510 equity shares of ₹ 10 each. The eligibility and number of options to be granted to an employee would be determined by 'ESOP Committee' in accordance with ESOP 2020 and the applicable laws. The options granted shall vest on the eligible employees of our Company or subsidiaries, as determined in accordance with ESOP 2020.

Please refer below for the details of ESOP 2020 as on June 30, 2023:

Sr. No	Particulars	Number
1.	Stock Options granted*	2,447,000
2.	Stock Options vested	1,049,125
3.	Stock Options exercised	167,625
4.	Stock Options cancelled	963,625
5.	Total number of shares arising out of exercise of stock options	167,625
6.	Stock Options Lapsed	0
7.	Exercise price (in Rupees)	INR 173.66

* *Includes certain options granted pursuant to cancellation*

(v) ESOP 2022

Our Company instituted the Vivriti Capital Limited Employee Stock Option Plan 2022 ("**ESOP 2022**") pursuant to a special resolution dated October 14, 2022.

Under ESOP 2022, our Company can grant 1,283,800 employee stock options exercisable into 1,283,800 equity shares of ₹ 10 each. The eligibility and number of options to be granted to an employee would be determined by 'ESOP Committee' in accordance with ESOP 2022 and the applicable laws. The options granted shall vest on the eligible employees of our Company or subsidiaries, as determined in accordance with ESOP 2022.

Please refer below for the details of ESOP 2022 as on June 30, 2023

Sr. No	Particulars	Number
1.	Stock Options granted*	1,293,800
2.	Stock Options vested	162,012
3.	Stock Options exercised	0
4.	Stock Options cancelled	29,350
5.	Total number of shares arising out of exercise of stock options	0
6.	Stock Options Lapsed	0
7.	Exercise price (in Rupees)	INR 950 and INR 815

* *Includes certain options granted pursuant to cancellation*

(vi) ESOP 2023

Our Company instituted the Vivriti Capital Limited Employee Stock Option Plan 2023 ("**ESOP 2023**") pursuant to a special resolution dated May 10, 2023.

Under ESOP 2023, our Company can grant 1,960,000 employee stock options exercisable into 1,960,000 equity shares of ₹ 10 each. The eligibility and number of options to be granted to an employee would be determined by 'ESOP Committee' in accordance with ESOP 2023 and the applicable laws. The options granted shall vest on the eligible employees of our Company or subsidiaries, as determined in accordance with ESOP 2023.

Please refer below for the details of ESOP 2023 as on June 30, 2023

Sr. No	Particulars	Number
1.	Stock Options granted	1,125,220
2.	Stock Options vested	0
3.	Stock Options exercised	0
4.	Stock Options cancelled	0
5.	Total number of shares arising out of exercise of stock options	0
6.	Stock Options Lapsed	0
7.	Exercise price (in Rupees)	INR 525

OBJECTS OF THE ISSUE

Issue proceeds

Our Company has filed this Draft Prospectus for a public issue of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each ("**NCDs")** for an amount up to ₹ 25,000 lakhs **("Base Issue Size")** with an option to retain oversubscription up to ₹ 25,000 lakh **("Green Shoe Option")**, cumulatively aggregating up to 50,00,000 NCDs for an aggregate amount of up to ₹ 50,000 lakh **("Issue Size" or "Issue Limit")**.

The Issue is being made pursuant to the provisions of the SEBI NCS Regulations and the Companies Act and the rules made there under. Our Company proposes to utilize the proceeds raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company ("**Net Proceeds**") towards funding the objects listed under this section.

The details of the proceeds of the Issue are summarized below:

Particulars	Estimated amount (in ₹ lakh)
Gross proceeds of the Issue	As specified in Prospectus
Less: Issue related expenses*	As specified in Prospectus
Net Proceeds	As specified in Prospectus

* *The above Issue related expenses are indicative and are subject to change depending on the actual level of subscription to the Issue, the number of allottees, market conditions and other relevant factors.*

Requirement of Funds and Utilization of Net Proceeds

The following table details the objects of the Issue (collectively, referred to herein as the "**Objects**") and the amount proposed to be financed from the Net Proceeds:

S. No.	Objects of the Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	Onward lending, financing and for repayment of interest and principal of existing borrowings of our Company#	At least 75%
2.	General corporate purposes*	Maximum up to 25%
Total		**100%**

* *The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised and allotted in the Issue, in compliance with the SEBI NCS Regulations.*

\# *Our Company shall not utilise the proceeds of this Issue towards payment of prepayment penalty, if any.*

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake its existing activities as well as the activities for which the funds are being raised through this Issue.

Issue related expenses

The expenses for this Issue include, *inter alia*, lead management fees and selling commission to the Lead Manager, Consortium Member and intermediaries as provided for in the SEBI Master Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to the Issue. The Issue expenses and listing fees will be paid by our Company.

The estimated breakdown of the total expenses for this Issue is as follows*:

Particulars	Amount (in ₹ lakhs)	As a percentage of the Issue proceeds (in %)	As a percentage of the total expended of the Issue (in%)
Lead Manager fees	[•]	[•]	[•]
Underwriting commission	[•]	[•]	[•]
Brokerage, selling commission and upload fees	[•]	[•]	[•]
Fees payable to the Registrar to the Issue	[•]	[•]	[•]
Fees payable to the Legal Advisors to the Issue	[•]	[•]	[•]
Advertising and marketing expenses	[•]	[•]	[•]
Fees payable to the regulators including Stock Exchanges	[•]	[•]	[•]
Payment towards stamp duty	[•]	[•]	[•]
Expenses incurred on printing and distribution of issue stationary	[•]	[•]	[•]

Particulars	Amount (in ₹ lakhs)	As a percentage of the Issue proceeds (in %)	As a percentage of the total expended of the Issue (in%)
Any other fees, commission or payments under whatever nomenclature	[•]	[•]	[•]
Grand Total	[•]	[•]	[•]

**Assuming the Issue is fully subscribed and our Company retains oversubscription as per the Issue Documents.*
Note: Estimated Issue expenses are excluding of GST.

The expenses are indicative and are subject to change depending on the actual level of subscription to the Issue and the number of Allottees, market conditions and other relevant factors.

Purpose for which there is a requirement of funds

As stated in this section.

Funding plan

Our Company confirms that for the purpose of this Issue, funding plan will not be applicable.

Summary of the project appraisal report

Our Company confirms that for the purpose of this Issue, summary of the project appraisal report will not be applicable.

Schedule of implementation of the project

Our Company confirms that for the purpose of this Issue, schedule of implementation of the project will not be applicable.

Monitoring and reporting of utilisation of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose in our Company's financial statements for the relevant Financial Year commencing from Fiscal 2024, the utilisation of the proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Issue. Our Company shall utilize the proceeds of the Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchange. Our Company, in accordance with the timeline prescribed in SEBI Listing Regulations, shall submit to the stock exchange, a statement indicating the utilization of issue proceeds of non-convertible securities, which shall be continued to be given till such time the issue proceeds have been fully utilised or the purpose for which these proceeds were raised has been achieved.

Interim use of proceeds

The management of our Company, in accordance with the policies formulated by it from time to time, will have the flexibility in deploying the proceeds received from the Issue. Pending utilisation of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds in high quality interest/ non- interest bearing liquid instruments including money market mutual funds, deposits with banks, current account of banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by our Board of Directors or a committee thereof. Such investment would be in accordance with the investment policy of our Company approved by our Board of Directors or any committee thereof from time to time.

Variation in terms of contract or objects in this Draft Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act, at any time, vary the terms of the objects for which this Draft Prospectus is issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act. Further, in accordance with the SEBI Listing Regulations, in case of any material deviation in the use of proceeds as compared to the objects of the issue, the same shall be indicated in the format as specified by SEBI from time to time.

Other confirmations

No part of the proceeds from the Issue will be paid by us as consideration to our Promoters, the Directors, Key Managerial Personnel, or companies promoted by our Promoters except in ordinary course of business.

No part of the proceeds from the Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company. Further our Company undertakes that Issue proceeds from NCDs allotted to banks shall not be used for any purpose,

which may be in contravention of the RBI guidelines including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI Regulations.

Our Company confirms that it will not use the proceeds from the Issue, directly or indirectly, for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to an interest in either the capital or profit or losses or both in such business exceeding 50% thereof, the purchase or acquisition of any immovable property (direct or indirect) or acquisition of securities of any other body corporate.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

There is no contribution being made or intended to be made by the Directors as part of the Issue or separately in furtherance of the Objects of the Issue.

Benefit / interest accruing to our Promoters/Directors out of the object of the Issue

We propose to utilize the proceeds of the issue towards onward lending, financing and for repayment of interest and principal of our existing borrowings. Our Company has provided certain loans to such borrowers where one or more of our Promoters or Directors may also be a director. For further details in relation to the other directorships of our Promoters and Directors, please see "*Our Management - Details of other Directorship*" on page 124. Further, for details of loans availed by such companies, please see "*Related Party Transactions*" segment of "*Financial Statements*" beginning on page 331. Except to the extent that the proceeds of the Issue are utilized to lend to such borrowers except our Group Companies, neither our Promoters nor our Directors of our Company are interested in the Objects of this Issue.

Utilisation of the proceeds of the Issue

a. All monies received out of the Issue shall be credited/transferred to a separate bank account maintained with Public Issue Account as referred to in Section 40 of the Companies Act, 2013.

b. Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies had been utilised.

c. Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested.

d. The details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested.

e. We shall utilize the Issue proceeds only upon execution of the Debenture Trust Deed(s) as stated in this Draft Prospectus, creation of security, receipt of the listing and trading approval from the Stock Exchange and on receipt of the minimum subscription of 75% of the Base Issue Size being ₹ 18,750 lakh.

f. The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.

g. The Issue Proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time.

STATEMENT OF POSSIBLE TAX BENEFITS

The Board of Directors
Vivriti Capital Limited (formerly known as Vivriti Capital Private Limited)
Prestige Zackria Metropolitan No. 200/1-8,
2nd Floor, Block -1, Annasalai,
Chennai 600 002
28 July, 2023
Dear Sirs,

Subject: Statement of possible tax benefits ("the Statement") available to the debenture holders in connection with the Proposed public issue by Vivriti Capital Limited (Formerly known as Vivriti Capital Private Limited) (the "Company") of secured, rated, listed, redeemable non-convertible debentures of face value of ₹ 1,000 each ("NCDs") for an amount up to ₹ 25,000 lakhs (Indian Rupees Twenty-Five Thousand lakhs) ("Base Issue Size") with an option to retain oversubscription up to ₹ 25,000 lakhs (Indian Rupees Twenty-Five Thousand lakhs) ("Green Shoe Option"), cumulatively for an aggregate amount of up to ₹ 50,000 lakhs (Indian Rupees Fifty Thousand lakhs) ("Issue Size" or "Issue Limit") (hereinafter referred to as the "Issue") through the draft prospectus and the prospectus ("Offer Document")

This report is issued in accordance with the engagement letter dated 15 May 2023.

We, B S R & Co. LLP, Chartered Accountants, hereby report that the enclosed Statement prepared by the Company, initialed by us for identification purpose, states the possible tax benefits available to the debenture holders of the Company under the Income tax Act, 1961 ('the Act'), presently in force in India as on the signing date. These possible tax benefits are dependent on the debenture holders of the Company fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the debenture holders to derive these possible tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company faces in the future, the Company and its debenture holders may or may not choose to fulfill.

The benefits discussed in the enclosed Statement are not exhaustive. Further, the preparation of the Statement and its contents is the responsibility of the Management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue of the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Charted Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

i) the debenture holders will continue to obtain these possible tax benefits in future; or
ii) the conditions prescribed for availing the possible tax benefits where applicable, have been/would be met with.

The contents of the enclosed Statement are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Act and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Report in the draft prospectus and the prospectus and in any other material used in connection with the Issue made under the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended issued by Securities and Exchange Board of India and is not to be used, referred to or distributed for any other purpose without our prior written consent.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491
UDIN: 23203491BGYXZC8325

Place: Chennai
Date: 28 July 2023

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDER(S)

This Annexure is based on the provisions of the Income-tax Act, 1961 ('IT Act') in force as on the current date, after considering the amendments made by the Finance Act, 2023 ('FA 2023').

This Annexure intends to provide general information on the applicable provisions of the IT Act. However, in view of the nature of the implications, the investors are best advised to consult their respective tax advisors / consultants for appropriate counsel with respect to the specific tax and other implications arising out of their participation in the Portfolio as indicated herein.

Taxability under the IT Act

A. *Common provisions applicable to both Resident and Non-Resident debenture holders:*

1. *Determination of head of income for the purpose of accessibility:*

The returns received by the investors from the Non-Convertible Debentures ('NCD') in the form of 'interest' and gains on transfer of the NCD, may be characterized under the following broad heads of income for the purposes of taxation under the IT Act:

- Profits and gains of business or profession ('PGBP');
- Capital gains ('CG'); and
- Income from other sources ('IFOS').

For determining the appropriate head of income (as mentioned above) vis-à-vis the income or loss earned on/ from the NCD, it will be pertinent to analyse whether the NCD are held as 'Investments' i.e., capital asset or as 'Stock-in-trade'.

If the NCD are held as 'Stock-in-trade', interest income as well as gain or loss on its transfer will be assessed to tax under the head PGBP, whereas, if the NCD are held as 'Investments', then the interest income will be assessed to tax under the head IFOS and any gain/ loss on its transfer will be assessed to tax under the head CG (explained in ensuing paragraphs), based on facts of each case.

However, as per section 2(14) of the IT Act, 'capital asset' includes, inter alia, securities held by a Foreign Institutional Investor ('FII') [now known as Foreign Portfolio Investor ('FPI')] which has invested in such securities in accordance with the regulations made under Securities and Exchange Board of India Act, 1992. Accordingly, such securities, held by a FII, will be characterised as 'capital asset' and classification as 'Stock-in-trade' shall not apply.

The investors may obtain specific advice from their tax advisors regarding the above classification and tax treatment of their investments.

2. *Taxation of Interest and Gain/ loss on transfer of debentures:*

a) Taxation of Interest

Income by way of interest received on debentures, bonds and other debt instruments held as 'Investments' (i.e., capital asset) will be charged to tax under the head IFOS at the rates applicable to the investor after deduction of expenses, if any, allowable under section 57 of the IT Act. These are essentially expenses (not being in the nature of capital expenditure) laid out or expended wholly and exclusively for the purpose of earning the interest income including any reasonable sum paid by way of commission or remuneration to a banker or any other person for the purpose of realizing interest on behalf of the assessee. In case of debentures, bonds or other debt instruments held as 'Stock-in-trade', interest received thereon will be charged to tax under the head PGBP.

The investors may obtain specific advice from their tax advisors regarding the tax treatment of their investments.

b) Taxation of gain or loss on transfer

i. Taxable under the head PGBP

As discussed above, depending on the particular facts of each case, the NCD may, in certain cases, be regarded to be in the nature of 'Stock-in-trade' and, accordingly, the gains from the transfer of such NCD should be considered to be in the nature of business income and hence chargeable to tax under the head PGBP.

In such a scenario, the gains from the business of investing in the NCD may be chargeable to tax on a 'net' basis (i.e., net of

allowable deductions for expenses/allowances under Chapter IV – Part D of the IT Act).

The business income so computed, as reduced on account of set-off of brought forward or current year losses in accordance with Chapter VI of the IT Act and unabsorbed allowances, if any, would go to form part of the gross total income of the investor.

The gross total income would be reduced by deductions, if any, available under Chapter VI-A of the IT Act and the resultant total income would be subject to tax at the tax rates as applicable to the investor (Refer Note 1 and Note 2).

Based on section 145 of the IT Act, the timing of charging any income to tax would depend on the method of accounting followed by the taxpayer consistently (i.e., cash or mercantile).

Investors should obtain specific advice from their tax advisors regarding the manner of computing business income, the deductions available therefrom and the tax to be paid thereon.

ii. Taxable under the head Capital Gains

As discussed above, based on the particular facts of each case, the NCD may, in certain cases, be regarded to be held as 'Investments' in which case the gains or loss from the transfer of such NCD should be chargeable to tax under the head CG.

In such a scenario, the gains / loss from the transfer of such NCD may be chargeable to tax based on the computation mechanism prescribed under section 48 of the IT Act (Discussed in para iv. below) Investors should, however, seek specific advice from their tax advisors/ consultants in respect of characterization of capital gains, the manner of computation and the tax to be paid thereon.

iii. Period of holding and Capital gain – long term & short term:

As per section 2(29AA) read with section 2(42A) of the IT Act, listed NCD is treated as a long-term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer and consequently, the gain/ loss on transfer of such NCD should be treated as long term capital gain/ loss.

Accordingly, if listed NCD is held for up to 12 months immediately preceding the date of its transfer, the same should be treated as a short-term capital asset and the gain/ loss on transfer of such NCD should be treated as short-term capital gain/loss.

iv. Computation of capital gains and tax thereon:

Capital gains is computed after reducing from the consideration received for the transfer of the capital asset ['full value of consideration (FVC)], the cost of acquisition (CoA) of such asset and the expenses incurred wholly and exclusively in connection with the transfer (However, no deduction shall be allowed on account of Securities Transaction Tax (STT) paid, if any). The capital gains so computed will be chargeable to tax at the rates as detailed in the ensuing paragraphs.

v. Set off of capital losses

Long-term capital loss incurred during a year can be set-off only against long-term capital gains arising in that year or in subsequent years and cannot be set-off against short-term capital gains arising in that year or in subsequent years. The long-term capital loss remaining after set-off, if any, can be carried forward for eight years immediately succeeding the year in which the loss was first computed, to be available for set-off against subsequent years' long-term capital gains.

On the other hand, short-term capital loss incurred during a year can be set-off against both, short-term and long-term capital gains of the same year or of subsequent years. The short-term capital loss remaining after set-off, if any, can be carried forward for eight years immediately succeeding the year in which the loss was first computed, to be set-off against subsequent years' short-term as well as long- term capital gains.

However, for the purpose of carrying forward the capital loss incurred by the assessee, he shall be required to file his return of income within the due date specified under the Act.

B. *Tax benefits available to Resident NCD holders:*

Interest on NCD received by resident NCD holders would form part of their total income and be subject to tax at the applicable rates of tax (Note 1 and 2 below) in accordance with and subject to the provisions of the IT Act. Capital gains on transfer of NCD shall be computed by deducting from the FVC, expenditure incurred wholly and exclusively in connection with the transfer and the CoA of the NCD. As per section 112 of the IT Act, capital gains arising on the transfer of long-term capital assets being listed debentures are subject to tax at the rate of 10% (plus applicable surcharge and health & education cess – Note 2 below) on the capital gains calculated without indexing the cost of acquisition (Fourth proviso to Section 48 restricts

indexation benefit in case of long-term capital asset being a bond or debenture).

In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long-term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months would be taxed at the applicable rates of tax (as mentioned in Note 1 and 2 below) in accordance with the provisions of the IT Act.

C. *Tax benefits available to Non-Resident debenture holders:*

Interest income and short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the applicable rates of tax (as mentioned in Note 1 and 2 below) in accordance with and subject to the provisions of the IT Act.

Capital gains on transfer of NCD shall be computed by deducting from the FVC, expenditure incurred wholly and exclusively in connection with the transfer and the CoA of the NCD.

As per section 112 of the IT Act, capital gains arising on the transfer of long-term capital assets being listed debentures are subject to tax at the rate of 10% (plus applicable surcharge and health & education cess – Note 2 below) on the capital gains calculated without indexing the cost of acquisition (Fourth proviso to Section 48 restricts indexation benefit in case of long-term capital asset being a bond or debenture).

The benefit of First proviso to Section 48 can be availed where the capital gain shall be calculated in Foreign currency and then reconverted into Indian currency in a case when the assessee had acquired the debentures of an Indian company in foreign currency.

A non-resident Indian has an option to be governed by Chapter XII-A of the IT Act, subject to the provisions contained therein which are given in brief as under:

As per section 115C(e) of the IT Act, the term "non-resident Indian" means an individual, being a citizen of India or a person of Indian origin who's not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grandparents, was born in undivided India.

As per section 115E of the IT Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20% (plus applicable surcharge and cess), whereas long term capital gains on transfer of such debentures will be taxable at 10% (plus applicable surcharge and cess – Note 2 below) of such capital gains without indexation of CoA. Short-term capital gains will be taxable at the applicable rates of tax (as mentioned in Note 1 and 2 below) in accordance with and subject to the provisions contained therein.

Under section 115F of the IT Act, long term capital gains arising to a non-resident Indian from transfer of debentures acquired or purchased with or subscribed to in convertible foreign exchange will be exempt from capital gain tax if the whole of the net consideration is invested within six months after the date of transfer of the debentures in any specified asset or in any saving certificates referred to in section 10(4B) of the IT Act in accordance with and subject to the provisions contained therein.

Under section 115G of the IT Act, it shall not be necessary for a non-resident Indian to file a return of income under section 139(1) of the IT Act, if his total income consists only of investment income as defined under section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII-B of the IT Act in accordance with and subject to the provisions contained therein.

Further, in accordance with and subject to the provisions of section 115-I of the IT Act, a non-resident Indian may opt not to be governed by the provisions of Chapter XII-A of the IT Act. In such a case, long-term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% (plus applicable surcharge and cess – Note 2 below) computed without indexation of CoA.

Where debentures are held as stock-in-trade, the income on transfer of debentures would be taxed as business income in accordance with and subject to the provisions of the IT Act.

As per section 90(2) of the IT Act read with the Circular no. 728 dated October 30, 1995, issued by the Central Board of Direct Taxes ('CBDT'), in the case of a remittance to a country with which a Double Tax Avoidance Agreement ('DTAA')

is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of a valid and subsisting tax residency certificate ('TRC') is a mandatory condition for availing benefits under any DTAA. If the TRC does not contain the prescribed particulars, a self-declaration in Form 10F would need to be provided by the assessee along with the TRC which is valid and subsisting. (Recently, the Central Board of Direct Taxes issued a Notification [No. 03/2022 dated 16th July 2022] requiring 10F to be furnished electronically)

D. *Tax benefits available to Foreign Institutional Investors ('FII's) or Foreign Portfolio Investors ('FPI's):*

In accordance with and subject to the provisions of section 115AD of the IT Act, long-term capital gains on transfer of debentures by FIIs are taxable at 10% (plus applicable surcharge and cess – Note 2 below) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess - Note 2 below). The benefit of indexation of CoA will not be available.

Income other than capital gains arising out of debentures is taxable at 20% (plus applicable surcharge and cess - Note 2 below) in accordance with and subject to the provisions of Section 115AD of the IT Act.
However, the above is subject to any relief available under DTAA entered into by the Government of India (as mentioned in Point C above).

The CBDT has issued Notification No.9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115 AD of the IT Act.

E. *Withholding provisions*

The withholding provisions provided under the Act are machinery provisions meant for tentative deduction of income-tax subject to regular assessment. The withholding tax is not the final liability to income-tax of an assessee. For rate of tax applicable to an assessee, please refer Notes 1 and 2 below:

S.No.	Scenarios	Provisions
1	Withholding tax rate on interest on NCD issued to Indian residents	Interest paid to residents other than specified person which inter alia includes insurance companies, Central and State Government, Individuals and HUF upon fulfilment of certain conditions discussed below will be subject to withholding tax as per section 193 of the IT Act at the rate of 10 per cent. As discussed above no tax is required to be deducted on interest paid to an individual or a HUF, in respect of debentures issued by a company in which the public is substantially interested if; the amount of interest paid to such person in a financial year does not exceed INR 5,000; and such interest is paid by an account payee cheque.
2	Withholding tax rate on interest on NCD issued to Foreign Portfolio Investor (FPI)	Interest on NCD issued to FPI may be eligible for concessional withholding tax rate of 5 per cent under section 194LD of the IT Act, provided the interest coupon on such NCDs does not exceed the rates as notified by the Central Government. Conditions to avail lower withholding tax rate of 5 percent are as under: Interest should be payable on or after 01 June 2013 but before 01 July 2023 in respect of investments made in rupee denominated bond of an Indian Company; or a government security; and Interest coupon on such NCDs should not exceed the rates as notified by the Central Government. Interest to a non-resident, not being a company or to a foreign company by a Indian company or a business trust, may alternatively be eligible for concessional tax rate of 5 per cent under section 194LC(2)(ia) of the IT Act in respect of monies borrowed by it from a source outside India by way of issue of rupee denominated bond before the 1st day of July 2023. If both sections i.e. 194LC and 194LD of the IT Act are not applicable, then non-resident tax shall be subjected to withholding tax at the rate of tax in force as per

S.No.	Scenarios	Provisions
		the provisions of section 195 of the IT Act (at the rate of 20 percent as per section 115A of the IT Act) subject to relief under the relevant DTAA depending upon the status of the non-resident. Withholding rate will be increased by surcharge as applicable (Refer Note 2) and a health and education cess of 4 per cent on the amount of tax plus surcharge as applicable. However, where the withholding is done as per the rate of tax provided under the relevant DTAA, the said rate shall not be required to be increased by a surcharge and health and education cess.
3	Withholding tax rate on interest on NCD issued to non-residents other than FIIs	Interest payable to non-resident (other than FII) would be subject to withholding tax at the rate of tax in force as per the provisions of section 195 of the IT Act (at the rate of 20 percent as per section 115A of the IT Act) subject to relief under the relevant DTAA depending upon the status of the non-resident. Alternatively, benefits of concessional rates of 5 per cent under section 194LC of the IT Act provided the said interest falls within the ambit of the provisions of section 194LC of the Act and meets the conditions mentioned therein which inter-alia includes obtaining approval from the Central Government with respect to the rate of interest. Withholding rate will be increased by surcharge as applicable (Refer Note 2) and a health and education cess of 4 per cent on the amount of tax plus surcharge, as applicable.
4	Withholding tax rate on purchase of 'goods'	As per section 194Q of the IT Act, any sum payable by a 'buyer' to a resident for purchase of 'goods' of the value exceeding INR 50 Lakhs shall be liable to withholding at the rate of 0.1 percent. Buyer means a person whose total sales, turnover or gross receipts from the business carried on by him exceeds INR 10 crores in the financial year immediately preceding the financial year in which the purchase is carried out. TDS shall not be applicable where; Tax is deductible under any of the provisions of the IT Act; or Tax is collectible under the provisions of section 206C of the IT Act other than a transaction to which section 206C(1H) of the IT Act applies. The CBDT has issued Circular No 13 of 2021 dated 30 June 2021 laying down guidelines under section 194Q of the Act. It inter alia provides that TDS under section 194Q of the Act shall not apply to transaction in securities and commodities which are traded through recognized stock exchanges or cleared and settled by the recognized clearing corporation (including exchanges or corporation located in IFSC). Given that the Circular does not provide clarity in respect of shares/ securities traded off market, it is advisable that the investors obtain specific advice from their tax advisors regarding applicability of these provisions.

Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

a) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company/ Registrar, at least 7 days before the relevant record date for payment of debenture interest;

b) When the resident Debenture Holder with a valid Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in Form 15G verified in the prescribed manner stating that the tax on his estimated total income of the Financial Year in which such interest income is to be included in

computing his total income will be Nil. However, the aforesaid provisions shall not be applicable if income earned by such Debenture holder in the nature of accumulated balance of provident fund or interest on securities or dividend income or interest other than interest on securities or insurance commission or payment in respect of LIC or renting of plant / machinery / equipment / land / building / furniture / fittings or withdrawal from NSS or income in respect of units mutual fund / Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

c) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax as per the applicable withholding tax provisions of the IT Act, provided that the tax due on the estimated total income for the relevant Financial Year will be Nil.

In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13.

F. *Requirement to Furnish PAN under the IT Act*

Section 139A(5A) requires every person from whose income tax has been deducted under the provisions of chapter XVIIB of the IT Act, to furnish his PAN to the person responsible for deduction of tax at source.

As per provisions of section 206AA of the IT Act, the payer would be obliged to withhold tax at higher of the following rates in case of payments to investors who have not furnished their PAN to the payer:

a) at the rate in force specified in the relevant provision of the IT Act; or

b) at the rates in force; or

c) at the rate of twenty per cent

Section 206AA of the IT Act provides that the provisions shall not apply to non-residents in respect of payment of interest on long-term bonds as referred to in section 194LC and any other payment subject to such conditions as may be prescribed.

Further, the CBDT, vide its notification dated 24 June 2016 introduced Rule 37BC of the Income-tax Rules, 1962 ('the Rules') which clarified that the provisions of section 206AA shall not apply to non-residents in respect of payments in the nature of interest, royalty, fees for technical services and payment on transfer of capital assets provided the non-residents provide the following information to the payer of such income:

a) Name, email-id, contact number;

b) Address in the country or specified territory outside India of which the deductee is a resident;

c) A certificate of his being resident in any country or specified territory outside India from the government of the other country or specified territory if the law of that country or specified territory provides for issuance of such certificate;

d) Tax Identification Number of the deductee in the country or specified territory of his residence and in a case, no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country or the specified territory of which he claims to be a resident.

Where an incorrect PAN is provided, it will be regarded as non-furnishing of PAN and TDS shall be deducted as mentioned above, apart from any other penal consequences that may ensue.

Further, as per section 206AB of the IT Act, with effect from 1 July 2021, payments made to specified persons will be subject to TDS at rate which is higher of the following:

a) twice the rate specified in the relevant provision of the Act; or

b) twice the rate or rates in force; or

c) the rate of 5%

In cases, where both section 206AA and section 206AB of the IT Act are applicable, taxes shall be deducted at higher of the rate prescribed under both the sections.

For the purpose of section 206AB of the IT Act, specified person means any person-

a) Who has not filed an income-tax return for the AY relevant to the previous year immediately preceding the previous year in which tax is required to be deducted, and the prescribed time limit to file the income- tax return has expired;

b) The aggregate amount of TDS is INR 50,000 or more in each of these previous years but other than a non-resident who does not have a permanent establishment in India.

G. ***General Anti Avoidance Rules ("GAAR")***

The General Anti Avoidance Rule (''GAAR'') was introduced in the IT Act by the Finance Act, 2012. The Finance Act, 2015 made the provisions of GAAR applicable prospectively from 1 April 2017. Further, income accruing, arising, deemed to accrue or arise or received or deemed to be received by any person from transfer of investments made up to 31 March 2017 would be protected from the applicability of GAAR.

- **Note 1: Tax Rates**

a) Resident / Non-resident Individuals and Hindu Undivided Families:

The individuals and HUFs are taxed in respect of their total income at the following rates:

Slab	Tax rate*
Up to INR 2,50,000[#]	NIL
Exceeding INR 2,50,000[#] up to INR 5,00,000[@]	5 per cent of the amount by which the total income exceeds INR 2,50,000
Exceeding INR 5,00,000 up to INR 10,00,000	20 per cent of the amount by which the total income exceeds INR 5,00,000 plus INR 12,500[$]
Exceeding INR 10,00,000	30 per cent of the amount by which the total income exceeds INR 10,00,000 plus INR 112,500[$]

[@]A resident individual (whose total income does not exceed INR 500,000) can avail rebate under section 87A. It is deductible from income tax before calculating health and education cess. The amount of rebate available would be 100 per cent of income tax chargeable on his total income or INR 12,500, whichever is less.
*plus surcharge if applicable and a health and education cess ('cess') of 4 per cent on the amount of tax plus surcharge, if applicable.
[#]for resident senior citizens of sixty years of age and above but below eighty years of age, INR 250,000 has to be read as INR 300,000 and for resident senior citizens of eighty years of age and above ("super senior citizen) INR 250,000' has to be read as INR 500,000.
[$]Similarly, for resident senior citizens of sixty years of age and above but below eighty years of age, INR 12,500 has to be read as INR 10,000 and INR 112,500 has to be read as INR 110,000. And for super senior citizen INR 12,500 has to be read as Nil and INR 112,500 has to be read as INR 100,000.

Alternatively, where an individual or a HUF exercises the option to be assessed to tax under the provisions of section 115BAC of the IT Act, the following shall be the rate of tax applicable. Further, the option to be assessed to tax in accordance with the provisions of section 115BAC of the IT Act once exercised by an individual or HUF carrying on business or profession for any previous year can be withdrawn only once for a previous year other than the year in which it was exercised and thereafter, such individual or HUF shall never be eligible to exercise the option to be assessed in accordance with the provisions of section 115BAC of the Act except where such individual or HUF ceases to have any income from business or profession, in which case, the option to be assessed to tax as per the provisions of section 115BAC of the IT Act shall be available:

Slab	Tax rate
Total income up to INR 3,00,000	Nil
More than INR 3,00,000 but up to INR 6,00,000	5 per cent of excess over INR 3,00,000
More than NR 6,00,000 but up to INR 9,00,000	10 per cent of excess over INR 6,00,000 + INR 15,000
More than INR 9,00,000 but up to INR 12,00,000	15 per cent of excess over INR 9,00,000 + INR 45,000
More than INR 12,00,000 but up to INR 15,00,000	20 per cent of excess over INR 12,00,000 + INR 90,000

Slab	Tax rate
More than INR 15,00,000	30 per cent of excess over INR 15,00,000 + INR 1,50,000

In computing the income-tax under the new regime, certain deductions like standard deduction available to salaried taxpayers, etc., shall be allowed. However, most of the deductions/exemptions such as section 80C, 80D, etc. would need to be foregone.

Note: A resident individual (whose total income does not exceed INR 7,00,000) can avail rebate under section 87A. It is deductible from income tax before calculating health and education cess. The amount of rebate available would be 100 per cent of income tax chargeable on his total income or INR 25,000, whichever is less.

b) *Partnership Firms & LLP's:*

The tax rates applicable would be 30 per cent (plus surcharge if applicable – Refer Note 2 and a health and education cess of 4 per cent on the amount of tax plus surcharge, if applicable).

c) *Domestic Companies:*

Type of Domestic company	Base normal tax rate on income (other than income chargeable at special rates)	Base MAT credit
Domestic companies having turnover or gross receipts of up to INR 400 Cr in FY 2020-21 (For AY 2023-24) and in FY 2021-22 (For AY 2024-25)	25 per cent	15 per cent
Any domestic company (even if an existing company or engaged in non-manufacturing business) has an option to avail beneficial rate, subject to fulfilment of prescribed conditions (Section 115BAA)	22 per cent	Not applicable
Domestic manufacturing company set-up and registered on or after 1 October 2019 and commences manufacturing up to 31 March 2024, has an option to avail beneficial rate, subject to fulfilment of prescribed conditions (Section 115BAB)	15 per cent	Not applicable
Domestic companies not falling under any of the above category	30 per cent	15 per cent

d) *Foreign Companies:*

In the case of a foreign company, normally the income tax rate is 40% for AY 2022-23 and onwards.

- **Note 2: Surcharge (as applicable to the tax charged on income)**

a) *Non-corporate assesses (other than firm, co-operative societies and FIIs):*

Particulars	Rate of Surcharge
Where total income (including dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) does not exceed INR 50 lacs	Nil
Where total income (including dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) exceeds INR 50 lacs but does not exceed INR 1 crore	10 per cent on total tax
Where total income (including dividend income and income under the provisions of section 111A section 112A and section 112 of the IT Act) exceeds INR 1 crore but does not exceed INR 2 crore	15 per cent on total tax

Where total income (excluding dividend income and income under the provisions of section 111A, section 112A and 112 of the IT Act) does not exceed INR 2 crore but total income (including dividend income and income under the provisions of section 111A, section 112A and 112 of the IT Act) exceeds INR 2 crore	15 per cent on total tax
Where total income (excluding dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) exceeds INR 2 crore but does not exceed INR 5 crore	25 per cent on tax on income excluding dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act 15 per cent on tax on dividend income and income under the provisions of section 111A section 112A and section 112 of the IT Act
Where total income (excluding dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) exceeds INR 5 crore	37 per cent* on tax on income excluding dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act. 15 per cent on tax on dividend income and income under the provisions of section 111A section 112A and section 112 of the IT Act

**The maximum surcharge shall be capped at 25 per cent in a case where the assessee opts for section 115BAC of the IT Act.*

b) *<u>FIIs:</u>*

Particulars	**Rate of Surcharge**
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) does not exceed INR 50 lacs	Nil
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds INR 50 lacs but does not exceed INR 1 crore	10 per cent on total tax
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds INR 1 crore but does not exceed INR 2 crore	15 per cent on total tax
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) does not exceed INR 2 crore but total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds INR 2 crore	15 per cent on total tax
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds INR 2 crore but does not exceed INR 5 crore	25 per cent on tax on income excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act 15 per cent on tax on dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds INR 5 crore	37 per cent on tax on income excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act 15 per cent on tax on dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act

c) *For assesses other than those covered above:*

Particulars	Rate of surcharge applicable
Non-corporate taxpayers being co-operative societies	Nil where total income does not exceed INR 1 crore
	From FY 2022-23, 7 per cent where total income exceeds INR 1 crore but does not exceed INR 10 crore
	From FY 2022-23, 12 per cent where total income exceeds INR 10 crore
Non-corporate taxpayers being firms	Nil where total income does not exceed INR 1 crore
	12 per cent where total income exceeds INR 1 crore
Domestic companies (other than companies availing benefit under section 115BAA and section 115BAB of the IT Act)	7 per cent where total income exceeds INR 1 crore but does not exceed INR 10 crore
	12 per cent where total income exceeds INR 10 crore
Domestic companies (other than companies availing benefit under section 115BAA and section 115BAB of the IT Act)	10 per cent (irrespective of total income)
Foreign Companies (including corporate FIIs)	Nil where total income does not exceed INR 1 crore
	2 per cent where total income exceeds INR 1 crore but does not exceed INR 10 crore
	5 per cent where total income exceeds INR 10 crore

Notes:

- The above statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of NCD.

- The above statement covers only certain relevant direct tax law benefits and does not cover benefit under any other law.

- The above statement of possible tax benefits is as per the current direct tax laws relevant for the Assessment Year 2024-25 pursuant to the financial year 2023-24 after considering the amendments made by the Finance Act 2023.

- This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the NCD of the Company.

- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non- resident has fiscal domicile.

- ***No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes***

SECTION IV: ABOUT THE ISSUER AND INDUSTRY OVERVIEW

INDUSTRY OVERVIEW

*The information contained in this section is derived from the Industry Research Report on NBFC Sector dated June 2023 (the "**CAREEdge Report**") which has been commissioned and paid for by us for agreed fees for the purposes of confirming our understanding of the industry exclusively in connection with the Issue and exclusively prepared and issued by CARE Advisory Research and Training Limited ("**CareEdge Research"**), in an "as is where is basis".*

Neither we, nor any other person connected with the Issue has independently verified this third party and industry related information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. This section contains industry related data and statistics taken from the above-mentioned reports.

We officially engaged CARE Advisory Research and Training Limited, in connection with the preparation of the CARE Report in relation to the NBFC industry pursuant to an engagement letter dated May 24, 2023. Neither we nor any of our Subsidiaries, Directors and Lead Manger are related parties of CareEdge Research.

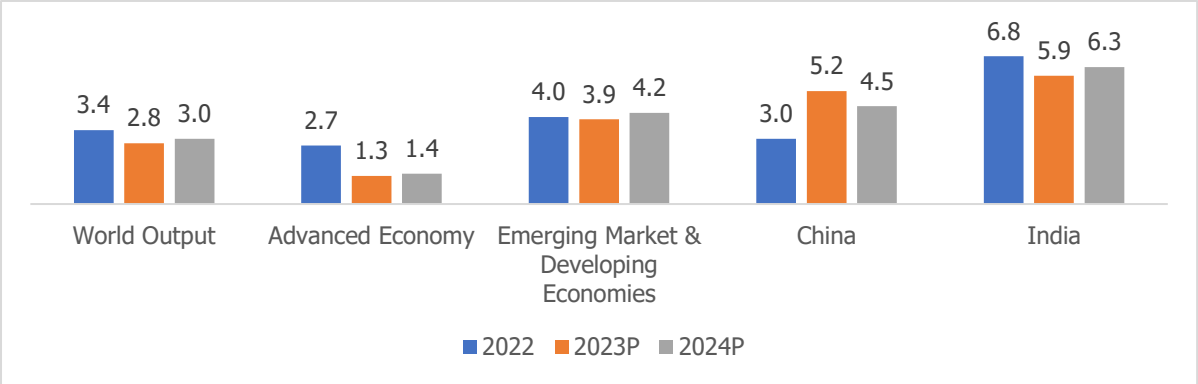
The data included in this section includes excerpts from the CARE Report may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue) that have been left out or changed in any manner. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

1. Economic Outlook

1.1 Global economy outlook

As per the International Monetary Fund (IMF)'s World Economic Outlook growth projections released in April 2023, for CY22[1], global economic growth is estimated at 3.4%, down from 6.3% in CY21 citing disruptions due to the Russia-Ukraine conflict and higher-than-expected inflation worldwide. The global economic growth for CY23 is projected to slow down further to 2.8% mainly due to tightening global financial conditions, expectations of steeper interest rate hikes by major central banks to fight inflation, a sharper slowdown in China and spillover effects from the war in Ukraine with gas supplies from Russia to Europe tightening. Growth in CY24 is projected to pick up to 3.0% with expected gradual recovery from the effects of the war in Ukraine and subsiding of inflation. For the next 5 years, the IMF projects world economy growth in the range of 3.0%-3.2% on year on year (Y-o-Y) basis.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



Notes: P-Projection
*For India, GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year
Source: IMF – World Economic Outlook, April 2023

IMF revises the GDP growth outlook considering uncertainties relating to global inflation

Advanced Economies Group

For the major advanced economies, the GDP growth is estimated to be 2.7% in CY22, down from 5.4% in CY21, which is further projected to decline to 1.3% in CY23. This forecast of low growth reflects rise in central bank interest

[1] CY – Calendar Year

rates to fight inflation and the war in Ukraine. About 90% of advanced economies are projected to see decline in growth in CY23. This growth is expected to rebound in CY24 and projected to be 1.4%.

One of the major countries from this group is **United States**. The growth for United States is estimated to be 2.1% for CY22. Whereas, growth for CY23 and CY24 is projected at 1.6% and 1.1%, respectively. This is reflective of declining real disposable income impacting consumer demand with higher interest rates taking toll on spending.

The growth for CY22 in **Euro Area** is estimated to be 3.5% compared to 5.4% in CY21. However, the boost from reopening of economy after pandemic appears to be fading. For CY23 and CY24, the growth is projected at 0.8% and 1.4%, respectively. With inflation at about 10% or above in several Euro Area countries and the United Kingdom, household budgets will remain stretched. Further, the accelerated pace of rate increases by the Bank of England and the European Central Bank is tightening financial conditions and cooling demand in the housing sector and beyond.

Emerging market and developing economies group

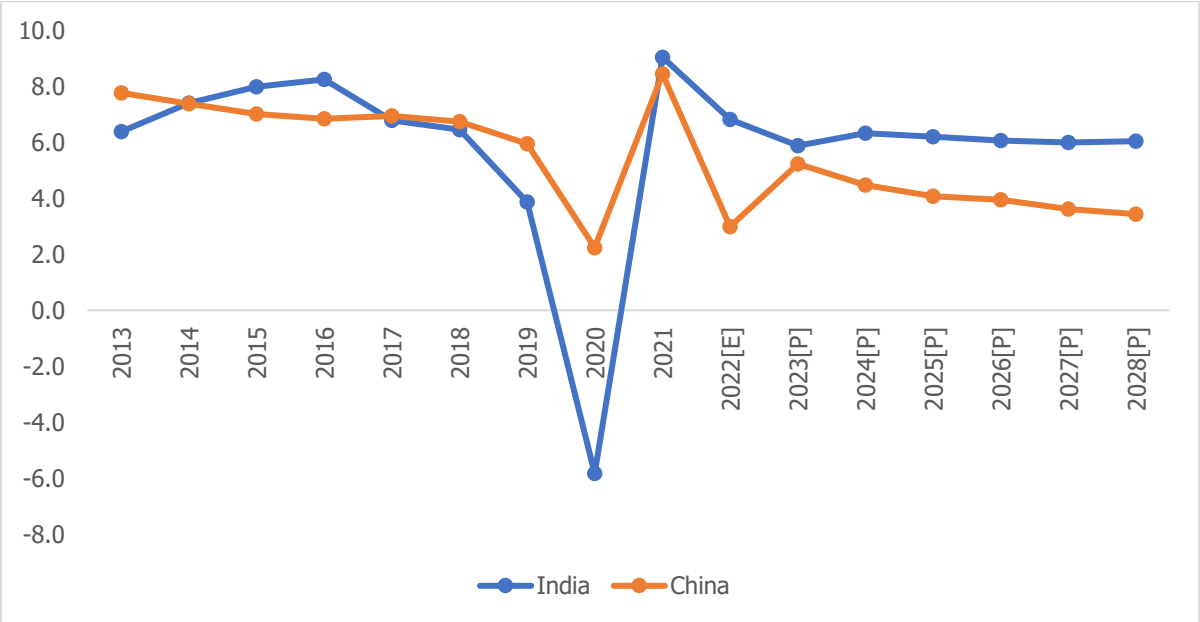
For the Emerging market and developing economies group, GDP growth is estimated to rise modestly to 4.0% in CY22, compared to 6.9% in CY21, with projected growth of 3.9% in CY23 and 4.2% in CY24. Growth is expected to pick up to 5.2% in **China** with the full reopening in CY23. Overall, the expected growth in CY24 is on account of anticipation of gradual recovery.

India's GDP growth is estimated at 6.8% in CY22 by IMF. While, projection for CY23 and CY24 stand at 5.9% and 6.3%, respectively with resilient domestic demand despite external headwinds.

India to remain fastest growing economy transcending China

Despite the turmoil in last two-three years, India bears good tidings for becoming USD 5 trillion economy by CY27. According to the IMF dataset on Gross Domestic Product (GDP) at current prices for India, the current GDP is estimated to be at USD 3.4 trillion for CY22 and projected to reach USD 5.2 trillion by CY27. The expected GDP growth rate of India for coming years is almost double compared to the world economy.

Chart 2: GDP growth trend comparison - India and China (Real GDP, Y-o-Y change in %)



P- Projections; Source: IMF, World Economic Outlook Database (October 2022)

Besides this, India stands out as the fastest growing economy amongst the major economies. Outshining the growth rate of China, the Indian economy is expected to grow at more than 6% in the period of CY24-CY28.

Indian economy is paving its way towards becoming largest economy in the world. Currently, India is the third largest economy globally in terms of Purchasing Power Parity (PPP) with ~7% share in global economy with China [~18%] on the top and United states [~15%] being second. Purchasing Power Parity is an economy performance indicator denoting price of an average basket of goods and services that a household needs for livelihood in each country. In spite of the pandemic and the geo-political tensions in Europe, India has been one of the major contributors to world economic growth.

1.2 Indian Economy Outlook

1.2.1 GDP growth and Outlook

Resilience to external shocks remains critical for near-term outlook

In broader sense, the pandemic resulted to 5.8% of negative growth for the Indian economy in FY21. The Indian economy bounced back strongly in Q1FY22 with 21.6% y-o-y growth due to lower base effect. The easing of lockdowns and restrictions across states since June coupled with the decline in Covid-19 cases and higher vaccination rate facilitated higher economic activity as reflected in the GDP for the Q2FY22, which grew annually by 9.1%. The dip in Q3FY22 of 5.2% can be attributed to the fading base effect. India's economy recorded modest growth of 4.1% in Q4FY22, down from previous quarter. The economy was hit by the third wave of Covid-19 pandemic during the quarter. Global supply bottlenecks due to the Russia-Ukraine dispute and higher input costs slowed down the pace of recovery in the last quarter. Overall, India is expected to have witnessed 9.1% growth in FY22.

In Q1FY23, India recorded 13.2% growth in GDP which can largely be attributed to better performance by agriculture and services sectors. Following this double-digit growth, Q2FY23 witnessed 6.3% growth, while, Q3FY23 registered 4.4% growth. This slowdown in growth of Q2FY23 and Q3FY23 compared to the Q1FY23 can be attributed to the normalization of the base and a contraction in the manufacturing sector's output. The investments as announced in the Union Budget 2022-23 on boosting public infrastructure through enhanced capital expenditure has augmented growth and encouraged private investment through large multiplier effects in FY23. However, heightened inflationary pressures and resultant policy tightening may pose risk to the growth potential.

GDP growth outlook

Table 1: RBI's GDP Growth Outlook (Y-o-Y %)

FY23 (complete year)	FY24 (complete year)	Q1FY24	Q2FY24	Q3FY24	Q4FY24
7.0	6.5	7.8	6.2	6.1	5.9

Source: Reserve Bank of India

Stronger prospects for agricultural and allied activities are likely to boost rural demand. Rebound in contact-intensive sectors and discretionary spending is expected to support urban consumption. Strong credit growth, resilient financial markets, and the government's continued thrust on capital spending and infrastructure create a congenial environment for investment. On the other hand, external demand is likely to be dented by a slowdown in global activity, with adverse implications for exports.

Taking all these factors into consideration, in April 2023, the RBI in its bi-monthly monetary policy meeting estimated the real GDP growth to be at 7.0% for FY23 and 6.5% for FY24 with Q1FY24 at 7.8%, Q2FY24 at 6.2%, Q3FY24 at 6.1% and Q4FY24 at 5.9%.

i. Gross Value Added (GVA)

Gross value added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of supply side whereas GDP represents consumption.

Industry and Services sector leading the recovery charge

- The gap between GDP and GVA growth has turned positive in FY22 (after a gap of two years) as a result of robust tax collections. Of the three major sector heads, service sector has been fastest growing sector in the last 5 years.

- **Agriculture sector** was holding growth momentum till FY18. In FY19, the acreage for Rabi crop was marginally lower than previous year which affected the agricultural performance. FY20 witnessed growth on account of improved production. During the pandemic impacted period of FY21, agriculture sector was largely insulated as timely and proactive exemptions from covid-induced lockdowns to the sector facilitated uninterrupted harvesting of Rabi crops and sowing of kharif crops. However, supply chain disruptions impacted the flow of agricultural goods leading to high food inflation and adverse initial impact on some major agricultural exports. However, performance remained steady in FY22.

  The Q1FY23 and Q2FY23, the agriculture sector recorded a growth of 2.5% and 2.4%, respectively. Due to uneven rains in this financial year, the production of some major Kharif crops such as rice and pulses was adversely impacted thereby impacting agriculture sector's output. In Q3FY23, the

sector recorded a growth of 3.7%. Going forward, rising bank credit, increased exports and higher sowing of rabi crop will be the drivers for agriculture sector.

Overall, for the FY23, agriculture sector is expected to perform well despite the climate-related disruptions (heat-wave, uneven rainfall etc.) which posed challenges impacting yields of some major crops and is expected to record 3.3% growth in FY23.

- **Industrial sector** witnessed CAGR of 4.7% for the period FY16 to FY19. From March 2020 onwards, nation-wide lockdown due to the pandemic had a significant impact on industrial activity. In FY20, this sector felt mild turbulence and recorded decline of 1.4%. FY21 witnessed 0.9% decline on account of ongoing adverse impact of covid-19 pandemic. With the opening up of economy and resumption of industrial activity, FY22 registered 11.6% growth, albeit on a lower base.

  The industrial output in Q1FY23 jumped 9.6% on y-o-y basis. However, sequentially the sector witnessed a sharp contraction due to lower output across mining, manufacturing and construction sectors. Further, the output contracted by 0.4% in Q2FY23. This was mainly because of the poor performance by the manufacturing sector which has been marred by high input costs. In Q3FY23, the sector grew modestly by 2.4%.

  In the coming quarters, easing of commodity price pressures and prospects of improvement in consumption demand due to festive push are potential attributes which will support growth in the manufacturing sector. Overall, industrial sector is expected to register 3.6% growth in FY23.

- **Services sector** recorded CAGR of 7.1% for the period FY16 to FY20, which was led by trade, hotels, transport, communication and services related to broadcasting and finance, real estate & professional service. This sector was hardest hit by the pandemic and registered 8.6% of decline in FY21. The easing of restrictions aided a fast rebound in this sector, with 7.1% growth witnessed in FY22.

In Q1FY23 and Q2FY23, this sector registered growth of 16.3% and 9.4%, respectively, on a lower base and revival in contact intensive sectors. The services sector continued to witness buoyant demand and recorded a growth of 6.2% in Q3FY23. Healthy growth in various service sector indicators like air passenger traffic, port cargo traffic, GST collections and retail credit will support service sector going ahead. Overall, gaining from the pent-up demand, service sector is estimated to record growth of 9.4% in FY23.

Table 2: Sectoral Growth (Y-o-Y % Growth) - at Constant Prices

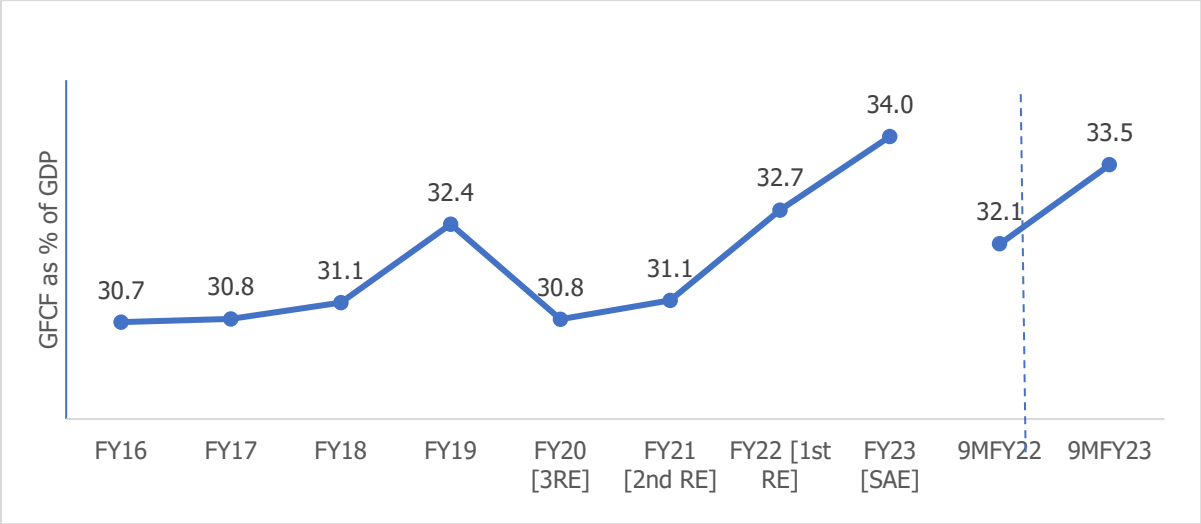
At constant Prices	FY18	FY19	FY20 (3RE)	FY21 (2RE)	FY22 (1RE)	FY23 (2AE)	Q1 FY23	Q2 FY23	Q3 FY23
Agriculture, forestry & fishing	**6.6**	**2.1**	**6.2**	**4.1**	**3.5**	**3.3**	**2.5**	**2.4**	**3.7**
Industry	**5.9**	**5.3**	**-1.4**	**-0.9**	**11.6**	**3.6**	**9.6**	**-0.4**	**2.4**
Mining & quarrying	-5.6	-0.8	-3.0	-8.6	7.1	3.4	9.3	-0.4	3.7
Manufacturing	7.5	5.4	-3.0	2.9	11.1	0.6	6.4	-3.6	-1.1
Electricity, gas, water supply & other utility services	10.6	7.9	2.3	-4.3	9.9	9.2	14.9	6.0	8.2
Construction	5.2	6.5	1.6	-5.7	14.8	9.1	16.2	5.8	8.4
Services	**6.3**	**7.2**	**6.4**	**-8.2**	**8.8**	**9.4**	**16.3**	**9.4**	**6.2**
Trade, hotels, transport, communication & broadcasting	10.3	7.2	6.0	-19.7	13.8	14.2	25.7	15.6	9.7
Financial, real estate & professional services	1.8	7	6.8	2.1	4.7	6.9	8.6	7.1	5.8
Public administration, defence and other services	8.3	7.5	6.6	-7.6	9.7	7.1	21.3	5.6	2.0
GVA at Basic Price	**6.2**	**5.8**	**3.9**	**-4.2**	**8.8**	**6.6**	**12.1**	**5.5**	**4.6**

3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, 2AE – Second Advanced Estimate; Source: MOSPI

1.2.3 Investment trend in infrastructure

Gross Fixed Capital Formation (GFCF) which is a measure of the net increase in physical asset, has witnessed an improvement in FY22. As a proportion of GDP, it is estimated to be at 32.7%, which is the second highest level in 7 years (since FY15). In FY23, the ratio of investment (GFCE) to GDP inched up to its highest in the last decade with 34.0% as per the advanced estimate released.

Chart 3: Gross Fixed Capital Formation (GFCF) as % of GDP (At constant prices):



PE: Provisional Estimates, RE: Revised Estimate, AE: Advanced Estimate; Source: MOSPI

Overall, support of public investment in infrastructure is likely to gain traction due to initiatives such as of Atmanirbhar Bharat.

Industrial Growth

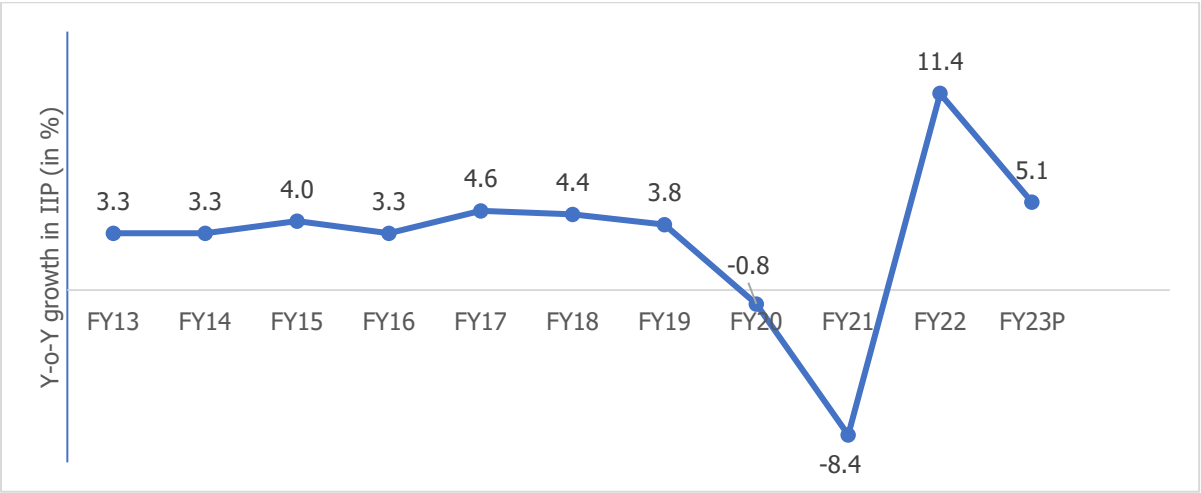
Improved core and capital goods sector helped in IIP growth momentum

Index of Industrial production (IIP) is an index to track manufacturing activity in an economy.

On a cumulative basis, IIP grew by 11.4% in FY22. However, this high growth is mainly backed by low base of FY21. FY22 IIP was higher by 2.0% when compared with the pre-pandemic level of FY20, indicating that while economic recovery is underway, it is still at very nascent stages.

Moreover, for FY23, the industrial output has recorded a growth of 5.1% supported by a favorable base and a rebound in economic activities. Going forward, it will be critical for the current growth momentum in the industrial sector to be maintained. In the environment of global slowdown, maintaining growth in industrial output will depend on the resilience and momentum of domestic demand recovery. Healthy credit growth and moderating inflation in the economy is likely to be supportive of domestic consumption demand in the months to come. Pick-up in the investment demand is also expected to support segments like capital goods and infrastructure. However, industrial sector might feel the pinch of global slowdown as reflected by contraction in the export dependent sectors.

Chart 4: Y-o-Y growth in IIP (in %)

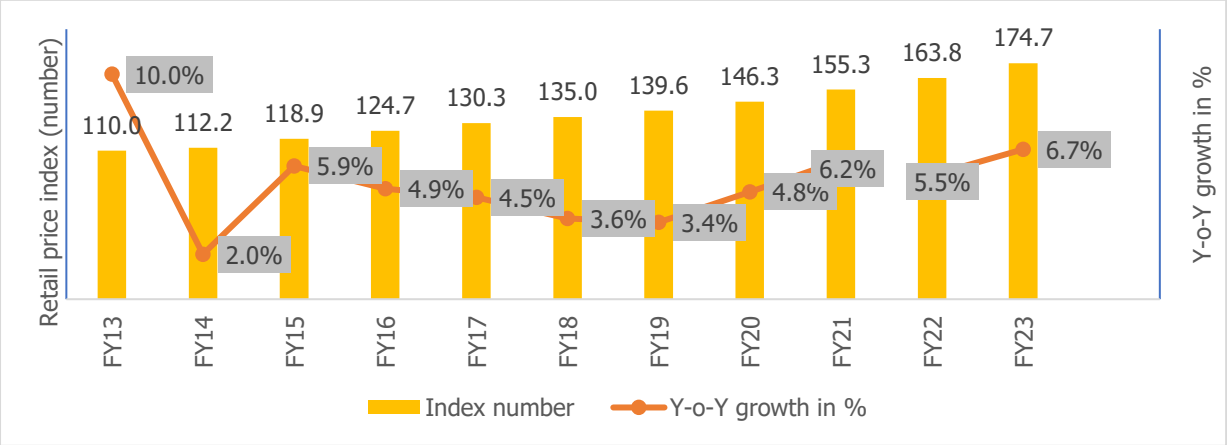


Source: MOSPI; P-Provisional

ii. Consumer Price Index

Inflation has reappeared as a global issue in both advanced and emerging economies. India's retail price inflation stood at 5.5% in FY22 which is within the targeted tolerance band of 6%. The consumer inflation started to upswing from October 2021 onwards. As per the monthly numbers, the inflation rate reached the tolerance level of 6% in January 2022. Following this, the month of March 2022 registered 6.9% rate.

Chart 5: Retail Price Inflation in terms of index numbers and Y-o-Y Growth in % (Base: 2011-12=100)



Source: MOSPI

Consecutively, the average inflation rate of 6.7% for FY23 remained above the RBI's tolerance level, surpassing the threshold of 6.0%. March 2023 month witnessed decline and the retail inflation stood at 5.7% tracing back to the RBI's tolerance band. Wherein, apart from a favourable base effect, the relief in retail infaltion came from a moderation in food inflation. The CPI came in at 4.7%in April 2023. This moderation in CPI inflation has also been supported by a high base of last year.

The CPI is primarily factored in by RBI while prepapring their bi-monthly monetory policy. At the bi-monthly meeting held in April 2023, RBI projected inflation at 5.2% for FY24 - Q1FY24 is projected at 5.1%, Q2FY24 at 5.4%, Q3FY24 at 5.4% and Q4FY24 at 5.2%.

RBI maintained its policy repo rate unchanged at 6.50% in a meeting held in April 2023. RBI also maintained the liquidity adjustment facility (LAF) corridor by adjusting the standing deposit facility (SDF) rate of 6.25% as the floor and the marginal standing facility (MSF) at the upper end of the band at 6.75%.

The central bank continued to maintain its stance as accommodative.

With domestic economic activities gaining traction, RBI has shifted gear to prioritize controlling inflation. While RBI has paused on the policy rate front, it has also strongly reiterated its commitment to bringing down inflation close to its medium-term target of 4%. Given the uncertain global environment and lingering risks to inflation, Central Bank has kept the window open for further monetary policy tightening in future if required.

iii. Concluding Remarks

Despite the global growth uncertainties, Indian economy is relatively better placed. The major headwinds to economic growth are escalating geopolitical tensions, volatility in global commodity prices and shortages of key inputs. However, the bright spots for the economy are continued healthy domestic demand, support from government capital expenditure and improving business confidence. Various high-frequency growth indicators including purchasing managers index, auto sales, bank credit, GST collections have shown improvement in the FY23.

Despite high food and fuel inflation pressure, the normalizing employment situation after the opening up of economy is expected to improve and provide support to consumption expenditure.

Public investment is expected to exhibit healthy growth as the government has budgeted for strong capital expenditure in FY24. Private sector's intent to invest is also showing improvement as per the data announced

on new investment projects. However, the volatility in commodity prices and the economic uncertainties emanating from global turbulence may slow down the improvement in private capex and investment cycle.

Among sectors, the industrial segment is expected to be negatively impacted due to high input prices. Nonetheless, with flagship programmes like 'Make in India' and the Production Linked Incentive (PLI) schemes, the government is continuing to provide the support to boost the industrial sector. Service sector is expected to see continued revival in FY24 with healthy economic growth. However, some segments like information technology in the services sector would feel the pinch of slowdown in the US and European economies.

2. Overview of Non-Banking Financial Company

2.1 Non-Banking Financial Company Overview

Non-banking financial institutions (NBFIs) comprise a heterogeneous group of financial intermediaries. Those under the regulatory purview of the Reserve Bank consist of

- All-India financial institutions (AIFIs) that include the National Bank for Agriculture and Rural Development (NABARD), the Export Import (EXIM) Bank of India, the Small Industries Development Bank of India (SIDBI) and the National Housing Bank (NHB) are apex financial institutions that play an important role in meeting the long-term funding requirements of agriculture and the rural sector, foreign trade, small industries, housing finance companies (HFCs), NBFCs, Micro Finance Institutions (MFIs) and other specialised segments and institutions.

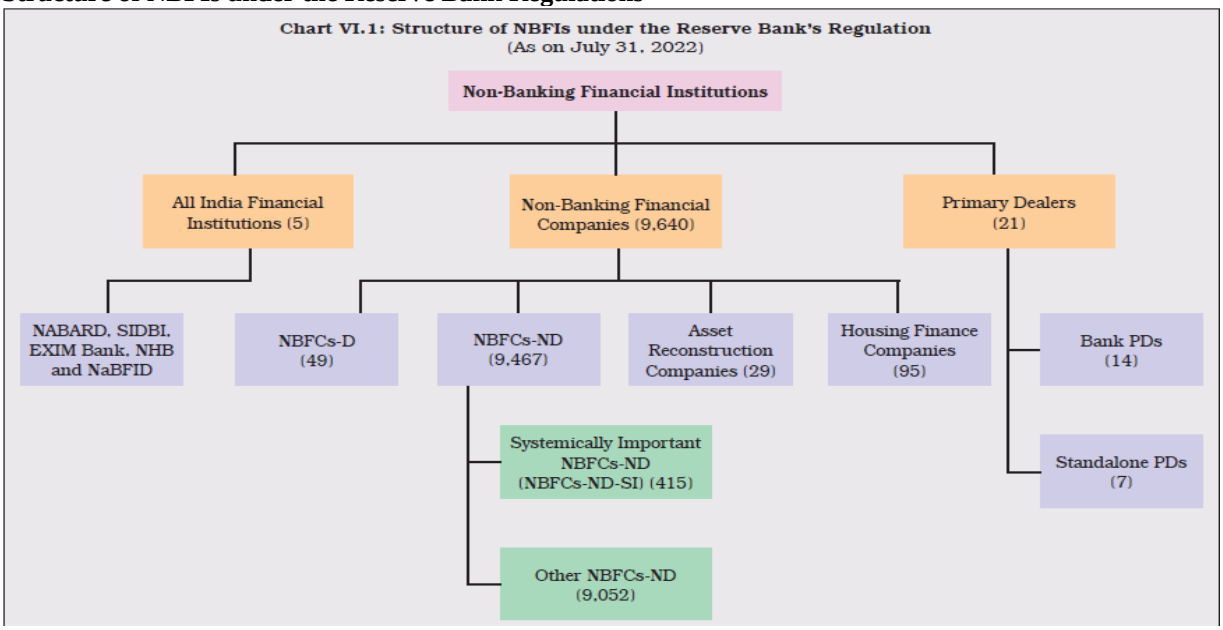
- Non-banking financial companies (NBFCs) are government/public/private limited companies that specialise in delivering credit to a wide variety of specific segments, ranging from infrastructure to consumer durables and vehicle financing. Housing finance companies (HFCs) extend housing finance to individuals, co-operative societies, and corporate bodies and lease commercial and residential premises to support housing activity in the country.

- Primary dealers (PDs) came into existence in 1995 and act as market makers in the government securities (G-secs) market, besides ensuring subscription to primary issuances.

Non-Banking Financial Companies (NBFCs) play an important role in the Indian financial system by complementing and competing with banks, and by bringing efficiency and diversity into financial intermediation. NBFCs have evolved considerably in terms of operations, heterogeneity, asset quality and profitability, and regulatory architecture.

2.2 Structure of NBFIs

Structure of NBFIs under the Reserve Bank Regulations



Source: RBI
Note: Figures in bracket indicates the number of Institutions as of July 22

2.3 Classification of NBFCs

NBFCs can be classified on the basis of a) asset/liability structures; b) systemic importance; and c) the activities they undertake. In terms of liability structures, NBFCs are subdivided into deposit-taking NBFCs (NBFCs-D) - which accept and hold public deposits - and non-deposit taking NBFCs (NBFCs-ND) - which source their funding from markets and banks. Among non-deposit taking NBFCs, those with an asset size of Rs. 5 billion or more are classified as non-deposit taking systemically important NBFCs (NBFCs- ND-SI). As on July 31, 2022, there were 49 NBFCs-D and 415 NBFCs-ND-SI.

Since NBFCs cater to niche areas, they are also categorized on the basis of the activities they undertake. Till February 21, 2019, NBFCs were divided into 12 categories. Thereafter, these categories were harmonised in order to provide NBFCs with greater operational flexibility. As a result, asset finance companies (AFCs), loan companies (LCs) and investment companies (ICs) were merged into a new category called Investment and Credit Companies (NBFC-ICC). At present, there are 11 categories of NBFCs in the activity-based classification.

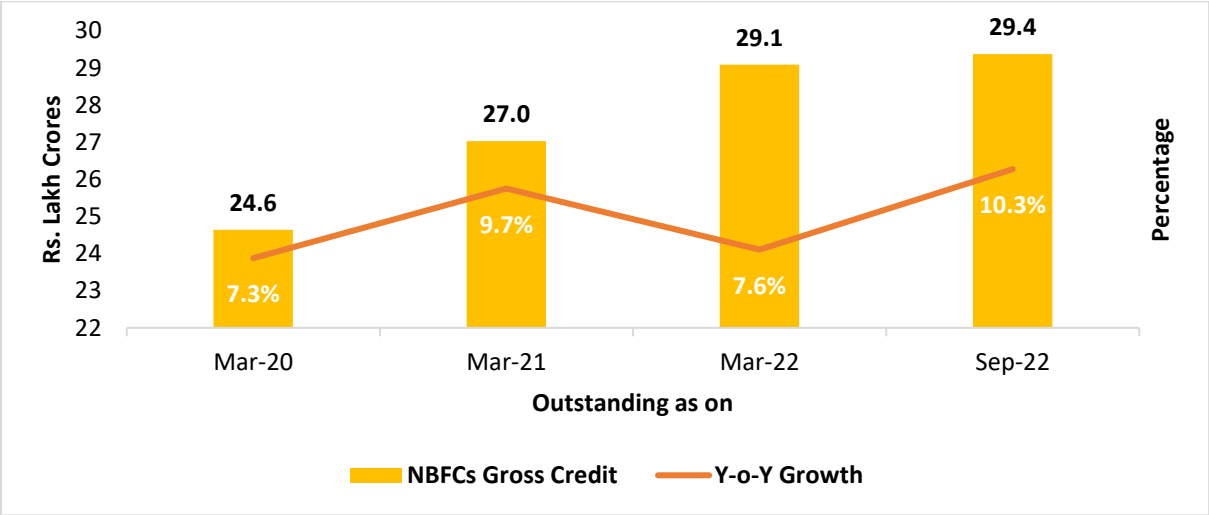
Table 3: Types of NBFCs

Type of NBFC	Activity
NBFC-Investment and Credit Company (NBFC-ICC)	Lending and investment.
NBFC-Infrastructure Finance Company (NBFC-IFC)	Financing of infrastructure sector.
Core Investment Company (CIC)	Investment in equity shares, preference shares, debt, or loans of group companies.
NBFC-Infrastructure Debt Fund (NBFC-IDF)	Facilitation of flow of long-term debt only into post commencement operations in infrastructure projects which have completed at least one year of satisfactory performance.
NBFC-Micro Finance Institution (NBFC-MFI)	Providing collateral free small ticket loans to low income households.
NBFC-Factors	Acquisition of receivables of an assignor or extending loans against the security interest of the receivables at a discount.
NBFC-Non-Operative Financial Holding Company (NBFC-NOFHC)	Facilitation of promoters/ promoter groups in setting up new banks.
NBFC-Mortgage Guarantee Company (NBFC-MGC)	Undertaking of mortgage guarantee business.
NBFC-Account Aggregator (NBFCAA)	Collecting and providing a customer's financial information in a consolidated, organised, and retrievable manner to the customer or others as specified by the customer.
NBFC–Peer to Peer Lending Platform (NBFC-P2P)	Providing an online platform to bring lenders and borrowers together to help mobilise funds.
Housing Finance Company (HFC)	Financing for purchase/ construction/ reconstruction/ renovation/ repairs of residential dwelling units.

Source: RBI, CareEdge Research

2.4 NBFC Credit Growth

Chart 6: Gross Credit Deployed by NBFCs



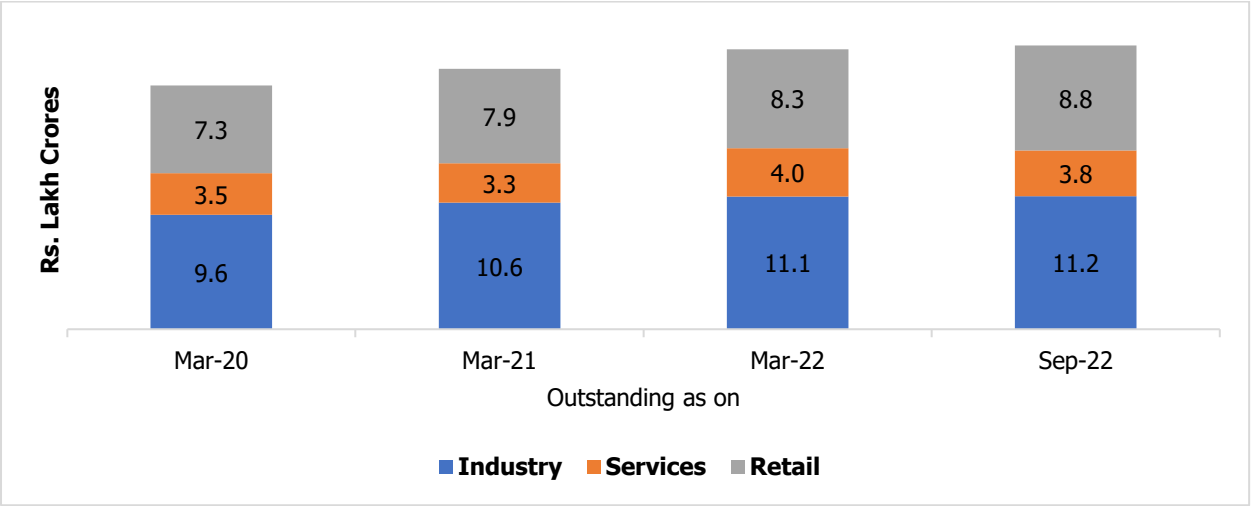
Source: RBI, CareEdge Research
Note: Sep-22 growth is over Sep-21

As of Sep-22, the credit growth rate has seen an uptick of 10.3% y-o-y over Sep-22. The consistent upward growth of NBFCs credit is indicating its importance in India's Financial System.

2.5 Sectoral Distribution of NBFC Credit

The industry sector has remained the largest recipient of credit extended by NBFCs followed by retail loans, services, other non-food credit, and agriculture & allied activities NBFCs have increased the amount of credit deployed to industry on account of improved demand for credit majorly on account of improved demand for working capital loans due to surge in commodity prices. As of Sep-22, industry credit contributed to Rs. 11.2 lakh crores that is around 38% of NBFCs' gross credit deployed, as per the RBI.

Chart 7: Sectoral distribution of NBFCs' credit



Source: RBI, CareEdge Research
Note: Others includes Food credit and other non-food credit

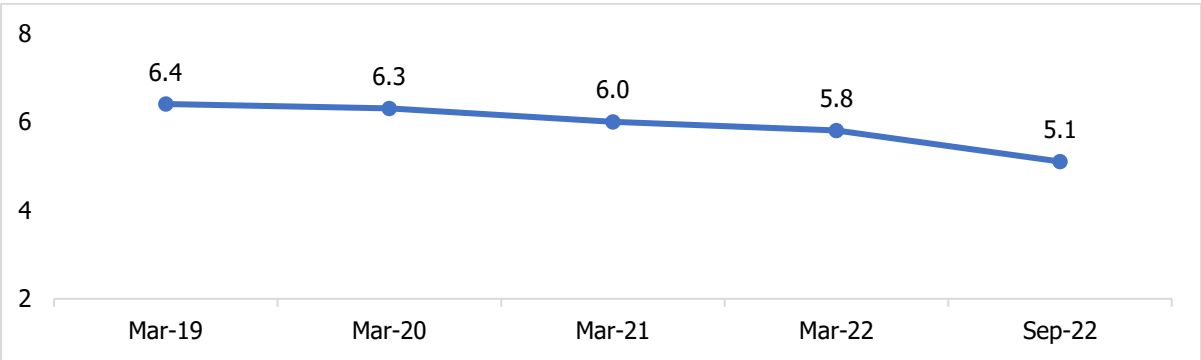
While NBFCs' credit to the industry is growing, their credit to services is declining majorly on account of the decline in credit to the commercial real estate sector, transport operators and other services. As of Sep-22, as per data published by RBI, credit deployed to the service sector has hovered around Rs. 3.8 trillion that is around 13% of NBFCs gross credit deployed.

Retail loans comprise housing loans, vehicle loans, loans against gold, consumer durables loans and other such personal loans. Over the last couple of years, NBFCs have shifted their focus on retail lending in order to grow their business. And with slow demand for credit from the industry and services sector, retail lending has shown tremendous growth. As retail loans have lower delinquencies when compared to MSME / corporate lending which is also a major factor for the shift. As of Sep-22, the credit deployed to retail loans by NBFCs has increased to nearly a third of their gross credit deployed, which stood at Rs. 29.4 lakh crores for NBFCs.

2.6 Asset Quality

The asset quality of NBFCs has seen continued improvement on account of strong balance sheets, an increase in provisions and improved collection efficiency. Additionally, restructuring of their loan book and NPA write-offs have also aided the improvement in the asset quality of NBFCs. As of Sep-22, the GNPA of NBFCs improved to 5.1% reaching the lowest size in Mar-17. The asset quality of NBFCs is likely to be impacted on the back of refined regulations pertaining to asset classification.

Chart 8: GNPA Ratio and NNPA Ratio



Source: RBI, CareEdge Research
Note: Data is provisional

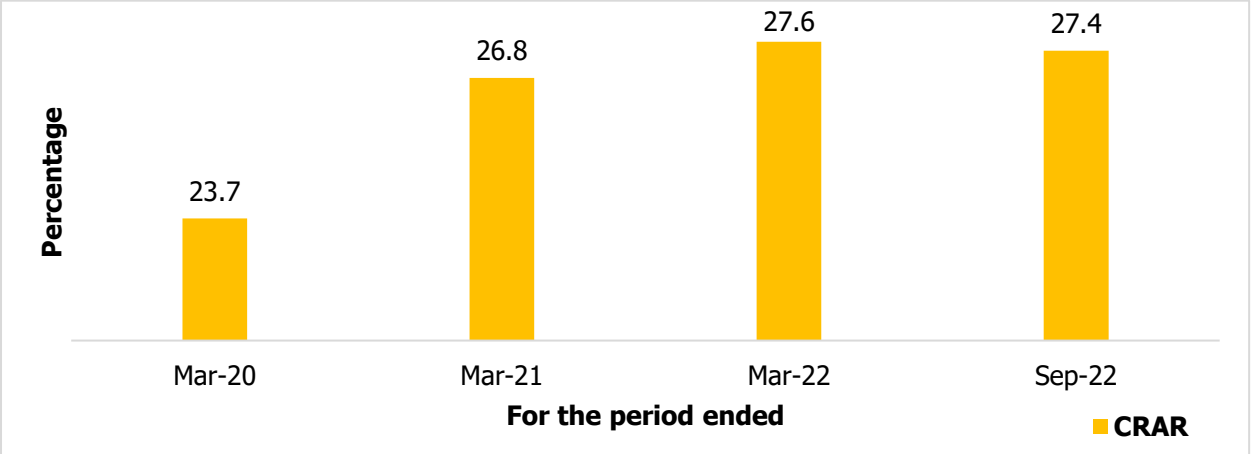
With effect from October 1, 2022, RBI has revised asset classification norms that mandate all NBFCs, requiring them to collect the entire arrears to upgrade an NPA. Asset classification would start exactly from the overdue date, unlike the present practice of starting 90 days from the end of the month in which the account becomes overdue.

Going forward asset quality is expected to remain in check owing to increased provisions, decline in fresh slippages and restructuring of the loan book.

2.7 Capital Adequacy

Over the years, NBFCs' CRARs have improved on account of increase in the level of Tier-I capital, retained earnings and moderation in NPA. NBFCs are well capitalized, with their capital to risk-weighted asset ratio (CRAR) well above the stipulated level of 15 per cent. For a sample of 152 NBFCs, as per RBI data, CRAR was 27.4% as of Sep-22.

Chart 9: Capital Position of NBFCs



Source: Supervisory Returns, RBI
Capital to Risk- Weighted Assets Ratio (CRAR) is Tier 1+Tier 2 Capital by Risk-weighted Assets
Note: Capital adequacy ratio for Sep-22 is for a sample of 152 NBFCs

3. MSME Finance

3.1. Introduction

The micro, small and medium enterprises ("**MSME**") sector is a vibrant and dynamic sector with crucial linkages to employment. The MSME sector is considered the growth engine of the Indian economy, with significant contribution to the GDP, exports and employment generation. The sector contributes significantly in the economic and social development of the country by fostering entrepreneurship and generating large employment opportunities at comparatively lower capital cost, next only to agriculture. MSMEs are complementary to large industries as ancillary units and the sector therefore contributes significantly in the inclusive industrial development of the country.

MSMEs are widening their domain across sectors of the economy, producing a diverse range of products and services to meet demands of domestic as well as global markets.

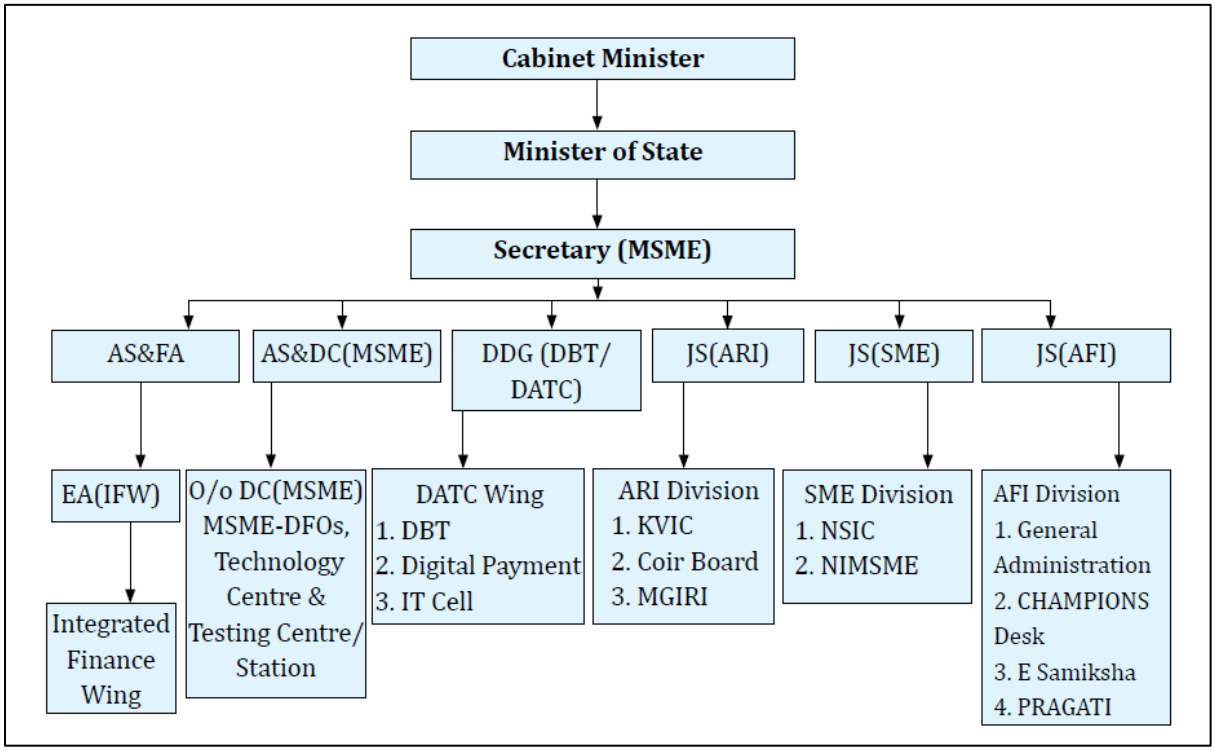
In accordance with the provision of Micro, Small & Medium Enterprises Development ("**MSMED**") Act, 2006 MSMEs are classified as follows:

Enterprise Category	Investment in Plant & Machinery or Equipment	Annual Turnover
Micro Enterprises	Does not exceed 1 crore	Does not exceed Rs. 5 crores
Small Enterprises	More than Rs. 1 crore but does not exceed Rs. 10 crores	More than Rs. 5 crores but does not exceed Rs. 50 crores
Medium Enterprises	More than Rs. 10 crores but does not exceed Rs. 50 crores	More than Rs. 50 crores but does not exceed Rs. 250 crores

3.2. Organisational Structure of MSMEs

The Ministry of MSME consists of Small & Medium Enterprises (SME) Division, Agro & Rural Industry (ARI) Division, Administration & Financial Institutions (AFI) Division, Integrated Finance Wing (IFW) and Data Analytics

and Technical Coordination (DATC) Wing, besides the Office of the Development Commissioner (DC, MSME) as an attached office and other subordinate organisations. The organisational structure of the Ministry is depicted below:



Source: MSME Annual report 2022-23

3.3. Statutory bodies under MSME ministry

Khadi and Village Industries Commission (KVIC)	**Khadi and Village Industries Commission (KVIC) is a statutory organisation engaged in promoting and developing khadi and village industries for providing employment opportunities in rural areas, thereby strengthening the rural economy.**
Office of Development Commissioner (MSME)	The Office of the Development Commissioner (MSME) is headed by the Additional Secretary & Development Commissioner MSME and is the apex body to advise, coordinate and formulate policies and programmes for the development and promotion of the MSME Sector in the country
Coir Board	The Coir Board is a statutory body established for promoting overall development of the coir industry and improving living conditions of workers in this industry.
National Small Industries Corporation Limited (NSIC)	Established in 1955, the National Small Industries Corporation Limited (NSIC) is responsible for promoting, aiding and fostering growth of micro, small and medium enterprises in the country.
National Institute for Micro, Small and Medium Enterprises, (NI-MSME)	Established in 1960, the National Institute for Micro, Small and Medium Enterprises (NI-MSME) is responsible for enterprise promotion and entrepreneurship development, enabling enterprise creation, performing diagnostic development studies for policy formulation, etc.
Mahatma Gandhi Institute for Rural Industrialisation (MGIRI)	The objectives of the Mahatma Gandhi Institute for Rural Industrialisation (MGIRI) are to accelerate rural industrialisation for sustainable village economy, empower traditional artisans, encourage innovation through pilot study and R&D for alternative technology using local resources.

3.3.1. Estimated Number of MSMEs (Activity Wise)

Activity Category	Estimated Number of Enterprises (in crores)			Share (%)
	Rural	Urban	Total	
Manufacturing	1.14	0.83	1.97	31
Electricity*	0.00	0.00	0.00	0
Trade	1.09	1.22	2.30	36
Other Services	1.02	1.05	2.07	33

Activity Category	Estimated Number of Enterprises (in crores)			Share (%)
	Rural	Urban	Total	
All	3.25	3.09	6.34	100

Source: MSME Annual Report 2022-23, CareEdge Research
Note: *Non-captive electricity generation and transmission

3.3.2. Number of MSMEs registered in Udyam portal in India

Category	Number of MSMEs
Micro	1,69,25,135
Small	5,46,936
Medium	52,099
Total	**1,75,24,170**

Source: Udyam portal, Data as of 23rd May 2023

As per the Udyam portal, around 17 million MSMEs are registered under Udyam portal, of which around 96.6% enterprises are micro category and around 3.1% of the enterprises fall under small category and the remaining are medium enterprises.

As per the National Sample Survey (NSS) 73rd round, conducted by National Sample Survey Office, Ministry of Statistics & Programme Implementation during the period 2015-16, there were 63,388 thousand unincorporated non-agriculture MSMEs in the country engaged in different economic activities (manufacturing, electricity, trade and other services). Of this, micro enterprises sector with 63,052 thousand accounts for more than 99% of total estimated number of MSMEs. While the small enterprise sector with around 331 thousand makes up 0.52% of total estimated number of MSMEs and medium enterprise sector with around 5 lakh that is around 0.01% of total estimated MSMEs, respectively.

3.3.3. Distribution of Enterprises Category Wise

(Rs. Lakhs)

Sector	Micro	Small	Medium	Total	Share (%)
Rural	324.1	0.8	0.0	324.9	51
Urban	306.4	2.5	0.0	309.0	49
Total	630.5	3.3	0.1	633.9	100

Source: MSME Annual Report 2022-23, CareEdge Research

MSME sector has created about 11.10 crore jobs in the country as per National Sample Survey 73rd Round (2015-16). (Source MSME Annual Report 2022-23)

3.4. Major schemes

The Ministry of MSME runs numerous schemes targeted at providing credit and financial assistances, skill development training, infrastructure development, technological and quality upgradation and other services for MSMEs across the country.

3.4.1. Credit and Financial

1. Prime Minister's Employment Generation Programme

- The scheme, implemented by the KVIC, aims to generate employment opportunities in rural and urban areas by setting up new self-employment ventures/projects/micro enterprises. The programme also aims to provide continuous and sustainable employment to prospective artisans and unemployed youth and increase the wage-earning capacity of artisans and contribute to the growth of rural and urban employment.
- The eligibility criteria to avail this scheme are the individual should be 18 years and above.
- As of December 31, 2022, expenditure incurred under this scheme was Rs.2,000 crore.

2. Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE)

- The scheme was launched by the Government of India (GoI) to provide collateral-free credit to the micro and small enterprises. The scheme's objective is to strengthen the delivery system for credit and facilitate flow of credit to micro and small enterprises.
- The guarantee cover available under the scheme varies from 75% to 85% of the sanctioned amount of the credit facility depending upon the quantum of loan and type of beneficiary.

- The extent of guarantee cover is 85% for micro enterprises for credit up to Rs. 5 lakhs and 75% guarantee cover for those who availed credit facility above 5 lakhs.

- The extent of guarantee cover is 80% for all credits/loans in the North East Region (NER) for credit facilities up to Rs. 50 lakhs and 75% for credit facility of above 50 lakhs and upto 500 lakhs.

- The guarantee covers to Micro and Small Enterprises operated and/or owned by women is to the extent of 85%.

3. Non-government provident funds (PFs) investing in alternative investment funds (AIFs) will add to MSME fundraising options

- In March 2021, the Finance Ministry allowed private retirement funds to invest up to 5% in Category I & II AIFs regulated by SEBI; this will help widen the fundraising options for MSMEs and expand the domestic pool of capital

- Category 1 AIFs consists of infrastructure, venture capital, angel and social venture funds. Category II AIFs covers funds where at least 51% of the size can be invested in either infrastructure, SMEs, venture capital or social welfare entities.

3.4.2. Skill Development and Training

1. A Scheme for Promotion of Innovation, Rural Industries & Entrepreneurship (ASPIRE)

- The objectives of this scheme are to create new jobs, reduce unemployment, promote entrepreneurship culture in the country, promote innovation in the MSME sector, etc.

- The scheme activities include livelihood business incubators and technology business incubators.

2. Entrepreneurship and Skill Development Programmes (ESDP)

- The objective of the scheme is to promote and support the creativity of MSME enterprises and encourage adoption of the latest technologies in manufacturing as well as knowledge-based innovative MSMEs.

3.4.3. Infrastructure

1. Scheme of Fund for Regeneration of Traditional Industries (SFURTI)

- The objectives of this scheme are to organise traditional industries and artisans into clusters to make them competitive and provide support for their long-term sustainability, enhance marketability of products of such clusters, build innovative products, improve technologies, etc.

- The scheme covers three types of interventions, i.e., soft intervention wherein activities are held to build general awareness, counselling, skill development, etc.; hard intervention which includes creating common facility centers, raw material banks, etc.; and thematic intervention on brand building, new media marketing, e-commerce initiatives, research and development, etc.

- Rs 1.95 crore of funds were allotted to this scheme during 2022-23 and the expenditure incurred (upto 31 December 2022) amounted to Rs 1.11 crore.

2. Micro & Small Enterprises Cluster Development Programme (MSE-CDP)

- The MSME Ministry has adopted the cluster development approach as a key strategy for enhancing productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) in the country.

- The main objectives of this scheme are to support sustainability of MSMEs, build MSMEs capacity for common supportive action, upgrade/create infrastructural facilities in industrial estates, set up Common Facility Centres (CFCs) and promote advanced & sustainable manufacturing technologies.

- As a part of the programme, 201 Common Facility Centres (CFCs) and 309 Infrastructure Development Projects (IDPs) have been commissioned as on 22 April 2022.

3.4.4. Marketing Assistance

1. Scheme for providing financial assistance to Khadi institutions under MPDA

- The Government has introduced a scheme for providing flexible, growth stimulating and artisan-oriented Market Development Assistance (MDA) Scheme, in place of the erstwhile system of Rebate.
- The funds allocated towards this scheme was Rs 244.39 crore during 2022-23 and the expenditure incurred (upto 31 December 2022) is Rs 169.29 crore.

3.4.5. Technology Upgrade and Competitiveness

1. Financial Support to MSMEs in ZED Certification

- The scheme promotes Zero Defect and Zero Effect (ZED) manufacturing among MSMEs and ZED Assessment for their certification to encourage MSMEs to constantly upgrade their quality standards in products and processes, promote adaptation of quality tools/systems and energy-efficient manufacturing, and drive manufacturing by adopting the Zero Defect production processes and without impacting the environment.
- The scheme is targeted towards MSMEs involved in manufacturing.
- The Quality Council of India is responsible for implementing the scheme.

2. Support for Entrepreneurial and Managerial Development of SMEs through Incubators

- The objective of the scheme is to promote and support the creativity of MSME enterprises and encourage adoption of the latest technologies in manufacturing as well as knowledge-based innovative MSMEs.
- The scheme includes financial assistance of up to Rs. 15 lakhs for developing and nurturing the idea; up to Rs. 1 crore for procurement and installation of plant and machines to strengthen technology-related R&D activities; or up to Rs. 1 crore as a grant-in-aid for seed capital support to Host Institute (HIs)/Business Incubator (BIs) for converting deserving ideas into start-ups.

3.4.6. Other Services

1. Building Awareness on Intellectual Property Rights (IPR) for MSMEs

- The Building Awareness on Intellectual Property Rights (IPR) has been launched to promote awareness of Intellectual Property Rights (IPINR) among MSMEs by assisting them in technology upgrade and enhancing competitiveness and effective utilisation of IPR tools.
- The scheme is executed through various activities such as awareness programmes, seminar workshops, reimbursement for registration of IP, international co-operation & setting up IP facilitation centre across the country.

2. Trade, import and export for MSMEs

- MSME support and development organisation, National Small Industries Corporation (NSIC), will assist MSMEs working with the Agricultural and Processed Food Products Export Development Authority (APEDA) across multiple areas.
- The NSIC, through an MoU with APEDA, will help its MSME members in exploring the export potential of their agricultural and processed foods products. Additionally, APEDA members will get access to NSIC schemes, which would help them address issues pertaining to technology adoption, skills, product quality and market access.
- The relationship will also support promotion of green & sustainable manufacturing technology for MSME clusters, enabling units to switch to sustainable and green production processes and products.

3.5. Direct Benefit Transfer in the Ministry of MSME

All welfare and subsidy schemes of Governments of India have been brought under Direct Benefit Transfer (DBT) with the aim of improving delivery system by re-engineering the existing process for welfare and subsidy schemes,

for simpler and faster flow of funds and to ensure accurate targeting of the beneficiaries, de-duplication and reduction of fraud. A nodal point for the implementation of the DBT programmes, DBT Cell have been constituted in the Ministry. The schemes have been categorized based on the benefit type to the beneficiary's i.e., Cash, Kind or Composite (i.e. Cash and Kind). Below is the table showing the main DBT schemes of the Ministry with the benefit type, number of beneficiaries and total funds transferred / expenditure incurred.

S.No	Name of the Scheme	Benefit Type	Total no. of beneficiaries (2022-23) (upto 31.12.22)	Total Expenditure (2022-23) (upto 31.12.22)
1	ATI Scheme (Training Component)	In Kind	1674	0.871
2	MPDA Grant to Khadi Institutions	Cash	86990	29.45
3	Coir Vikas Yojana	Cash	775	45.789
4	SFURTI SI	In Kind	2082765	384.509
5	Prime Ministers Employment Generation Programme (PMEGP)	Cash	46808	1505.61
6	Entrepreneurship and Skill Development Programme (ESDP)	In Kind	6312	2.55
7	International Co-operation (IC) Schemes	Cash	56	6.87

Source: MSME Annual Report 2022-23, CareEdge Research

3.6. Credit growth in MSME lending

India witnessed a sharp jump in MSME lending in FY21 and this increase has been supported by Atmanirbhar Bharat scheme of Emergency Credit Line Guarantee Scheme (ECLGS) which provided 100% credit guarantee to lenders. The scheme that was announced by the Government in May 2020 helped the firms to get access to more credit.

Table 4: SCBs and NBFCs credit exposure to MSMEs

(Figures in Rs. crores)

Outstanding as on	NBFCs			SCBs		
	Micro and Small Enterprise	Medium Enterprise	Total	Micro and Small Enterprise	Medium Enterprise	Total
Mar-19	37,360	16,020	53,380	3,75,508	1,06,392	4,81,900
Mar-20	36,441	14,077	50,518	3,92,265	1,05,095	4,97,360
Mar-21	44,235	14,910	59,145	4,33,192	1,38,599	5,71,792
Mar-22	46,967	17,186	64,153	5,32,792	2,13,996	7,46,788
Sep-22	49,966	15,103	65,069	5,72,958	2,25,083	7,98,042

Source: RBI, CareEdge Research
Note: The credit exposure for MSMEs is NBFCs and SCBs credit exposure to `Micro & Small' and `Medium' enterprises under 'Industrial Sector' only.

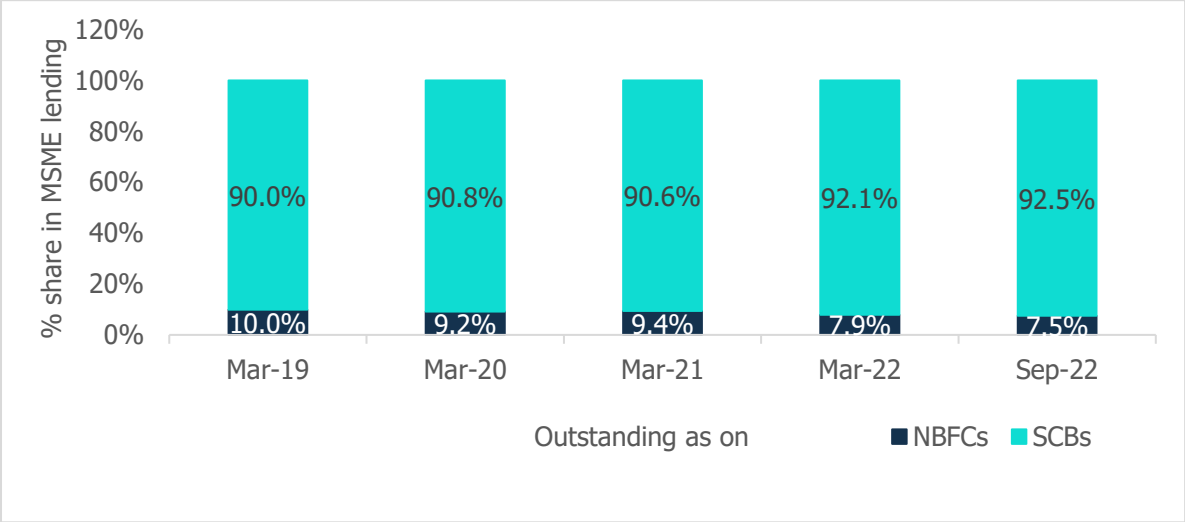
NBFCs mainly deploy credit to MSMEs belonging to the services and agricultural sectors. In comparison, bank credit to MSMEs witnessed a consistent growth. Bank credit deployed to MSMEs witnessed an improvement in FY21 and strengthened further in the FY22 on account of a resurgence in demand from MSMEs as well as support from the Central Government by way of credit guarantee. The ECLGS scheme launched in May 2020 after the pandemic hit the country in March 2020 revived credit offtake by MSMEs. The scheme was introduced to help mitigate the economic distress faced by MSMEs by providing them additional funding in the form of a fully guaranteed emergency credit line.

The credit extended towards MSME has increased significantly as during the pandemic, the Government encouraged banks to extend credit to MSMEs and aid them to buffer the effects of the pandemic. And as micro and small enterprises were more vulnerable, the credit towards them during the pandemic increased significantly during the FY21. On the other hand, medium enterprises were able to buffer the effects of pandemic to a certain extent. Although the credit towards medium enterprises increased over the previous financial year, the growth was moderate compared to growth in credit extended to micro and small enterprises. This has continued to result in the growth of credit to MSMEs significantly in FY22. Moreover, the extension of ECLGS up to March 2023, with the guarantee cover raised by Rs 50,000 crores to a total of 5 lakh crores has also contributed in the credit growth of MSME's and as on September 2022, the total credit outstanding to MSMEs stood at Rs 7,98,042 crores.

3.7. Share of Banks & Non-Banks in MSME lending

The MSME sector is underpenetrated by NBFCs and there is a huge unmet credit demand in the sector, primarily due to lack of documentation and credit history required to access to financing from formal banking channels. There is also a significant gap between the original credit requirement and the actual credit exposure of formal channels to MSMEs, which provides a huge opportunity in MSME lending.

Chart 10: Share of banks & NBFCs in MSME lending



Source: RBI, CareEdge Research

Note: The credit exposure for MSMEs is NBFCs and SCBs credit exposure to `Micro & Small' and `Medium' enterprises under 'Industrial Sector' only.

3.8. NPA Rates in MSME Segment

MSMEs have poor financial muscle and were severely impacted by the coronavirus pandemic. Since most MSMEs operate in the manufacturing sector, the nationwide lockdown which impacted production as well as demand caused increased stress to MSMEs. Additionally, MSMEs likely witnessed delayed payments on orders serviced and the inability to adopt digitization or accommodate higher costs on social distancing and limited workforce impaired MSMEs' operations. Many went out of business and some struggled to tide over the crisis with cash flow issues which translated into a strain on their ability to repay banks.

Table 5: Bank-wise SMA distribution of MSME Portfolio

Period ended	Public sector banks + Private sector banks				
	0 days past due	SMA-0	SMA-1	SMA-2	GNPA
March 2021	74.0%	7.3%	5.7%	2.2%	10.8%
June 2021	72.4%	8.6%	3.8%	3.4%	11.9%
September 2021	76.3%	6.6%	2.6%	3.1%	11.3%
December 2021	75.4%	8.8%	3.1%	2.3%	10.4%
March 2022	79.7%	6.4%	3.5%	1.1%	9.3%

Source: RBI, CareEdge Research

MSMEs seeking loans from banks also struggled to meet their obligations due to uncertainty and the second wave of the pandemic. As per data published by the RBI, GNPAs from the MSME segment witnessed a spike for the pandemic year of Fiscal 2021 and rose further to 18.8% towards the end of June 2021, which coincided with the second wave of the virus. GNPAs seemed to decline at the start of September 2021 as operations returned back to normalcy. GNPAs have further improved and declined to 9.3% in Fiscal 2022. CareEdge Research estimates GNPA levels to ease gradually over the next fiscal year.

3.9. Government Policies

The Government of India has designed various policies for the growth of MSMEs in the country.

- Revamp of the credit guarantee scheme for MSMEs wef April 2023 through fund infusion of Rs 9,000 crore in the corpus. This will facilitate additional collateral-free guaranteed credit of Rs 2 lakh crore and reduces the cost of the credit by 1%.
- Announcement on introducing an Entity DigiLocker for MSMEs in order to store and share documents securely in an online mode.
- Under Vivad se Vishwasl, 95% of the forfeited amount relating to bid or performance security is to be returned by the government in case of failure by MSMEs to execute contracts during the Covid period.

- PM VIshwakarma KAushal Samman (PM VIKAS) for traditional artisans to integrate them with the MSME value chain and assist them in improving the quality, scale and reach of their products.

3.10. Recent Developments in the sector

- The government has revised definition for micro, small and medium enterprises (MSMEs). The government will now accord MSME status to retailers and wholesale traders. The decision will benefit 2.5 crores retail and wholesale traders in the country. This is a positive move to provide easier access to credit and loans millions of retailers and wholesalers to modernise and expand their business. It will aid in boosting informal retail sector's contribution towards GDP & overall economic growth.

- In April 2021, the non-banking finance companies (NBFCs) requested the Reserve Bank of India to extend the one-time restructuring scheme of MSME advances till March 31, 2022, as these players are unable to revive their businesses.

- In March 2021, the Ministry of MSME, through the Development Commissioner (DC-MSME) implemented the Technology Centre Systems Program (TCSP) to establish 15 new Technology Centres (TC). The centres provide assistance to the industry predominantly MSMEs in General Engineering, Automotive, Fragrance & Flavour and ESDM sectors.

- In March 2021, the Finance Ministry allowed private retirement funds to invest up to 5% in Category I & II AIFs regulated by SEBI; this will help widen the fundraising options for MSMEs and expand the domestic pool of capital.

- Category 1 AIFs consists of infrastructure, venture capital, angel and social venture funds. Category II AIFs covers funds where at least 51% of the size can be invested in either infrastructure, SMEs, venture capital or social welfare entities.

- In March 2021, MSME support and development organisation, National Small Industries Corporation (NSIC) announced that they will assist MSMEs working with the Agricultural and Processed Food Products Export Development Authority (APEDA) across multiple areas.

- The relationship will also support promotion of green & sustainable manufacturing technology for MSME clusters, enabling units to switch to sustainable and green production processes and products.

- In February 2021, Walmart's Vriddhi programme was extended to Uttar Pradesh, with launch of an e-institute to facilitate small businesses in granting access to skills and competencies across online and offline platforms such as Flipkart's marketplace and Walmart's global supply chain. The company stated that this new e-institute will benefit 50,000 MSMEs across the country to expand domestically and globally.

- In February 2021, Indian Bank signed a memorandum of understanding (MOU) with the Society for Innovation and Development (SID), a project of the Indian Institute of Science, to provide exclusive credit to start-ups and MSMEs.

- In February 2021, the Small Industries Development Bank of India (SIDBI), a financial institution dedicated to the promotion, financing, and development of micro, small, and medium enterprises (MSMEs), signed an agreement with the government of Andhra Pradesh to help expand the state's MSME ecosystem.

- Udyam Registration: In 2020, the Ministry classified MSMEs based on investment in plant & Machinery/equipment and turnover of MSMEs as a composite criteria for classification. Initially, the process was filed by Udyog Aadhaar Memorandum which is now replaced by 'Udyam' registration on a portal developed by this Ministry.

- Exemption from requirement of having GSTIN: The ministry has exempted from the requirement of having GSTIN shall be as per the provisions of the Central Goods and Services Tax Act, 2017, that will lead to increase in the registration on Udyam Registration portal.

- Also, the Government has included Retail and Wholesale Trades as MSMEs from 2nd July, 2021 and are allowed to be registered on Udyam Registration Portal. The Government has also included Street Vendors as Retail Trades as MSMEs from 2nd August, 2021.

3.11. Outlook

The MSME sector is the driving force of the Indian economy and has major potential to spread industrialization across the economy. The sector faces number of challenges such as limited access to finance, inadequate availability of skilled

labour, and insufficient infrastructure. Along with this, rising interest rates by RBI to control inflation has become a hindrance to the growth in sector. This has led to increase in borrowing cost for MSMEs and further made the situation difficult for accessing credit. This high rise in borrowing cost is expected to impact the cash flows and profitability of MSMEs. Although, this sector has many challenges, the growth potential remains high.

MSMEs are small in terms of scale of operations, business size. They employ a large number of people making the sector a key contributor to the economic development of the country. The sheer number of work force engaged also results in this sector receiving Government support and benefits. Apart from Government initiatives, the improved use of digital solutions adopted during the pandemic (such as easy payments and marketing through digital platforms) increased demand for finished products have strengthen the MSMEs and resulted in recovery of their business.

In addition to this the extension of Emergency Credit Line Guarantee Scheme (ECLGS), that assists MSMEs in availing credit required to ensure recovery, until March 31, 2023 has helped in the recovery and growth of this sector. In August 2022, the cabinet has approved the enhancement in the limit of ECLGS to Rs.5 lakh crore from Rs. 4.5 lakh crore. This increase in limit is expected to provide relief to businesses to meet their operational expenses in hospitality and related sectors. Furthermore, the revamp of the credit guarantee scheme for MSMEs from April 2023 with Rs 9,000 crore of infusion in the corpus will facilitate additional collateral-free guaranteed credit of Rs 2 lakh crore and reduces the borrowing cost by 1%. These initiatives are expected to stimulate credit outreach to MSMEs, provide last-mile financial inclusion and promote job creation in the sector.

The MSME sector is expected to help India achieve its goal of becoming a USD 5 lakh crore economy by 2025 and in order to achieve this goal, MSMEs have to generate employment opportunities, improve performance, transform their business operations and carry out technology-based production and invest in research and development activities. In addition to this, MSMEs are expected to contribute more than 40% of India's nominal gross domestic product (GDP) by financial year 2025 for which it will require immense support from the Government, institutions and banks.

4. Overview of Micro Finance Industry

4.1. Introduction to Micro Finance Institutions (MFIs)

Financial Markets and Institutions, in the developing countries, have been unable to address the credit requirements of low-income households in rural areas. This is mainly due to lack of any sort of recognized employment source and availability of collateral with the low-income population. In addition to this, financial institutions are not keen on deploying credit due to the high risk and increased transaction costs associated with the small loans and savings deposits.

However, the policy makers of various countries including India have taken efforts to offer formal financial services to the rural borrowers by setting up special agricultural banks/rural banks or directing commercial banks. Nonetheless, these programmes were in vain owing to various reasons. The common reasons marked by many were the political difficulty for governments to enforce the loan repayment and most importantly the borrowers were relatively wealthy and influential people rather than the poor .The formal financial institutions do not serve to the segment of rural poor, as they perceived it as too risky ,Thus, the inability of the formal credit institutions to deal with the credit requirements of the poor effectively has led to the emergence of microfinance to alleviate poverty and as an alternative credit system for the low-income population.

Microfinance scheme emerged as panacea for the poor households who are not able to access financial services from the formal financial institutions which require collateral. It helps them build up assets, survive crisis and to establish small business to come out of poverty. Besides, by extending small loans (microcredit), the microfinance program provides various other financial and non-financial services such as savings, insurance, guidance, skill development training, capacity building and motivation to start income generating activities. This innovative programme is reaching the poor people especially women and has a greater impact on their socio-economic development as well as their empowerment. The successfulness of the program had impacted the developed countries to emulate the program to alleviate poverty.

NABARD has taken various initiatives to aid the MFIs and provide them with sustainable access to quality financial services. The institution had been supporting MFIs in their formative years (as NGO-MFIs) with grant support and Revolving Fund Assistance (RFA). The regulatory body had also created a fund named 'Micro Finance Development and Equity Fund' (MFDEF) in 2006 to help a number of MFIs with quasi-equity and subordinated debt instruments.

Similarly, SIDBI supported the growth story of MFIs through its SIDBI Foundation for Micro Credit (SFMC). The India Microfinance Equity Fund (IMEF) later supported MFIs, especially the medium and smaller ones with equity and quasi-equity. Such pioneering roles may be required to be played again in nurturing a newer set of institutions to take their places in the space vacated by the SFBs. Of course, MUDRA with its total focus on microenterprise has to hand-hold and facilitates the development process of smaller MFIs and not-for profit MFIs as they are the ones who

operate in remoter locations and with the more underserved populations. The establishment of Small Finance Banks also opens up another window of opportunity for reinvigorating the SHG-Bank Linkage Programme.

The transition of microfinance industry into a mature industry could strengthen the financial inclusion pattern in a much better fashion. Structured financing and self-help groups bank linked financing programme can make MFIs more appealing to the achieving of financial stability.

The Indian microfinance industry plays a vital role in serving the low-income group population, people living in remote regions of the country and micro, small and medium enterprises (MSMEs) thereby promoting financial inclusion at the bottom of the economic pyramid. MFIs are effective channel for providing affordable credit to low income and mid-income households and those in informal sector. Over the past decade, MFIs have grown significantly on account of introduction of structured guidelines, digital interventions, Government's support initiatives and redefined customer servicing approach.

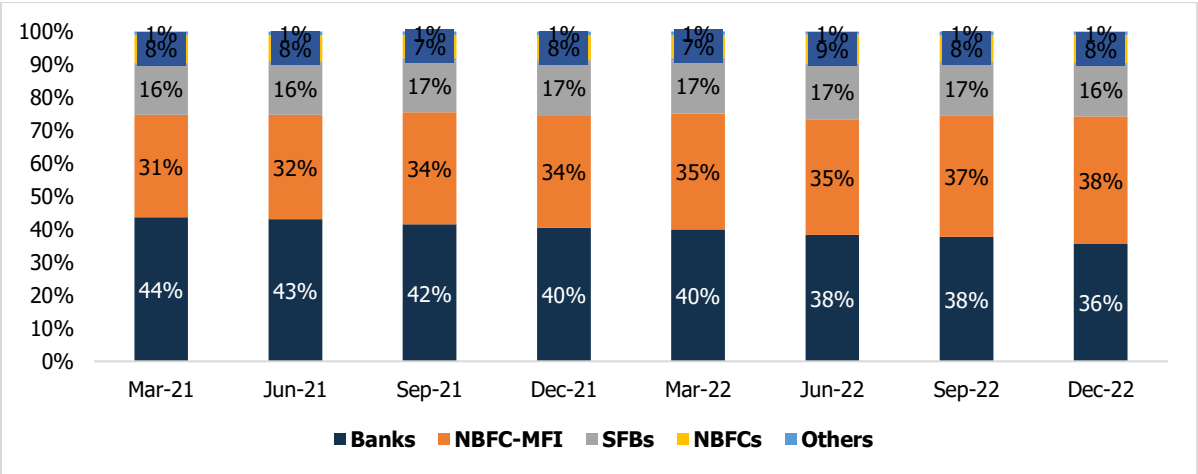
4.2. Outstanding portfolio of the MFI industry

As of 31st December 2022, NBFC- MFIs have the largest outstanding loan portfolio of the MFI industry of Rs.1,23,386 crores. NBFC- MFIs has witnessed a growth in portfolio at around 47% y-o-y. As of 31st December 2022, banks loan portfolio stood at Rs. 1,14,546 crores and contribute to around 36% of the overall micro loans due to thrust on micro lending under priority sector lending and tie-ups with regional NBFCs that source loans for banks.

Table 6: Outstanding Portfolio of the MFI Industry

Lender	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22
Banks	1,13,271	1,02,405	1,01,209	1,03,569	1,14,051	1,12,547	1,13,565	1,14,546
NBFC-MFI	80,549	75,021	82,749	87,444	1,00,407	1,02,465	1,10,418	1,23,386
SFBs	41,170	38,624	40,534	42,847	48,314	49,646	50,029	52,192
NBFCs	21,673	18,730	16,694	19,360	19,698	25,923	23,770	27,112
Others	2,714	2,589	2,552	2,838	2,971	2,573	3,192	3,348
Total	**2,59,377**	**2,37,369**	**2,43,738**	**2,56,058**	**2,85,441**	**2,93,154**	**3,00,974**	**3,20,584**

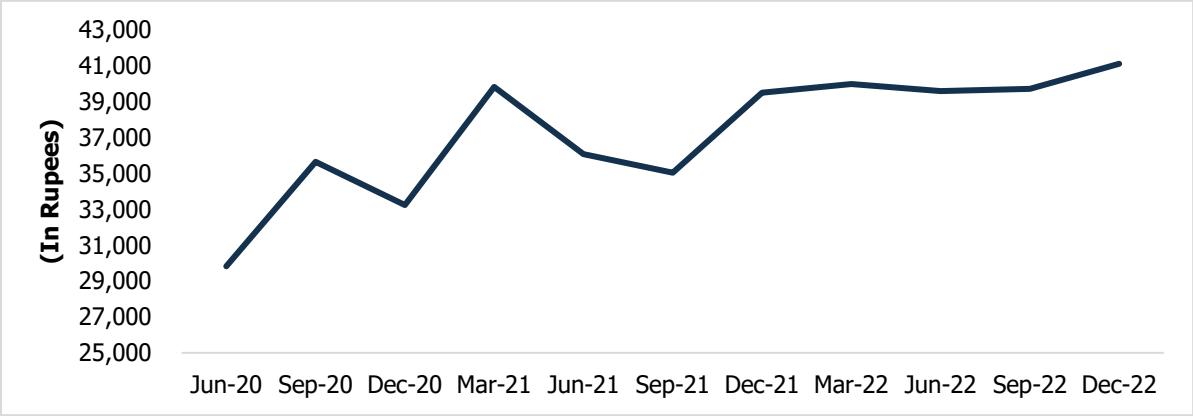
Chart 11: Share of lenders in outstanding micro loans



Source: MFI Micrometer, CareEdge Research

Banks continue to account for the largest share in micro loans, followed by NBFC-MFIs that have a 38% share in overall micro loans on account of their foothold in rural areas. NBFC-MFIs witnessed a degrowth during Q4FY21 as they were reluctant to grow their portfolio amid the uncertainties surrounding the pandemic. However, Q4FY22 showed 24.7% y-o-y growth reaching to around Rs. 1,00,407 crores over Q4FY21. In FY23, they reached to Rs. 1,23,386 crores as of December 2022 and reported a growth rate of 41% during the same period last year. This growth is majorly on account of reopening of economy and increase need for credit as businesses resume.

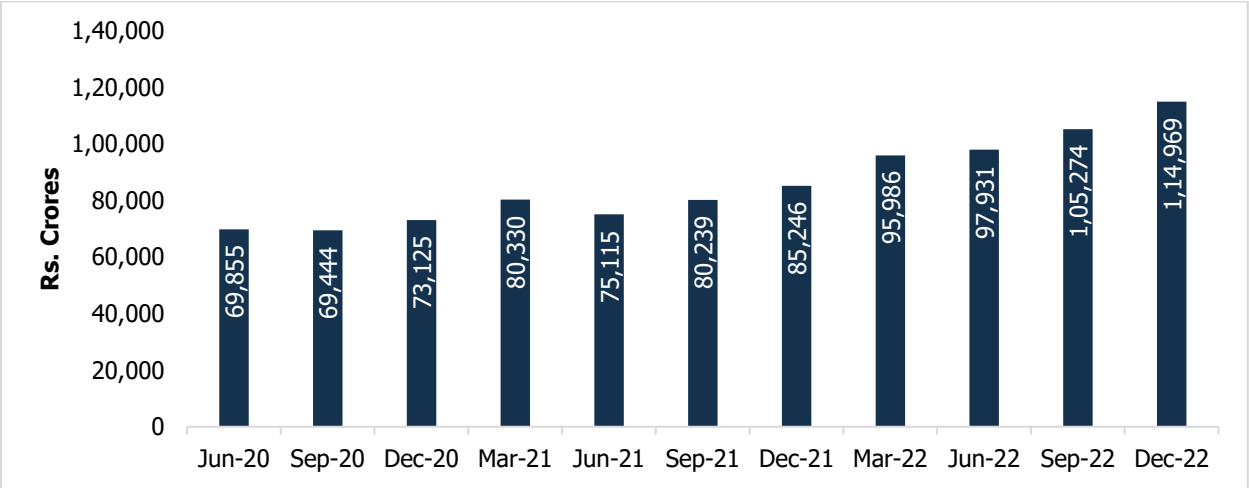
Chart 12: Average ticket size of micro finance loans



Source: MFI Micrometer, CareEdge Research

The average ticket size of micro finance loans has fluctuated in every quarter during FY22 and FY23 and has hovered in the rage of Rs.29,000 – Rs. 40,000. As of December 2022, average ticket size of micro finance loans reached to Rs. 41,123 the highest in past two financial years. Lenders were hesitant to extend loans during the June quarters amid the first and second wave of Covid-19 pandemic which led to decline in average ticket size of loans.

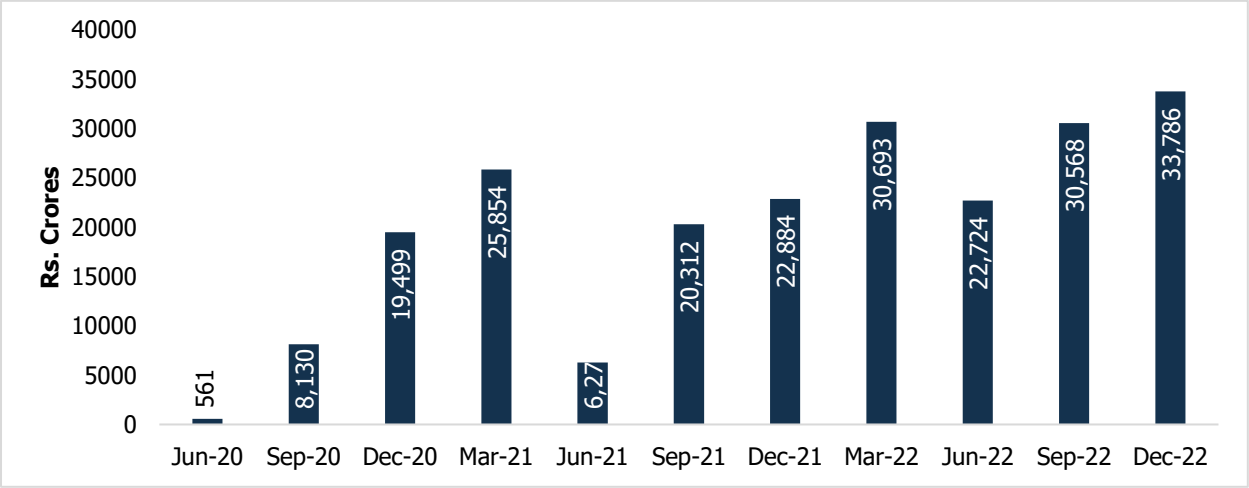
Chart 13: Gross Loan Portfolio (GLP) of NBFC- MFI



Source: MFI Micrometer, CareEdge Research
Note: As per MFI Micrometer, analysis on NBFC-MFIs is based on data collected from 55 members that are registered with the Reserve Bank of India (RBI).

During the June, 2021 quarter, the Gross loan portfolio of the NBFC- MFI industry had declined on account of decrease in disbursements towards microfinance segment. However, by the end of March 2022 the gross loan portfolio has improved by 19% over March 2021 quarter and has reached at Rs. 95,986 crores. As of December 2022, the NBFC-MFIs loan portfolio stood at Rs.1,14,969 crores, an increase of nearly 35% on a y-o-y basis.

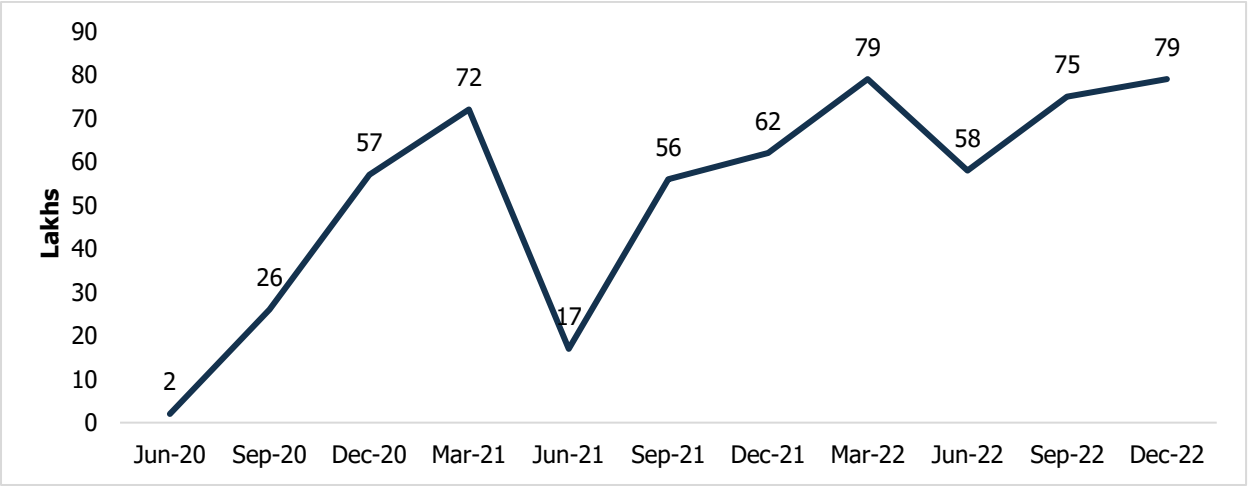
Chart 14: Loan amount disbursed to the NBFC- MFI segment



Source: MFI Micrometer, CareEdge Research
Note: As per MFI Micrometer, analysis on NBFC-MFIs is based on data collected from 55 members that are registered with the Reserve Bank of India (RBI).

During the first quarter of FY22, lenders were cautious to expand their portfolio and disburse fresh credit amid the uncertainties surrounding the second wave of Covid-19 pandemic. However, lenders increased their disbursements to the microfinance segment as the economy recovered and returned to normalcy in September 2021 quarter. With the reopening of business activities and increase in demand for credit, there has been rise in loans disbursed to microfinance segment as of March 2022. During the quarter December 2022, disbursement of microfinance loans increased by 48% to Rs. 33,786 crores from Rs. 22,884 crores in December 2021 quarter.

Chart 15: Number of loans disbursed to the NBFC- MFI segment

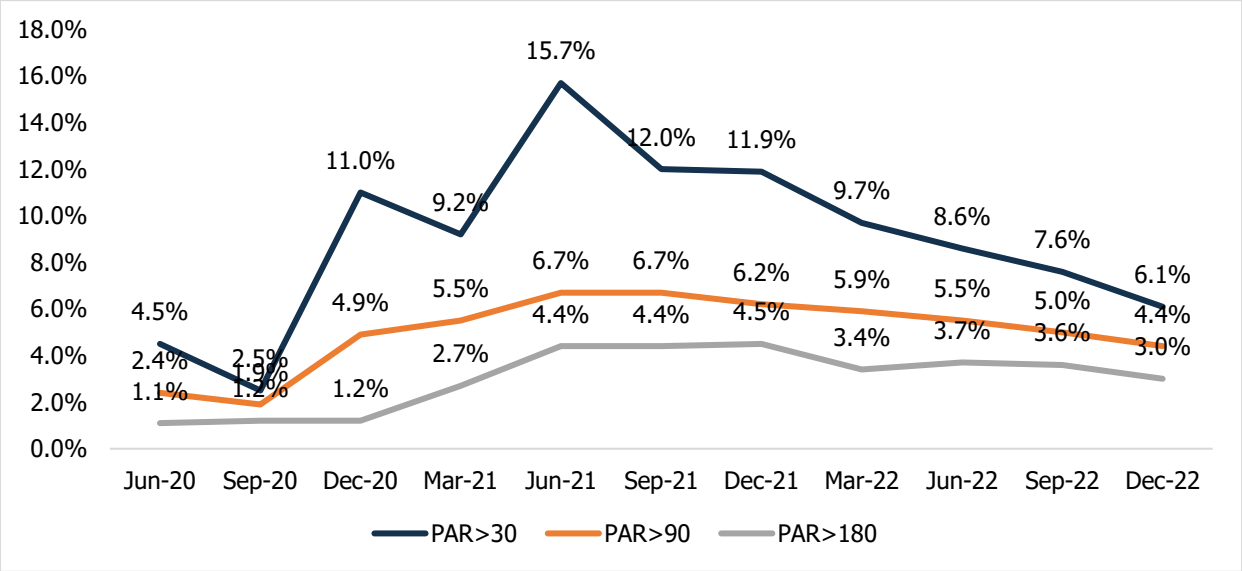


Source: MFI Micrometer, CareEdge Research
Note: As per MFI Micrometer, analysis on NBFC-MFIs is based on data collected from 55 members that are registered with the Reserve Bank of India (RBI).

FY22 began with uncertainties related to the second wave of Covid-19 pandemic which spread to remote areas too and lenders were cautious to extend credit towards micro finance. As a result, new disbursements took a hit during the June 2021 quarter. However, they returned to normalcy with a sharp growth during the September 2021 quarter and have improved further during the March 2022 quarter.

During June 2022, the industry witnessed a decline in the number of loans disbursed. This was mainly because of the revised guidelines for microfinance loans by RBI in March 2022. As per the new RBI directions, the annual income for the households to avail the loan has been increased to Rs. 3,00,000. Due to this, people faced difficulty in receiving loans and this led to more rejection in loan applications by lenders in the industry. In addition, the lenders now are considering the other retail loans taken by the borrowers at household level to check their leverage. This has impacted the loan disbursements in Q1 FY23. However, Q2 FY23 has observed a traction in the microfinance segment backed up steady demand and improving asset quality.

Chart 16: PAR figures for NBFC- MFI Industry



Source: MFI Micrometer, CareEdge Research

The asset quality of NBFC- MFI sector got affected in the first quarter of FY22 due to the second wave of pandemic. Post that, with the reopening of economy, the sector witnessed an increase in repayment. With the recovery in collection efficiency, PAR>30 and PAR >60 have shown an overall improvement in comparison to last December quarter of FY23. Portfolio at Risk (PAR)>30 days as on 31 December 2022 has reduced to 6.1% as compared to 11.9% as on 31 December 2021.

4.3. Demand drivers

- **Expanding business:** Many NBFC-MFIs players are expanding their business and opening branches in untapped districts, to increase their reach and contribute to a rise in customers and number of active loan accounts. NBFC-MFIs expects to see significant growth driven by the increase in penetration. Uttarakhand is one of the states with a relatively low number of NBFC-MFIs. It thus believes this provides an opportunity for existing players to improve their penetration and market share in this state.

- **Underpenetrated states to drive growth for MFI in the coming years**: The penetration of MFIs in India continues to remain low, which present a higher potential for growth in the medium term. Relatively underpenetrated states, such as Uttar Pradesh, Uttarakhand, Himachal Pradesh will drive future growth along with some of the moderately penetrated states, such as Rajasthan, Chhattisgarh, Haryana, Punjab and Jharkhand.

- **Expansion of average ticket size:** The average ticket size of MFIs is witnessing a rise of late. Over the last to financial years the average ticket size has grown from around Rs.29,000 during the June 2020 quarter to nearly Rs.40,000 during the March 2022 quarter. The ticket size increased in highly penetrated states where MFIs have been present for a long period and credit-worthiness of the client base is relatively well-established.

- **Geographically diversified portfolio:** Given that fixed operating costs are relatively high and considering the value of the loan amount, the scale of operations is a crucial factor for MFI lenders. A large, well-diversified portfolio in different geographies enables players to mitigate risks associated with a concentrated portfolio. In addition to this, diversified operations help MFI lenders to reduce operating expenses as a percentage of outstanding loans. The expansion by MFI lenders in less-penetrated areas will support their growth trajectory. This is because rural areas are still under- penetrated in India, and therefore players operating in and focused on rural areas could experience faster growth in their portfolios.

- **MFI lenders' partnership with fin-tech companies:** MFI lenders play a crucial role in providing financial access to the under-served in India. Considering the challenges, and also the latent growth opportunities in meeting consumer needs, it is believed that it would be beneficial for MFI lenders to enter into partnerships with fin-tech companies to tap the digital medium for financial inclusion.

- **Growing digitisation in the sector:** Digitalisation has impacted almost all aspects of the financial services industry. However, it is far more critical to the microfinance industry as lower operating costs can result in

higher financial inclusion and increased benefits for customers. The use of technology has helped MFI lenders grow at a fast pace, improve efficiency, lower cash usage and turnaround times, develop new products, provide better services to customers, and use analytics for portfolio monitoring and credit appraisal.

4.4. Major challenges

- **Lack of financial literacy**: This has been a problem for Indian financial institutions, but microfinance institutions aim at bridging the gap between those requiring funding and the formal sector. However, financial literacy still is the major concern followed by limited awareness about sources of funds available in the system. Apart from that, lack of collateral has become a challenge that is difficult to mitigate because the entire microfinance system is based on no collateral disbursement system which has a negative impact when the customers default and there is no collateral to fill that default gap.

- **Interest rates**: Interest rates are a basis of entire micro financing system as the cost of disbursing fund and collection is high, the interest charged is also high. This again acts to a competitive disadvantage to the micro-finance companies and has become a huge threat as more and more people are getting connected directly to the banking system which charge less interest rates.

- **Challenges in accessing credit from the formal sector**: Since credit disbursed by MFIs is aimed at those belonging to lower-income groups with limited access to the Internet and weak understanding of the general financial climate, the ability to access credit from the formal sector remains a key challenge. A deeper reach on internet services, coupled with smartphone penetration, may aid in reducing the barriers to this.

- **Assam Microfinance Bill:** The Government of Assam has passed "The Assam Micro Finance Institutions (Regulation of Money Lending) Bill, 2020". The Bill comes with the objective of creating an effective mechanism to regulate Micro Finance lenders in Assam in the wake of the protests against them in terms of over-lending, exorbitant interest rates and coercive recovery practices. The credit risk profile of the MFIs having high exposure to the state is expected to be impacted in the short term due to operational challenges associated with channelizing operations in sync with provisions of the Bill, impact on asset quality with increase in delinquencies along with limited growth opportunities and hindrance in resource mobilization due to cautious approach of lenders.

4.5. Government schemes

Micro Finance Programme

SIDBI offers micro credit facilities to MSMEs who are engaged in industrial activities. These credit facilities are offered through Micro Finance Institutions (MFIs) or Non-Governmental Organizations (NGOs). MFIs/NGOs source funds from SIDBI and make the funds available to MSMEs for their commercial needs. However, for every loan availed, the MFI or NGO is required to make a security deposit with SIDBI as SIDBI offers only secured loans. The amount of security deposit is 10% of the loan amount sought.

It becomes difficult for MFIs or NGOs to pay the security deposits for multiple loans due to financial constraints. This is where the Micro Finance Programme comes into the picture. The Government has launched the Micro Finance Programme in tie-up with SIDBI to provide easy and affordable loans to MFIs and NGOs.

The features of the programme are as follows:

- The Government would provide funds to SIDBI, which would then be used as security deposits for the loans issued to MFIs/NGOs. The funds paid by the Government to SIDBI under the Micro Finance Programme would be called 'Portfolio Risk Fund'. SIDBI can then use this fund for security deposit requirements of the loans issued to MFIs/NGOs

- MFIs/NGOs would have to pay only 2.5% of the loan amount (25% of security deposit) and balance 7.5% (75% of security deposit) would be funded from the Portfolio Risk Fund provided by the Government of India.

- Funds would be provided by the Government in four years after the Xth Plan and would be released on a half-yearly basis as per the requirement of security deposit by SIDBI.

- Interest would be paid by SIDBI to the Government on the security deposit held. The rate of interest would be the same as that paid to MFIs/NGOs on their 2.5% deposit.

- SIDBI would monitor the Micro Finance Programme and will be responsible for the recovery of the loan granted to MFIs/NGOs.

- When the loan is recovered fully, the Government's contribution of 7.5% of the loan and the interest earned thereon would be rotated and used for future loans.

Besides providing financial assistance, the Government would also help SIDBI arrange training programmes for NGOs, entrepreneurs, SHGs, etc. to promote MSME growth. These training programmes would be conducted through National level Entrepreneurship Development Institutes and Small Industry Service Institutes.

Pradhan Mantri MUDRA Yojana (PMMY)

Pradhan Mantri MUDRA Yojana (PMMY) is a scheme launched by the Hon'ble Prime Minister on April 8, 2015 for providing loans up to 10 lakhs to the non-corporate, non-farm small/micro enterprises. These loans are classified as MUDRA loans under PMMY. These loans are given by Commercial Banks, RRBs, Small Finance Banks, MFIs and NBFCs.

Table 7: PMMY-Bank wise Performance FY22

Category	No. of A/Cs	Sanction Amount (Rs. Billion)	Disbursement Amount (Rs. Billion)
Banks	31,979,839	2,421	2,347
Non NBFC-Micro Finance	1,253,650	18	18
NBFC-Micro Finance Institutions	12,720,130	473	470
Non-Banking Financial Companies	1,630,642	187	187
Small Finance Banks	6,211,265	292	292
Grand Total	**53,795,526**	**3,391**	**3,314**

Source: PMMY, CareEdge Research

Government initiatives during Covid-19 pandemic

Particulars	Measure	Announced	Description
Broad liquidity measures	Moratorium on term loans	27-Mar-20	Allow moratorium of 3 months on all term loan
	Easing of working capital financing	27-Mar-20	Interest deferment of 3 months. Ease margin requirements
	Special OMO	23-Apr-20	Simultaneous purchase and sale of government securities on 27 April 2020. Held on top of existing OMOs
	Special liquidity facility for Mutual funds	27-Apr-20	Special liquidity facility for mutual funds (SLF-MF) of Rs. 0.5 trillion availed to banks Funds availed under the SLF-MF shall be used by banks exclusively for meeting the liquidity requirements of MFs by (1) extending loans, and (2) undertaking outright purchase of and/or repos against the collateral of investment grade corporate bonds, commercial papers (CPs), debentures and certificates of Deposit (CDs) held by MFs
Bank related measures	Reduction in CRR	27-Mar-20	Reduction of CRR of all banks by 100bps to 3% of NDTL
	Deferment of NSFR	27-Mar-20	100% requirement deferred to 1 October 2020
	Deferment of last tranche of CCB	27-Mar-20	Defer last tranche of 0.625% of the full 2.5% CCB requirement to 30 September 2020
NBFI liquidity measures	TLTRO 1	27-Mar-20	Auctions of targeted term repos of of up to Rs. 1 trillion to banks Banks to deploy funds to investment grade corporate bonds, Commercial papers, and non-convertible debentures

Particulars	Measure	Announced	Description
			50% of funds in primary market and 50% funds to secondary market, including mutual funds and NBFIs
	TLTRO 2	17-Apr-20	Additional auctions of targeted term repos of of up to Rs. 0.5 trillion to banks At least 50% of funds deployed to MFIs and small- to mid-sized NBFIs
Additional NBFI liquidity measures by Government of India	Special liquidity scheme for NBFIs	13-May-20	Rs. 300 billion special liquidity window Investments to be made in both primary and secondary market in investment-grade debt papers of NBFIs, HFCs, and MFIs
	Partial credit guarantee scheme 2.0	13-May-20	Rs. 450 billion partial credit guarantee schemes to cover primary issuances by NBFIs, HFCs, and MFIs Government of India to bear first 20% loss as a guarantor

4.6. Outlook

The Covid-19 pandemic has proven to be the biggest headwind for the microfinance industry. The disruptions caused to businesses in the first and second waves resulted in an increased exposure of MFIs to credit risks. Since MFIs extend collateral-free loans to low-income groups, shocks related to Covid-19 related uncertainty can be detrimental. With a gradual recovery across the board, collection efficiency ratio in the current financial year has improved in the industry and normalcy is on the cards. The increased efforts to migrate loan collections to digital platforms may greatly improve operational efficiency and help minimize event- based disruptions and bring in greater stability.

Banks are trying to increase their direct presence in rural areas to meet their priority sector lending requirements. The sector has evolved with the advent of credit bureaus and subsequent control over asset quality. Banks are trying to increase their direct presence in rural areas to meet their priority sector lending requirements.

Further, other models of microfinance including non-governmental organizations (NGOs), co-operatives and trusts have also grown significantly in recent years, adding to the competition in the sector. Along with this, microfinance players also face competition from unorganized sector lending, which still has prevalence in large parts of the country.

The new guidelines issued by RBI in march 2022 resulted in revision of lending rates upwards by MFIs. This step will move towards expansion in their spreads and aid in improving their profitability.

In the coming months, the gross loan portfolio of micro finance institutions is expected to grow consistently. This growth is likely to be supported by pick-up in loan disbursements, increasing operational activity which includes widening of customer reach, better collection efficiencies and improvement in asset quality of microfinance institutions.

The MFI industry has growth prospects given the untapped potential of mostly rural population in need of financial assistance. In the long term, customer-centric digital development, backed by data, will help in improving the entire lending journey from acquisition to servicing by enabling customer profile-based offerings and a transition towards paperless lending procedures. Considering the high penetration of mobile phones and affordable cost of internet services, micro-lenders can adopt a mobility-based approach for regular interactions, monitoring repayments and offering value-added services to individual customers, specifically the ones with lower literacy rates. But, key design considerations should be taken into account to make technology easily accessible across all microfinance customer segments. Also, effective monitoring of loan utilization should be done by digitally powered third-party partnerships for direct payments to beneficiary accounts, corresponding to regular household needs. Lastly, players should extensively leverage analytics models to predict the changing needs of customers and design customer centric borrowing solutions.

MFIs are expected to repeat the healthy growth recorded earlier in the coming years. As India aims to become a USD 5 trillion economy by 2025, the microfinance industry will play a leading role in uplifting the lives of millions of low-income households and enabling them to contribute to the country's economic growth. As the microfinance industry tackles the current set of challenges, it is imperative for the industry to establish strong governance and regulatory

practices. The future course of the industry will be determined by the ability of players to forge new partnerships, develop new products, create new investment channels and leverage technology to meet the demands of consumers.

5. Regulatory framework for NBFCs

PCA Framework

The RBI released a prompt corrective action (PCA) framework for NBFCs detailing strict action against non-banking finance companies in case their capital adequacy ratio falls or NPA levels cross a pre-defined threshold. The new framework, which earlier existed only for banks, will come into effect from 1 October 2022 based on the financial position of NBFCs on or after 31 March 2022.

Government NBFCs have been provided time up to March 31, 2022 to adhere to the capital adequacy norms provided for NBFCs (Ref. Annex I of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016). Accordingly, a separate circular would be issued in due course with regard to applicability of PCA Framework to Government NBFCs.

The PCA Framework will be reviewed after three years of being in operation.

Once an NBFC is placed under PCA, taking the NBFC out of PCA Framework and/or withdrawal of restrictions imposed under the PCA Framework will be considered:

a) If no breaches in risk thresholds in any of the parameters are observed as per four continuous quarterly financial statements, one of which should be Annual Audited Financial Statement (subject to assessment by RBI); and

b) Based on Supervisory comfort of the RBI, which includes the sustainability of the profitability of NBFCs.

The discretionary corrective actions will be based on parameters such as strategy which would detail a recovery plan and review of the business model of the NBFC, governance related actions which would entail an engagement of the RBI with the NBFC's board and recommendations and restrictions related to the same.

Along with this, the framework will require capital related actions such as restrictions on expansion of assets, reduction in exposure to high-risk sectors, board-level review of capital planning, submission of plans for raising additional capital, among others. The framework includes credit related actions such as reduction in exposure to certain sectors, individuals or industries, preparation of a time-bound plan for reduction of NPAs, higher provisioning, and loan review mechanisms.

The RBI will also look into market risk and profitability related aspects such as extent of asset liability mismatch, restrictions or reduction of borrowings from the debt market, restrictions on investment activities, limits on operating expenses and capital expenditure. HR and operations related aspects will also come under the purview of the RBI under the PCA framework.

NBFCs Regulatory Framework

Recently, RBI decided to classify NBFCs based on size and risk perception using Scale Based Approach – The Filtering Process by segregating NBFCs into four categories namely NBFC Base Layer (BL), NBFC Middle Layer (ML), NBFC Upper Layer (UL), and NBFC Top Layer (TL)

Table 8: Classification of NBFCs

NBFC BL	NBFCs with asset size of not more than 10 billion, Type 1 NBFC, Peer to Peer (P2P), Account Aggregator (AA), and Non-Operative Financial Holding Company (NOFHC)
NBFC ML	NBFC-ND that are systematically important (SI) having asset size of less than 10 billion and also NBFC-HFCs, IFCs, IDFs, CICs, and Standalone Primary Dealers irrespective of their asset size
NBFC UL	Top NBFCs to be filtered based on their Size & leverage, Inter-connectedness, Complexity, and Superior inputs (including group structure, liability mix, and segment penetration).
NBFC TL	Top Layer will remain empty unless RBI takes a view on specific NBFCs in the Upper Layer

Source: RBI, CareEdge Research

Recognition of NBFCs in Upper Layer:

NBFC categorization is based on an annual review. The paper recognizes two parameters; quantitative and qualitative:

- The quantitative parameters will have 70% weightage.
- The qualitative parameters will have 30% weightage.

The table below represents quantitative and qualitative parameters as proposed:

Parameter	Sub-parameter	Sub weight	Weights
Quantitative Parameters (70%)			
Size & Leverage	Size: Total exposure (on-and off-balance sheet) Leverage: total debt to total equity	20+15	35
Interconnectedness	i) Intra-financial system assets: – Lending to FIs – Securities of other FIs – Mark to market REPO – OTC derivatives ii) Intra-financial system liabilities – Borrowings from FIs – Marketable securities issued by the finance company to FI – Mark to market OTC derivative with FIs iii) Securities outstanding (issued by NBFC)	10 10 5	25
Complexity	i) Notional amount of OTC derivatives – CCP centrally – Bilateral OTC ii) Trading and available for sale securities	5 5	10
Qualitative Parameters/Supervisory inputs (30%)			
Nature and type of liabilities	– Degree of reliance on short term funding – Liquid asset ratios – Callable debts – Asset-backed funding Vs. other funding – Asset liability duration and gap analysis – Borrowing split (secured debt, CCPS, CPs, unsecured debt)	10	30
Group Structure	– Total number of entities	10	

Parameter	Sub-parameter	Sub weight	Weights
	– Total number of layers – Total intra-group exposure		
Segment Penetration	Importance of NBFC as a source of credit in a specific segment or area	10	

Source: RBI

Apart from this, RBI has also tightened the entry norms by raising the minimum net owned funds (NOF) criteria from Rs.20 million earlier to Rs.200 million for NBFCs. Finance Industry Development Council (FIDC) requested RBI to relax this rule and reduce the minimum NOF requirement to Rs.100 million. FIDC has sought a five-year time frame to increase its NOF requirement.

To harmonize Income Recognition and Asset Classification norms across banks and NBFCs, it is proposed that NBFCs' NPA classification should be changed from 180 days to 90 days. As this will have a huge impact on NBFCs, FIDC recommended RBI to make this shift gradually from 180 days to 150 days to 120 days and then to 90 days for a period of 3-4 years.

FIDC has also sought relaxation in the risk weights to be kept for different NBFCs depending on the asset class they believe that Different asset classes have a different quantum of risks involved. For instance, the risk weight on all NBFCs, both secured and unsecured, currently stands at 100%. While the industry body has sought 50% risk weights for NBFCs into financing commercial vehicles, construction, gold loans, loans for plant & machinery for SMEs, it has sought 75% risk weight for NBFCs into two- and three-wheeler financing.

In the case of NBFC-MLs, RBI has proposed a Rs.10 million (per individual per NBFC) ceiling for IPO financing in addition to these restrictions on lending, buyback of shares, loans to directors or their relatives have also been laid down.

In the case of NBFC-ULs, RBI has initiated to introduce Common Equity Tier 1 at 9% for NBFC-ULs along with compliance of leverage requirement.

In addition to this, NBFC-ULs will have different standard provisioning norms which would be at par with that of Banks. Hence, NBFCs with high exposure to specific areas would require higher provisioning than the earlier (0.4% fixed).

Prudential Framework for Resolution of Stressed Assets:

Under this framework the lenders are required to recognize incipient stress in borrower accounts, immediately on default, by classifying them as special mention accounts (SMA).

Classification of SMA categories is mentioned below:

Loans other than revolving facilities		**Loans in the nature of revolving facilities like cash credit/overdraft**	
SMA Sub-categories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue	SMA Sub-categories	Basis for classification – Outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower
SMA-0	Upto 30 days		
SMA-1	More than 30 days and upto 60 days	SMA-1	More than 30 days and upto 60 days
SMA-2	More than 60 days and upto 90 days	SMA-2	More than 60 days and upto 90 days

Classification of NPA categories is mentioned below:

Type of loan	**Identification (Account is treated as NPA)**
Term Loan	Interest and/ or instalment remains overdue for a period of more than 90 days.

Type of loan	Identification (Account is treated as NPA)
Cash Credit & Overdraft accounts	Account remains out of order for a period of more than 90 days An account is treated as out of order if, •The outstanding balance remains continuously in excess of sanctioned/drawing power limit or •Though the outstanding balance is less than the sanctioned limit/drawing power. •There are no credits continuously for more than 90 days in the account i.e. the account is non-operative. •The credits during the aforesaid period in accounts are not sufficient to cover the interest debited during the same period.
Bill Purchased/ Discounted	Bill remains overdue for a Discounted period of more than 90 days.
Agricultural Advances	• In case of Short duration crops, the installment of principle or interest thereon remains overdue for two crop seasons • In case of long duration crops, the installment of principle or interest thereon remains overdue for one crop season.
Liquidity facility	Remains outstanding for more than 90 days in respect of securitization transaction.
Derivative Transactions	Overdue receivables representing positive mark to market value of a derivative contract remaining unpaid for a period of 90 days from specified due date.

An account is classified as NPA only if interest due and charged during any quarter is not serviced fully within 90 days from the end of the quarter.

6. MWay forward for NBFCs (Outlook)

FY24 is likely to bode well for consumer durables loans primarily on account of steady demand and increase in middle-class spending owing to the festive season and continued improvement in economic growth. In the near term NBFCs assets under management is expected to grow in low double digits on the back of improved asset quality and uptick in demand for credit from retail and industry.

The microfinance and personal loan segment are likely to significantly contribute to NBFCs' growth. These segments are likely to continue their growth momentum on the back of steady demand.

Growth in vehicle segment is also expected to see growth on the back of automotive industry's growth. In the near term, the growth is likely to be supported by improved operating environment, new model launches and sustained demand for vehicles, supported by improved availability of semi-conductors.

NBFCs' credit growth may face headwinds due to global slowdown, inflation and the amendments in the regulatory framework. In addition to this, NBFCs are expected to witness further uptick in their cost of funds as the central bank continues to be watchful of inflationary pressures. However, improved asset quality will support earnings thereby easing cost of funds.

OUR BUSINESS

Unless otherwise indicated or unless the context otherwise requires or in respect of certain operation data, the financial information for the Fiscal 2023, 2022 and 2021 included herein is derived from our Audited Standalone Financial Statements as included in this Draft Prospectus. You should read the following discussion in conjunction with our Audited Financial Statements. We publish our financial statements in Indian Rupees. Our Financial Year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular Financial Year are for the 12 months ended March 31 of that year.

Some of the information contained in the following discussion, including information with respect to our strengths and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 11 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" on page 14 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

In this section, unless the context otherwise requires, references to "we", "us", "our", "the Company" or "our Company" refer to Vivriti Capital Limited (formerly known as Vivriti Capital Private Limited). Also, see "Risk Factors - We have included certain Non-GAAP measures related to our operations and financial performance in this Draft Prospectus. Such Non-GAAP measures may vary from any standard methodology that is applicable across the financial services industry and may not be comparable with the financial or operational information of similar nomenclature computed and represented by other companies." on page 25.

The industry-related information contained in this section is derived from the CareEdge Research Report, which has been exclusively commissioned and paid for by our Company only for the purposes of confirming our understanding of the industry in connection with the Offer. We appointed CareEdge Research to prepare the CareEdge Research Report on May 24, 2023. For further details and risks in relation to commissioned reports, see "Risk Factors - This Draft Prospectus contains information from third parties including reports prepared by independent third-party research agencies, which we have commissioned and paid for purposes of confirming our understanding of the industry." on page 24.

Overview

We are registered with the RBI as a non-deposit taking systemically important non-banking financial company (NBFC-ND-SI). Our Company was incorporated on June 22, 2017, in Chennai, India. We offer lending products to mid-corporates. Such products include term loans, working capital demand loans, co-lending with financial partners, securitisation of receivables, direct assignment of receivables, supply chain finance and subscription to bonds and commercial paper. We cover a diversified demographic of clients through our lending products and provide access to financial services by leveraging technology and offering customized financial solutions to our clients. Our target clients comprise entities which are either unrated or have ratings that do not permit our clients to have easy access to banking finance, and primarily hailing from urban/ semi-urban areas.

Mid-Corporate finance

Our products comprise of term loans, working capital demand loans, investments in bonds issued by the borrower, subscription to commercial papers issued by the borrowers. We extend debt finance to mid-corporates across sectors including, without limitation, companies in the business of healthcare, pharma, logistics, retail, trading, steel, auto, manufacturing, financial services and fast moving consumer goods. The ticket size of these loans' ranges from ₹ 0.10 lakh to ₹ 8,000.00 lakh, with an average ticket size of less than ₹ 350.00 lakh. The loan tenure is determined by the profile of the borrower and the collateral, with the tenure ranging from 1 month to 48 months. Our enterprise lending offerings are typically customized to suit the requirements of our clients after having assessed and understood their business model. As of March 31, 2023, we had total outstanding loan assets of ₹ 450,873.24 lakh and investments in bonds, securitisations and commercial paper of ₹ 132,706.77 lakh. For the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021, our portfolio yield representing interest income as a percentage of average outstanding of loan and investment assets (in the categories as provided above) for the same period was 14.19%, 13.79% and 14.00%, respectively.

We believe that our diversified product portfolio and client base aligned with increasing market demand for financing is a key component of our growth and success. Our diverse revenue stream reduces our dependence on any particular product line thus enabling us to spread and mitigate our risk exposure to any particular industry, business, and borrower segment.

We had an AUM of ₹ 583,580.01 lakh as of March 31, 2023 and ₹ 381,686.09 lakh as of March 31, 2022 across 194 mid-corporates and 13.21 lakh borrowers/ clients through co-lending arrangements and 24 Anchors covering 183 MSME and non-MSME counterparties for supply chain finance as of March 31, 2023.

Our Company has maintained a strong credit rating of A (stable outlook) by ICRA Limited and A (positive outlook) by CARE Ratings as of March 31, 2023.

As of March 31, 2023, we have five regional offices in India in the states of Tamil Nadu, Maharashtra, Karnataka, Rajasthan, and Delhi.

The following table sets forth certain key financial measures (Standalone basis) for us as of/for the years indicated:

(₹ in lakh, except percentages)

Metric	As of and for the financial year ended March 31,		
	2023	2022	2021
AUM	583,580.01	381,686.09	190,473.85
Growth rate of AUM	52.90%	100.39%	102.60%
Gross Loan Book (Note 3)	574,905.64	381,280.28	189,836.60
Disbursements	954,980.00	744,543.00	263,094.00
Total Income	67,121.37	35,166.91	22,512.24
Profit after tax	12,929.75	6,736.98	3,000.51
Net Worth (Note 6)	156,474.55	119,614.66	79,714.17
Return on Total Assets (Note 1)	3.03%	2.85%	2.33%
Return on Equity (Note 2)	8.92%	7.85%	4.13%
Gross NPAs	1,803.97	1,091.69	592.52
Gross NPA (%) (Note 4)	0.31%	0.29%	0.32%
Net NPA (%) (Note 5)	0.08%	0.07%	0.00%
Average Cost of borrowings (Cost of borrowings / Avg. Debt)	10.53%	10.29%	11.20%
Net Interest Margin	5.44%	6.00%	8%
Operating Expenses to Net Income	35.18%	31.03%	46.04%
Operating Expenses to Average Total Assets	2.52%	1.80%	4.67%
Credit Cost to Average Total Assets	0.21%	0.60%	2.32%
CRAR (%)	25.74%	29.57%	40.31%

Note 1

Return on Total Assets represents net profit after tax as per the audited standalone financial statements / Daily average AUM for the year

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Net Profit after Tax (A)	12,929.75	6,736.98	3,000.51
Daily Average AUM for the Year (B)	4,27,632.18	2,36,123.37	1,28,905.49
Return on Total Assets (A/B)	3.03%	2.85%	2.33%

Note 2

Return on Equity represents net profit after tax as per the audited standalone financial statements / Monthly average of the net worth for the year

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Net Profit after Tax (A)	12,929.75	6,736.98	3,000.51
Monthly Average Net worth for the Year (B)	1,45,000.59	85,816.02	72,594.71
Return on Equity (A/B)	8.92%	7.85%	4.13%

Note 3

Gross Loan book represents AUM after eliminating the Direct Assignment related assets derecognised in the books as at the respective reporting dates in accordance with applicable Ind AS requirements

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
AUM	5,83,580.01	3,81,686.09	1,90,473.85
Less: Direct Assignment related assets derecognised	8,674.37	405.81	637.25
Gross Loan Book	5,74,905.64	3,81,280.28	1,89,836.60

Note 4

Gross NPA % represents closing balance of the gross carrying amount - Stage 3 – Loans to gross loan book as of the last day of the relevant period.

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Gross carrying amount - Stage 3 – Loans (A)	1,803.97	1,091.69	592.52
Gross Loan Book (B)	5,74,905.64	3,81,280.28	1,89,836.60
Gross NPA % (A/B)	0.31%	0.29%	0.32%

Note 5

Net NPA% rrepresents the closing balance of the gross carrying amount - stage 3 – Loans less impairment loss allowance – stage 3 loans to gross loan book as of the last day of the relevant period

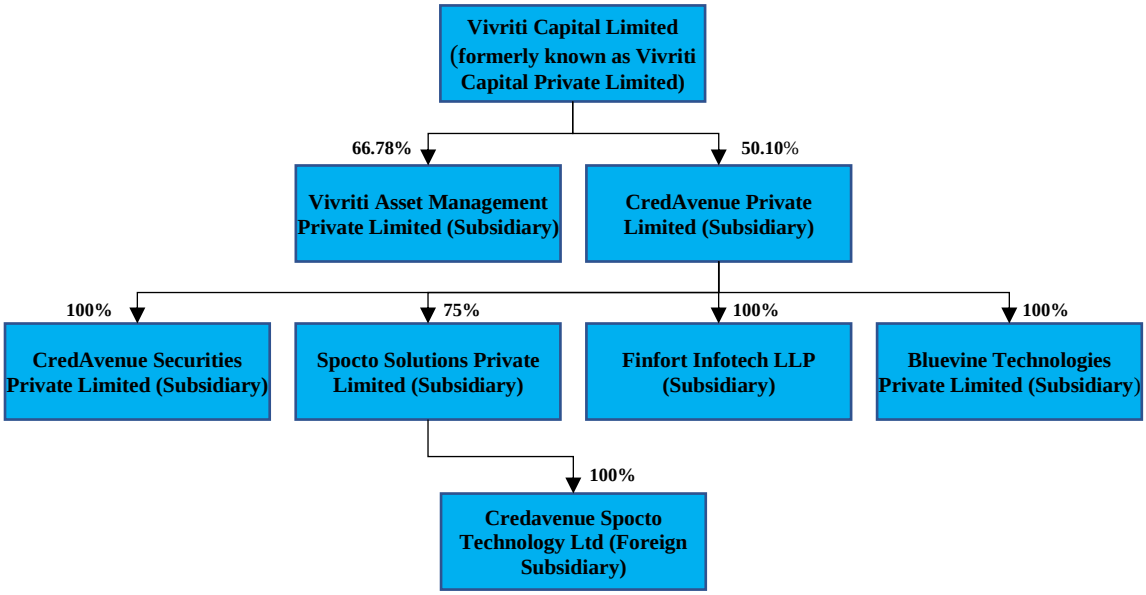
Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Gross carrying amount - Stage 3 – Loans (A)	1,803.97	1,091.69	592.52
Impairment loss allowance – stage 3 loans (B)	1,350.41	842.11	592.52
Gross Loan Book (C)	5,74,905.64	3,81,280.28	1,89,836.60
Net NPA % ((A-B)/C)	0.08%	0.07%	0.00%

Note 6: Net Worth

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Equity share capital	1,708.12	1,252.24	1,146.39
Convertible preference share capital	9,002.20	8,739.15	8,350.17
Other equity	1,45,764.23	1,09,623.27	70,217.61
Total	**1,56,474.55**	**1,19,614.66**	**79,714.17**

Corporate Structure

The following is the pictorial representation of the entities within the group:



Our Company has seven subsidiaries namely, VAMPL, CAPL, CredAvenue Securities Private Limited, Bluevine Technologies Private Limited, Spocto Solutions Private Limited, CredAvenue Spocto Technology Ltd and Finfort Infotech LLP.

VAMPL is a fixed income asset manager, whose alternate investment funds are registered with SEBI and International Financial Services Centres Authority ("**IFSCA**"). It is an alternative credit fund manager offering credit to mid-market enterprises in India. VAMPL managed nine alternative investment funds and had an AUM of ₹ 199,302.59 lakh as of March 31, 2023 and managed seven alternative investment funds and has an AUM of ₹ 127,080.36 lakh as of March 31, 2022.CAPL, a fintech debt platform, caters to different types of capital requirements: securitisation, bonds, co-lending, supply chain, and loans, provides an end-to-end debt management system for investors.

CAPL is backed by several marquee venture capital and private equity investors. There are further step-down subsidiaries under Credavenue Private Limited, as provided in the pictorial representation above. CAPL also operates the Yubi platform, which is utilized by our Company for various steps in the lending journey, including customer onboarding, processing and lead generation.

Our Strengths

We believe that our position in the market as a technology-enabled lender is underpinned by the following competitive strengths:

Technologically advanced operating model

Technology is at the core of our operations and we have adopted a well-defined IT strategy since our inception. Since our Company does not operate through a branch model and functions through its regional offices, there is a focus towards technology with continuous improvements to the IT systems to ensure efficient end-to-end management of the lending process.

For debt financing, we offer a technological platform to our clients that gives them access to paperless loans where our platform facilitates digital execution of loan documents. We utilize a centralized lending system for origination and management of loans. Our platform helps automate client onboarding, lending process, credit assessment, lending as well as recovery. Further, it offers real time monitoring of loan process, flexibility of new products, rating, repayment schedule, quick turnaround time, minimal manual efforts and errors.

We continually seek to enhance the end-to-end lending journeys through the software platform. Our technology investments over the years have helped in improvement in internal processes, decrease in turnaround times and lower operating costs.

Client driven portfolio to develop customized solutions

We focus on customized solutions in order to improve client experience and/or operational efficiencies. We place the requirements of our clients at the core of our products and services and have undertaken constant expansion and innovation of products and services to serve the evolving needs of a diverse portfolio of clients. We have a dedicated products team comprising of personnel who have experience in development and design of new products which are bespoke considering the needs of the potential borrowers and existing borrowers. This team is responsible for conceptualizing, developing and implementing financial solutions.

As at March 31, 2023, our term loans, co-lending, subscription to bonds and commercial paper, working capital demand loan, supply chain financing ("**SCF**") and other segments constituted 43%, 26%, 10%, 4%, 4% and 13% of our total lending, respectively. Over the years, we have been able to grow our segments by introducing new products to address our clients' requirements. We believe that our diversified product portfolio and client base aligned with increasing market demand is a key component of our growth and success. Our diverse revenue stream reduces our dependence on any particular product line.

Robust Underwriting Process and Risk Management Policies

We have an established risk management framework to identify, measure, monitor and manage credit, market, liquidity, IT and operational risks. Our risk management framework is driven actively by our Board through Risk Management Committee. Our risk management division is divided into separate teams that are respectively dedicated to managing and mitigating credit risk, market risk, financial and liquidity risk and operational risk, and which are subject to oversight by our Risk Management Committee and our Board of Directors. Our clientele due diligence procedures encompass multiple levels of checks and controls designed to assess the quality of borrower and to confirm that they meet our stringent selection criteria, and include comprehensive evaluation of repayment capacity and detailed cash flows analysis of the client as well as thorough group training sessions and knowledge testing. We utilize multiple online sources of data to assess credit worthiness and monitor our clients on high frequency basis.

We are further supported by our robust internal controls and processes as well as advanced technology solutions, which we believe ensure proper loan appraisals and sound portfolio management. Our internal audit team is supervised by our Audit Committee, which is responsible for monitoring and evaluating internal controls and ensuring statutory and regulatory compliance, and our Board of Directors. We also periodically review our standards of procedures and continuously strengthen our audit coverage to ensure that all material transactions and business initiatives are thoroughly reviewed, with the goal of ensuring that asset quality is not compromised as a result of growth.

Access to financing

We benefit from a large and diversified mix of lenders which has increased over the years and included 218 institutional lenders/investors as of March 31, 2023, comprising a range of financial institutions and corporates, as well as 1,740 individual investors pursuant to the issue of non-convertible securities as of March 31, 2023, to meet our capital requirements. We have been continuously widening our lender pool with the aim of adding different types of lenders every year. Through the continued support of our lenders and investors, we have been able to raise ₹857,591.17 lakh in outstanding total borrowing as well as ₹ 78,731.39 lakh in capital (across equity share capital and compulsorily convertible preference share capital) over the preceding three financial years, despite volatility across the financial services industry during this period. As at June 30, 2023, the value of total debt was at ₹503,793.95 lakh (standalone basis) and the total of equity and preference capital were ₹ 2,157.57 lakh and ₹ 9,002.20 lakh respectively. Our Company has access to diverse pools of capital across private equity funds, offshore lenders, domestic public sector banks, domestic private sector banks, mutual funds, small finance banks and NBFCs. The borrowings are generally in the form of term loans, working capital demand loans, bonds and commercial paper.

Professional and experienced management team

We are backed by an experienced management team. Vineet Sukumar is the Managing Director and one of the co-founders of our Company. He holds a bachelor's degree in technology (mechanical engineering) from Indian Institute of Technology, Kharagpur and a postgraduate diploma in management from Indian Institute of Management, Bangalore. He was previously the Chief Financial Officer of Northern Arc Capital Limited (formerly known as IFMR Capital Limited) and the Chief Executive Officer of Northern Arc Investment Managers Private Limited (formerly known as IFMR Investment Managers Private

Limited) (wholly owned subsidiary of IFMR Capital) He was previously also associated with Standard Chartered Bank. Vineet is supported by a strong leadership team with a deep expertise, including lending, fund raising, and risk management.

We are backed by marquee institutional investors such as the Creation Investments, Lightrock and TVS Capital who provide their expertise to our operations, including through their representatives on our Board. In addition to providing us with capital, our institutional shareholders have assisted us in our growth through strategic guidance based on their previous experience and insight into the financial services sector in India. Further, our Company focuses on attracting, fostering and retaining the best talent. The recruitment and business strategy has been seamlessly aligned right through the years and this strong pool of talent gives our Company a competitive edge in its growth.

Strategies

Strengthen technological capabilities and data analytics

We believe in innovating and investing in technology to assist us to provide a superior client experience, attain greater operational and management efficiencies and productivity as well as ensure asset quality, which will, in turn, drive growth in AUM and profitability. We intend to strategically invest our resources for leveraging technology for efficient operations as we scale up to ensure increased effectiveness of our operations. We intend to reduce our operating costs and increase efficiency in our business operations to improve the overall client experience through increasing use of technology. We intend to continue strengthening and increasing the user-friendliness of our existing technology.

During the year ended March 31, 2023, in order to meet the requirements of the ever-changing regulatory landscape and the business environment, our Company has decided to build an in-house product execution, product management, payments and customer engagement applications , which will help our Company to be more agile on product offering and significantly reduce turnaround time and improve overall efficiency of the lending process. As a result of our technology initiatives, we believe that we will be able to increase the scale and effectiveness of our operations without a proportionate increase in our operational expenses. We intend to leverage existing customer relationship management platforms to further improve client acquisition and client service.

Continue to focus on product innovation

We intend to explore opportunities to expand our operations by developing new products and services within our existing lines of business as well as selectively identifying opportunities to expand into new lines of business.

Focus on ESG and Sustainability

Our Company seeks to be an environmentally and socially responsible financial institution and focus on generating sustainable long-term value for all our stakeholders. Our intention is to mainstream ESG practices into business, operations and value chain. We have developed ESG specific risk assessment tools and expanding our focus on ESG including renewable energy, agriculture sector, etc.

Enhance brand awareness and client experience

We plan to enhance our brand to become the most preferred NBFC for borrowers in our target client segments. Over the last five years, we have a built a large base of mid corporate borrowers / clients and aim to continuously acquire new clients to drive growth. We intend to invest in innovative brand building and performance marketing initiatives to drive awareness about our Company.

Further diversify borrowing mix and reduce cost of funds

We believe that we have been able to access a wide range of lenders due to our good corporate governance, stable credit ratings, conservative risk management policies, strategic liability management and transparent communication. We plan to continue diversifying our funding mix and further optimize our cost of funds. Since our inception, we have onboarded a range of mutual funds, public sector banks, small finance banks, private banks, and NBFCs to diversify our lending profile, thereby de-risking our Company from an over dependence on any single fund source category. Diversification of our sources of funding in recent periods has contributed to an overall reduction in our average cost of borrowings in recent fiscal periods and has allowed us to maintain sufficient interest margins and achieve our liquidity goals, as well as maintain funding stability.

We have also diversified our funding sources to ensure that our debt capital requirements are met at optimal costs. We intend to continue to diversify our funding sources, enhance limits from existing sources, identify new sources and pools of capital and strengthen asset liability management policies further, with the aim of further optimizing our borrowing costs. Further, we intend to expand and diversify our lender base.

We seek to reduce our average cost of long-term borrowings through improved credit ratings and by diversifying our borrowing profile.

KEY OPERATIONAL AND FINANCIAL PARAMETERS

The following tables set forth certain information relating to the financial performance of our Company:

(₹ in lakh, unless otherwise stated)

Standalone			
Particulars	**As at and for the year ended March 31, 2023**	**As at and for the year ended March 31, 2022**	**As at and for the year ended March 31, 2021**
Balance Sheet			
Assets			
Property, Plant and Equipment	2,466.07	719.41	527.82
Financial Assets	6,55,041.08	4,72,122.60	2,15,494.23
Non-financial Assets excluding property, plant and equipment - Note 1	11,082.97	5,442.34	3,493.54
Total Assets	**6,68,590.12**	**4,78,284.35**	**2,19,515.59**
Liabilities			
Financial Liabilities			
-Derivative financial instruments	-	382.00	-
-Trade Payables	1,969.98	954.58	1,072.85
-Debt Securities	1,51,887.19	1,07,051.35	39,953.41
-Borrowings (other than Debt Securities)	3,50,101.65	2,47,962.03	96,864.64
-Subordinated liabilities	-	-	-
-Other financial liabilities	7,487.56	1,756.13	1,267.50
Non - Financial Liabilities			
-Current tax liabilities (net)	-	-	-
-Provisions	351.44	191.49	469.84
-Deferred tax liabilities (net)	-	-	-
-Other non - financial liabilities	317.75	372.11	173.18
Total Equity	**1,56,474.55**	**1,19,614.66**	**79,714.17**
Total Equity and Liabilities	**6,68,590.12**	**4,78,284.35**	**2,19,515.59**
PROFIT AND LOSS			
Revenue from operations	65,315.13	34,487.19	21,938.19
Other Income	1,806.24	679.72	574.05
Total Income	**67,121.37**	**35,166.91**	**22,512.24**
Total Expenses	49,836.90	26,102.86	18,445.72
Net Profit after tax	12,929.75	6,736.98	3,000.51
Other Comprehensive income	(509.22)	(71.05)	112.69
Total Comprehensive Income	12,420.53	6,665.93	3,113.20
Earnings per equity share (Basic)	77.09	53.96	19.46
Earnings per equity share (Diluted)	13.49	7.76	3.57
Cash Flow			
Net cash from / used in (-) operating activities	(1,39,335.66)	(1,24,468.12)	(75,729.69)
Net cash from / used in (-) investing activities	(36,235.78)	(91,924.83)	17,257.45
Net cash from / used in (-) financing activities	1,61,635.29	2,45,966.35	69,065.56
Net increase/decrease (-) in cash and cash equivalents	(13,936.15)	29,573.40	10,593.33
Cash and cash equivalents as per Cash Flow Statement as at end of Year	29,454.89	43,391.04	13,817.64
Additional Information			
Net worth – Note 3	1,56,474.55	1,19,614.66	79,714.17
Cash and cash equivalents	29,454.89	43,391.04	13,817.64
Loans	4,53,997.47	2,96,048.09	1,62,044.92
Loans (Principal Amount)	4,55,374.27	2,97,481.54	1,62,686.06
Total Debts to Total Assets	71.29%	68.99%	59.15%
Interest Income	59,927.01	32,344.09	20,124.26
Interest Expense*	39,041.75	19,905.55	9,435.22
Impairment on Financial Instruments	917.00	1,462.38	2,989.74
Bad Debts to Loans	NA	NA	NA
% Stage 3 Loans on Loans(Principal Amount)	0.31%	0.29%	0.32%
% Net Stage 3 Loans on Loans (Principal Amount)	0.08%	0.07%	0.00%
Tier I Capital Adequacy Ratio (%)	25.35%	29.03%	39.70%
Tier II Capital Adequacy Ratio (%)	0.39%	0.54%	0.61%

** Represents Finance cost as per Audited standalone financial statement*

Note 1

Non-financial Assets excluding property, plant and equipment

Particulars	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Current tax assets (Net)	3,245.90	1,859.81	943.23
Deferred tax assets (Net)	980.12	590.76	1,011.24
Investment property	932.84	948.61	-
Capital work-in-progress	400.08	-	-
Right-of-use assets	2,571.15	602.98	874.73
Intangible assets under development	238.71	14.06	48.96
Other intangible assets	267.95	317.99	93.28
Other non-financial assets	2,446.22	1,108.13	522.10
Total	**11,082.97**	**5,442.34**	**3,493.54**

Note 2

Total Debts to Total Assets

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Debt - Securities	1,51,887.19	1,07,051.35	39,953.41
Borrowings (Other than Debt Securities)	3,50,101.65	2,47,962.03	96,864.64
Less:			
Bank Overdrafts	21,087.13	24,273.94	7247.46
Unmortised Issue Expenses	4,255.28	779.13	(262.67)
Total Debt (A)	4,76,646.43	3,29,960.31	1,29,833.26
Total Assets (B)	6,68,590.12	4,78,284.35	2,19,515.59
Total Debt to Total Assets (A/B)	71.29%	68.99%	59.15%

Note 3

Net Worth

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Equity share capital	1,708.12	1,252.24	1,146.39
Convertible preference share capital	9,002.20	8,739.15	8,350.17
Other equity	1,45,764.23	1,09,623.27	70,217.61
Total	**1,56,474.55**	**1,19,614.66**	**79,714.17**

(₹ in lakh, unless otherwise stated)

Consolidated			
Particulars	**As at and for the year ended March 31, 2023**	**As at and for the year ended March 31, 2022**	**As at and for the year ended March 31, 2021**
Balance Sheet			
Assets			
Property, Plant and Equipment	2,575.01	777.81	736.74
Financial Assets	8,29,536.16	6,72,114.75	2,15,621.44
Non-financial Assets excluding property, plant and equipment - Note 1	13,630.36	6,866.16	4,976.99
Total Assets	**8,45,741.53**	**6,79,758.72**	**2,21,335.17**
Liabilities			
Financial Liabilities			
-Derivative financial instruments	-	382.00	-
-Trade Payables	2,160.74	2,505.81	2,035.52
-Other Payables	-	-	-
-Debt Securities	1,51,887.19	1,07,741.03	40,219.33
-Borrowings (other than Debt Securities)	3,50,698.27	2,47,962.03	98,446.05
-Deposits	-	-	-
-Subordinated liabilities	-	-	-
-Lease Liabilities	3,078.20	997.48	1,038.46
- Other Financial Liabilities (Except Lease Liabilities) – Note 6	5,079.10	645.96	332.01
Non - Financial Liabilities			
-Current tax liabilities (net)	-	-	-
-Provisions	507.99	252.97	821.29
-Deferred tax liabilities (net)	45,957.00	45,424.37	-

Consolidated			
Particulars	**As at and for the year ended March 31, 2023**	**As at and for the year ended March 31, 2022**	**As at and for the year ended March 31, 2021**
-Other non - financial liabilities	376.92	465.66	390.61
Equity attributable to the shareholders of the Company	2,80,359.82	2,68,689.44	78,051.90
Non-controlling interest	5,635.50	4,691.97	-
Total Equity and Liabilities	8,45,741.53	6,79,758.72	2,21,335.17
PROFIT AND LOSS			
Revenue from operations	68,807.66	40,497.05	24,412.04
Other Income - Note 2	1,550.87	2,01,230.56	154.59
Total Income	70,358.53	2,41,727.61	24,566.63
Total Expenses	52,567.17	33,498.48	22,446.25
Net (Loss)/ Profit after tax for the year - Note 3 and 4	(12,169.57)	1,55,326.65	1,442.28
Other Comprehensive income	(747.01)	(94.69)	112.69
Total Comprehensive Income	(12,916.58)	1,55,231.96	1,554.97
Earnings per equity share (Basic)	(72.56)	1,244.05	9.35
Earnings per equity share (Diluted)	(72.56)	178.95	1.72
Cash Flow			
Net cash from / used in (-) operating activities	(1,34,922.79)	(1,54,059.47)	(78,153.31)
Net cash from / used in (-) investing activities	(45,894.90)	(63,879.00)	18,891.77
Net cash from / used in (-) financing activities	1,63,033.67	2,50,460.90	70,871.70
Net increase/decrease (-) in cash and cash equivalents	(17,784.02)	32,522.43	11,610.16
Cash and cash equivalents as per Cash Flow Statement as at end of Year	29,573.90	47,357.92	14,835.49
Additional Information			
Net worth – Note 5	2,80,359.82	2,68,689.44	78,051.90
Cash and cash equivalents	29,573.90	47,357.92	14,835.49
Loans	4,53,295.43	2,96,075.94	1,62,156.59
Total Debts to Total Assets	71.29%	68.99%	59.15%
Interest Income	60,845.01	32,952.72	20,360.93
Interest Expense*	38,425.53	19,931.34	9,607.81
Impairment on Financial Instruments	917.00	1,462.38	2,989.74
Bad Debts to Loans	NA	NA	NA

** Represents Finance cost as per Audited consolidated financial statement*

Note 1

Non-financial Assets excluding property, plant and equipment

Particulars	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Current tax assets (Net)	3,499.35	1,951.69	1,065.35
Deferred tax assets (Net)	1,329.80	355.36	1,421.21
Investment property	932.84	948.61	-
Capital work-in-progress	400.08	-	-
Right-of-use assets	2,893.48	969.06	874.73
Intangible assets under development	564.65	43.08	492.30
Other intangible assets	267.95	317.99	475.83
Other non-financial assets	3,742.21	2,280.37	647.57
Total	13,630.36	6,866.16	4,976.99

Note 2

Other Income for the year ended March 31, 2022 includes ₹ 200,680.31 lakh pertaining to Gain or loss / dilution of control. Refer to Note 28 of Audited Consolidated Financial Statement for details.

Note 3

Profit/ (Loss) after tax for the year ended March, 31 2022 includes ₹ (2,173.13) Lakhs pertaining to exceptional item. For details, please refer to Note 34 of Audited Consolidated Financial Statement.

Note 4

Profit/ (Loss) after tax for the year ended March 31, 2023 and March 31, 2022 includes ₹ (25,658.67) Lakhs and ₹ (2,582.54) Lakhs respectively pertaining to Share of loss equity accounted from associate (net of income tax). For details, please refer to the Audited Consolidated Statement of Profit and Loss.

Note 5: Net worth

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Equity share capital	1,708.12	1,252.24	1,146.39
Convertible preference share capital	9,002.20	8,739.15	8,350.17
Other equity	269,649.50	258,698.05	68,555.34
Total	**280,359.82**	**268,689.44**	**78,051.90**

Note 6: Other Financial Liabilities (Except Lease Liabilities)

Particulars	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Other Financial Liabilities	8,158.10	1,643.44	1,370.47
Less : Lease Liabilities	3,078.20	997.48	1,038.46
Total	5,079.90	645.96	332.01

Description of our business

We provide seven debt products at present, namely term loan, working capital demand loans, bonds and commercial paper, supply chain finance, co-lending, acquiring retail pools in securitization and direct assignments, and loan guarantees.

Term loans

Term Loans are offered for growth, capital expenditure, long-term working capital and other purposes for the needs of our mid-corporate customers. The tenure for these products ranges from six months to four years.

As on March 31, 2023, our term loans business had an AUM of ₹ 248,795.67 lakh, with a ticket size range of ₹ 50.00 lakh to ₹ 4,000.00 lakh.

The following table sets forth certain key performance indicators for our Company's term loans, as of and for the periods indicated:

Key Metrics	March 31, 2021	March 31, 2022	March 31, 2023
Term Loans			
Closing AUM *(₹ in lakh)*	1,30,027.65	1,71,099.44	2,48,794.16
Gross NPA *(₹ in lakh)*	592.52	592.52	1,345.06
Gross NPA *(%)*	0.46%	0.35%	0.54%
Net NPA *(%)*	0.00%	0.00%	0.09%
Provisions as a percentage of AUM *(%)*	0.46%	0.35%	0.45%

Working capital demand loan ("WCDL")

WCDLs are available to the clients on a 12-month basis, and the borrowers have an option to draw this down in tranches over a 12-month period during which the funds are repaid and rolled over.

As on March 31, 2023, our WCDLs had an AUM of ₹ 23,900.00 lakh, with a ticket size range of ₹ 25.00 lakh to ₹ 2,000.00 lakh.

The following table sets forth certain key performance indicators for our Company's WCDLs, as of and for the periods indicated:

Key Metrics	March 31, 2021	March 31, 2022	March 31, 2023
Working capital demand loan			
Closing AUM *(₹ in lakh)*	12,313.50	14,087.29	23,900.00

Bonds and Commercial Paper

Our Company subscribes to bonds and commercial paper issued by borrower companies, pursuant to which our Company earns interest for the period for which these instruments are held by our Company.

As on March 31, 2023, our bonds and commercial paper had an AUM of ₹ 60,949.61 lakh, with a ticket size range of ₹ 400.00 lakh to ₹ 7,500.00 lakh.

The following table sets forth certain key performance indicators for our exposures to the above products, as of and for the periods indicated:

Key Metrics	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023
Bond and Commercial Paper			
Closing AUM *(₹ in lakh)*	11,830.75	40,124.42	60,949.61

Supply Chain Finance ("SCF")

A bill discounting facility where the monies are lent against invoices which are discounted either under a sale bill discounting arrangement, or a purchase bill discounting arrangement. Our Company earns processing fee on the line of credit offered to the counter parties. These counterparties are referred to our Company by Anchors on whom the entire diligence process is carried out and the counterparties have a due diligence carried out on them before the lines are extended to them.

As on March 31, 2023, our SCFs had an AUM of ₹ 26,616.33 lakh, with a ticket size range of ₹ 1.00 lakh to ₹ 500 lakh.

The following table sets forth certain key performance indicators for our SCFs, as of and for the periods indicated:

Key Metrics	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023
SCF			
Closing AUM *(₹ in lakh)*	3,361.68	17,690.51	26,616.33

Co-lending

These are arrangements with a lending partner where the partner could either be an entity regulated by the RBI or non-regulated entity which offers a technological platform where retail clients can borrow monies. Under this business model, our Company operates as a sole or joint lender to the retail loan which is underwritten by the lending partner. Our Company earns a fixed rate of interest from these partners where the monies are lent onward. Our Company performs a thorough diligence on the partner along with whom the co-lending is likely to be made. Our Company also sets detailed credit parameters for each retail loan.

As on March 31, 2023, our co-lending business had an AUM of ₹ 150,423.56 lakh, with a ticket size range of ₹ 0.10 lakh to ₹ 20 lakh.

The following table sets forth certain key performance indicators for our Company's co-lending products, as of and for the periods indicated:

Key Metric	As at		
	March 31, 2021	March 31, 2022	March 31, 2023
Co-Lending			
Closing AUM (₹ in lakh)	15,652.56	79,636.64	1,50,423.56
Gross NPA (₹ in lakh)	-	496.75	462.05
Gross NPA (%)	-	0.62%	0.31%
Net NPA (%)	0.00%	0.31%	0.15%
Provisions as a percentage of AUM (%)	0.00%	0.31%	0.16%

Securitisation and Direct Assignments

Our Company subscribes to PTCs and purchases loan pools through direct assignment structures. Our Company earns periodical interest at the agreed rate of interest on these exposures. All collections and pay-ins are managed by the servicer, who is typically the originating NBFC.

As on March 31, 2023, our direct assignment and securitisation products had an AUM of ₹ 44,648.70 lakh.

The following table sets forth certain key performance indicators for our Company's Securitisation and Direct Assignments, as of and for the periods indicated:

Key Metrics	March 31, 2021	March 31, 2022	March 31, 2023
Securitisation and Direct Assignments			
Closing AUM *(₹ in lakh)*	11,428.58	42,639.83	44,648.70

Loan Guarantees

These are in nature of financial guarantees which are issued by our Company on behalf of clients for loans which are borrowed by them. Our Company earns a guarantee facility fee for the coverage that has been offered by our Company.

As on March 31, 2023, our Loan Guarantees had an AUM of ₹ 1,139.18 lakh.

The following table sets forth certain key performance indicators for our Company's Loan Guarantees, as of and for the periods indicated:

Key Metrics	March 31, 2021	March 31, 2022	March 31, 2023
Loan Guarantees			
Closing AUM *(₹ in lakh)*	4,946.13	4,156.80	1,139.18

Business process

We have classified our business processes into four parts as under:

(a) **Lead origination**: it is a set of workflows designed to generate new potential business clientele and is operated through a variety of marketing campaigns or programs. It takes care of lead creation, lead allocation, lead processing and lead conversion;

(b) **Application management**: the prospective clients who are eligible for loans and needs to be processed further are converted from lead to application. Detailed information about the customer are captured here related to KYC. The system also has the capability to generate an internal score based on certain parameters. It also has comprehensive workflow stages for checking duplicate customers. The pre-configured rules attached to the product and sub-product combinations are run to ensure that the minimum finance eligibility criteria are met. Depending upon the results of the rules an indicative offer is generated to the client;

(c) **Credit approval**: automated underwriting refers to the rule engine that fetches the output from the customer information database, runs various policy checks, does credit scoring and computes finance amount to be offered to the customer. The application will be processed and available in the respective underwriters in the underwriting module;

(d) **Credit administration**: The operation department of the bank can use the credit administration module. These modules make certain that the documents are maintained accordingly to policy and regulatory requirements and also facilitate timely disbursement to the client.

Credit policy

The main objective of our credit policy is to ensure healthy growth in portfolio and earnings in line with Company's targets while ensuring zero slippages in asset quality. Our Company has four credit policy(ies) for enterprise lending, supply chain finance, co-lending and commercial credit policy.

Enterprise lending

The objective of this policy for enterprise lending clients is to provide:

1. engage with the business team on the potential new clients that can be targeted and incremental product offering that can be offered to the existing clients;

2. support the business team for preliminary filtering of the new clients;

3. requesting data ask from the client on a prompt basis;

4. engaging in the due diligence process and presenting the same to the credit committee;

5. ensuring minimal turnaround time for the sanctioning process; and

6. engaging in the regular monitoring of the client's performance and identifying any early stress indicators for clients

Supply chain finance

The objective of this policy for supply chain finance clients is to provide:

1. the organizational structure for credit and risk for supply chain finance underwriting;

2. guidelines for the credit evaluation and customer acceptance norms;

3. guidelines for the process to be performed for credit evaluation through appraisal tools, approvals, and documentation;

4. guidelines for the process to be performed for post disbursement activities and monitoring of the portfolio;

5. building anchor-based underwriting/process expertise for the suppliers and dealers;

6. using supply chain finance related data to augment the credit underwriting;

7. build a balanced portfolio across sectors to commensurate with the risk; and

8. building an industry specific understanding into the credit assessment.

Co-lending

The objective of this policy for supply chain finance clients is to provide:

1. the organizational structure for credit and risk for co-lending engagements;

2. guidelines for the credit evaluation and acceptance norms for the originators and the borrowers across asset classes;

3. guidelines for the process to be performed for credit evaluation, approvals and documentation for the originators and the portfolio;

4. guidelines for the process to be performed for post disbursement activities and monitoring of the originators and portfolio;

5. guidelines for regulatory requirements for the co-lending portfolio throughout the lifecycle;

6. building process, and underwriting guidelines for the NBFCs/MFIs considering that they are the originators of the assets;

7. building process, and underwriting guidelines for the loans originated. The process and underwriting are expected to be automated with minimal manual intervention from our end; and

8. Using a mix of borrowers data and NBFC/MFIs data to evolve underwriting framework aligned with the Colending process.

Commercial credit policy

The objective of this policy for institutional clients is to provide:

1. confirm to the directives, guidelines, and instructions of RBI, Company's board, and any other statutory and/or regulatory authority;

2. crystallize the key elements and articulate the lending strategy to ensure value maximization through controlled risk and detail the diligence parameters;

3. provide a broad framework for diligence in relation to quality composition of credit, monitoring of credit, delegation of authority, assessment of credit requirement and other related matters so that personnel across different functions share common understanding of the principles upon which they must base critical decisions;

4. implement / initiate measures to encourage expeditious processing / reviewing / renewal / monitoring of portfolio clients; and

5. define responsibilities of management & specific roles of underwriting and risk management

Risk Management

Risk management forms an integral part of our business operations and monitoring activities. We are exposed to various risks related to our businesses and operating environment. Our objective is to evaluate and monitor various risks that we are subject to and follow stringent policies and procedures to address these risks. Our Risk Management Committee assists the Board in addressing various risks and discharging duties relating to corporate accountability. We have formulated comprehensive risk management policies and processes to identify, evaluate and manage risks that are encountered during conduct of business activities in an effective manner. The Board reviews the effectiveness of risk management systems in place and ensures that they are effectively managed. In order to address the risks that are inherent to our business, we have developed a risk management architecture that includes monitoring by our Board through the Audit Committee and the Risk Management Committee. At an operational level, it is intended to enable our Company to make consistent business and operational decisions across all units and departments within the broad risk appetite of our Company. The major risks we face are credit risk, market risk, liquidity risk and operational risk.

Asset Liability Management

We have formed an Asset Liability Management Committee ("**ALCO**"). The Asset Liability Management (the "**ALM**") statement of our Company is prepared on a monthly basis to track the inflows and outflows of our Company. The ALM statement is placed before the ALCO periodically.

A summary of our asset and liability maturity profile on a standalone basis as of March 31, 2023, which is based on certain estimates, assumptions and our prior experience of the performance of its assets, is set out below:

(₹ in lakh)

Particulars	Over 1 Month	Over 2 Months	Over 3 Months	Over 3-6 Months	Over 6-12 Months	Over 1-3 Years	Over 3-5 Years	Over 5 Years	Total
Equity and Liabilities									
Equity	-	-	-	-	-	-	-	10,710.31	10,710.31
Other Equity	-	-	-	-	-	-	-	145,764.23	145,764.23
Borrowings and Debt Securities	43,148.49	18,133.80	35,248.77	78,104.02	93,713.28	219,289.27	6,468.93	-	494,106.56
Current Liabilities and Provisions	2,061.03	925.53	2,031.46	3,076.95	684.21	4,179.29	99.86	846.28	13,904.61
Statutory Dues	317.75	-	-	-	-	-	-	-	317.75
Other Liabilities	-	-	-	740.77	4,027.01	-	2,719.54	-	7,487.32
Total Equity and Liabilities	45,527.27	19,059.33	37,280.23	81,921.74	98,424.50	223,468.56	9,288.33	157,320.82	672,290.78
Assets									
Cash and Cash Equivalents and Balances with Banks	55,420.01	-	-	-	-	-	-	-	55,420.01
Investments	15,134.13	2,864.12	3,538.21	8,621.34	35,339.46	19,495.07	11,885.59	43,487.21	140,365.13
Loans	53,186.71	38,730.10	34,575.38	68,808.42	94,636.22	117,722.94	45,769.49	955.85	454,385.11
Right of Use	-	-	-	-	-	-	2,571.15	-	2,571.15
Property, Plant and Equipment and Intangibles (Including WIP)	-	-	-	-	-	-	-	2,866.15	2,866.15
Other Assets	-	258.00	258.00	1,303.76	4,123.14	4,476.48	5,331.01	932.84	16,683.23
Total Assets	123,740.85	41,852.22	38,371.59	78,733.52	134,098.82	141,694.49	65,557.24	48,242.05	672,290.78
Mismatch	78,213.58	22,792.89	1,091.36	(3,188.22)	35,674.32	(81,774.07)	56,268.91	(109,078.77)	
Cumulative Mismatch	78,213.58	101,006.47	102,097.83	98,909.61	134,583.93	52,809.86	109,078.77	-	

Treasury Operations

Our treasury team focuses primarily on the asset liability management, fund raising, business planning, investments and trading activities. We have an ALCO policy, borrowing committee charter and ALCO charter guided by relevant RBI circulars and approved by our Board, that contains standard operating procedures and various risk limits for carrying out treasury operations and governing investments in instruments.

We continuously seek to diversify our sources of funding to facilitate flexibility in meeting our funding requirements. We maintain adequate liquidity buffers to take care of our working capital requirements and unforeseen market liquidity conditions. As of March 31, 2023, we had cash and cash equivalents of ₹ 29,454.89 lakh, bank balances other than cash and cash equivalents of ₹25,965.12 lakh, borrowings through debt securities of ₹ 151,887.19 lakh and borrowings through other than debt securities of ₹ 350,101.65 lakh. For details regarding total outstanding debt of our Company, see "*Disclosures on Existing Financial Indebtedness*" on page 153.

(₹ in lakh)

Particulars	Current borrowings (within 12 months)	Non-current borrowings (within 12 months)
Debt securities	67,307.91	84,579.28
Borrowings (other than debt securities)	205,896.27	144,205.38
Total	**273,204.18**	**228,784.66**

Capital adequacy

Our Company is registered as NBFC with the RBI. Under the Master Directions, NBFCs are required to maintain a minimum capital adequacy ratio consisting of Tier I and Tier II capital, which shall not be less than 15.00% of our aggregate risk weighted assets on-balance sheet and the risk-adjusted value of off-balance sheet items, as applicable. For further details, see "*Regulations and Policies"* on page 291.

The following table sets forth certain details of the capital to risk-weighted assets ratio ("**CRAR**") for our Company as of the dates indicated:

(₹ in lakh)

Particulars	As of March 31,		
	2023	2022	2021
	(₹ in lakh, except percentages)		
Total assets	668,590.12	478,284.35	219,515.59
Tier I capital	154,476.19	118,236.67	77,860.24
Tier II capital	2,379.30	2,229.65	1,189.70
Total capital	156,855.49	120,466.32	79,049.94
Risk weighted assets	609,489.99	407,202.41	196,087.45
CRAR			
CRAR – Tier I capital	25.35%	29.03%	39.70%
CRAR – Tier II capital	0.39%	0.54%	0.61%

Credit Ratings.

Our credit ratings over the Financial Years 2021, 2022 and 2023 were as follows:

Rating Agency	Instrument	March 31,		
		2023	2022	2021
CARE Ratings	Non-convertible Debentures	CARE A; Positive	CARE A; Stable	-
	Market Linked Debentures	CARE PP-MLD A; Positive	CARE PP-MLD A; Stable	-
	Fund based – long-term – term loan	CARE A; Positive	CARE A; Stable	-
	Commercial Paper (Standalone)	CARE A1	CARE A1	-
ICRA Ratings	Non-convertible Debentures	[ICRA]A(Stable)	[ICRA]A- (Positive)	[ICRA]A- (Stable)
	Market Linked Debentures	PP-MLD [ICRA]A(Stable)	PP-MLD [ICRA]A- (Positive)	PP-MLD [ICRA]A- (Stable)
	Fund based – long-term – term loan	[ICRA]A(Stable)	[ICRA]A- (Positive);	[ICRA]A- (Stable)

Corporate Social Responsibility

We have adopted a Corporate Social Responsibility ("**CSR**") policy in compliance with the requirements of the Companies Act 2013 and the Companies (Corporate Social Responsibility) Rules, 2014, as amended notified by the Central Government. Our CSR policy specifies certain key focus areas for us, such as education, environment, health and livelihood need of deserving people and all other permissible areas under the Schedule VII of the Companies Act. The CSR Committee is responsible for identifying projects to be conducted in these focus areas and for related contributions to be made by us.

During the financial year 2023, our Company contributed to (i) Indian Institute of Technology, Madras incubation cell towards promoting education; (ii) contribution to Give Foundation towards environment sustainability and community developmental activities; and (iii) Environmental Foundation of India towards environment sustainability and community developmental activities.

Insurance

We maintain insurance policies that are customary for companies operating in our industry. Our principal types of coverage policies include the following (i) Group Mediclaim Policy, (ii) Group Personal Accident Policy, (iii) Group Term Life Plan, (iv) Package Policy – Office, (v) Directors & Office Liability policy, and (vi) IT Assets insurance policy.

Employees

As of March 31, 2023, we had 205 employees. We recruit after conducting reference checks and our new employees undergo training. We strive to maintain a work environment that fosters professionalism, integrity, excellence and cooperation among our employees.

Information Technology

We use information technology as a strategic tool for our business operations to improve our overall productivity and efficiency. We operate through a loan origination system, a loan management system, a HR system, an ESOP management system and an accounting system, allowing us to effectively manage our business and providing us decision-making and operational support.
Awards and Certifications.

We have received several awards over the years, including:

- ‘Most Innovative deal of the Year Award’ at Indian Securitisation Awards, 2018 by Indian Securitisation Foundation;
- ‘Company of the year’, Financial Services at Dare to Dream Awards by ZeeBusiness;
- ‘Top Alternative Lending Tech Startup’ by Tracxn;
- ‘Soonicorn Club 2020 - Top Fintech Startups in India’ by Tracxn;
- ‘Digital Service Innovator Award’ at the NBFC 100 Leader of Excellence Award on November 24, 2022;
- ‘Financial Services Company of the Year’ award at the VCCircle Awards 2023;
- Recognised as one of the ‘Best BFSI Brands - 2023’ by the Economic Times;
- ‘Best Organisation for Women 2023’ by the by the Economic Times;
- Certificate of recognition as the ‘Leading Practices in Diversity and Inclusion Initiatives’ at the PeopleFirst HR Excellence Awards, 2023; and
- Certificate of recognition as the ‘Leading Practices in Employee Engagement’ at the PeopleFirst HR Excellence Awards, 2023.

Intellectual Property

We use the “Vivriti” and “Vivriti Capital” trademark, which is the trademark for our primary business operations, and is owned by our Company. For further details, see, “*Risk Factors - Our inability to protect or use our intellectual property rights may adversely affect our business*.” on page 23.

Competition

The debt-lending industry in India is highly competitive. We face competition from other NBFCs as well as scheduled commercial banks. In addition to NBFCs and banks, we face competition from unorganized small market participants who are prevalent in semi-urban and urban landscapes, and small finance banks which are also focused on lending to the mid corporate segment.

We generally compete on the basis of our customized product offerings, turnaround time and simple, transparent and efficient loan process, as well as trained and skilled employee base, with our competitors.

Properties

Our Registered Office and Corporate Office is located at Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai 600 002, Tamil Nadu, India on leased property. As of March 31, 2023, we conducted our operations through our five regional offices in India in the states of Tamil Nadu, Maharashtra, Karnataka, Rajasthan, and Delhi and the premises of all our regional offices have been taken on a lease, or leave and license basis.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief background of our Company

Our Company was incorporated as Vivriti Capital Private Limited as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Central Registration Centre on behalf of the Registrar of Companies, Tamil Nadu at Chennai ("**RoC**") on June 22, 2017. Our Company has obtained a certificate of registration bearing number N-07.00836 dated January 5, 2018 issued by the RBI to commence/carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.

Our Company was converted from a private limited company to a public limited company pursuant to a special resolution passed by our Shareholders on May 10, 2023, and consequently the name of our Company was changed to 'Vivriti Capital Limited'. Further, a fresh certificate of incorporation dated June 9, 2023 consequent upon change of name on conversion to a public limited company was granted by the RoC.[(1)]

[(1)] Our Company has made an application dated June 12, 2023 to the RBI to obtain a fresh certificate under Section 45IA of the RBI Act, 1934 pursuant to conversion upon change of name of our Company from a private limited to a public limited company to commence/ or carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.

Registered Office and changes to Registered Office

Our Registered Office is located at Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai 600 002, Tamil Nadu, India. Except as set forth, there has not been any change to the Registered Office since incorporation.

Effective date of change	Details of change in the address of the Registered Office	Reasons for change in the address of the Registered Office
October 9, 2017	From B-103, Manasarovar Apartments 1st Floor, No.19, 3rd Seaward Road, Valmiki Nagar, Thiruvanmiyur, Chennai 600 041, Tamil Nadu, India to 12th Floor, Prestige Polygon, No. 471, Annasalai, Nandanam, Chennai 600 035, Tamil Nadu, India	Administrative convenience
February 2, 2022	From 12th Floor, Prestige Polygon, No. 471, Annasalai, Nandanam, Chennai 600 035, Tamil Nadu, India to 2nd Floor, Prestige Polygon, No. 471, Annasalai, Nandanam, Chennai 600 035, Tamil Nadu, India	Administrative convenience
October 10, 2022	From 2nd Floor, Prestige Polygon, No. 471, Annasalai, Nandanam, Chennai 600 035, Tamil Nadu, India to Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai 600 002, Tamil Nadu, India	Administrative convenience

Corporate Office

Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai 600 002, Tamil Nadu, India.

Main objects of our Company

The main object of our Company as contained in our Memorandum of Association is as follows:

1. *"To carry on the business of a finance company, hire purchase company and / or leasing company, to undertake and or arrange or syndicate all types of business relating to financing of consumers, individuals, industry or corporates, for all kinds of goods and services, moveable and immovable property; to provide long term or short term finance, lend, negotiate loans, whether by way of term loans, bridge loans, overdrafts, cash credits, lines of credit, cash advance, factoring, discounting, purchase of portfolios, debentures, guarantees, securitizations, assignment of assets or any other method, to any person or persons, entrepreneurs, promoters, company or corporation, body corporates, trusts or any kind of association of persons, including venture capital companies and other business concerns constituted or carrying on business in India or elsewhere with or without interest and with or without any security as may be thought appropriate and also to act as a guarantor, with or without fees for letters of credit, financial and performance guarantees, to raise or provide venture capital, to promote or finance the promotion of joint stock companies, to invest in, to underwrite, to manage the issue of, and to trade in their shares, units or other securities, to undertake factoring, to purchase the book debts, inventory, receivables, immovable assets, movable assets, investments and other assets or properties of companies and to lend or give credit against the same, to undertake bills discounting business to purchase, finance, discount, re discount bills of exchange, to act as discount and acceptance house, to arrange acceptance or co-acceptance of bills, to borrow, accept grants, raise equity or convertible securities and to transact business as promoters financiers, monetary agents.*

2. *To promote, establish, form, acquire or invest by way of capital or debt in securities, convertible instruments, debt instruments, warrants, options, units, or any other interest; to hold, manage, transfer or otherwise deal in such investments in any legal entity including but not limited to body corporates, trusts, societies, alternate investment funds, real estate investment trust, infrastructure investment trusts engaged or proposed to be engaged in any non-banking financial service activity or any other business activity including but not limited to leasing and financing, venture financing, consumer finance, business finance, debt finance, home finance, portfolio management, asset management, investment advisory services, financial consultancy, credit cards and other non-banking financial service businesses and in trusteeship of mutual funds, offshore funds, pension funds, provident funds, venture capital funds, alternative investment funds, real estate investment trusts, infrastructure investment trust, insurance funds, collective or private investment schemes/plans, employee welfare or compensation schemes/plans or any other plans, and to the extent permitted by applicable law, undertake the aforesaid activities directly. To enter into trading or issuing derivative contracts for currency, interest rates, equity, credit and commodities as required for the purpose of the Company.*

3. *To carry on the business of providing financial, investment advisory services, management and facilitation services, including but not limited to identifying investment opportunities, conducting analysis and assessment, providing investment recommendations and consultancy service for making available infrastructure (including but not limited to administrative, managerial, logistical, financial, communication and information technology facilities/services) to venture capital / alternative investment / private equity / asset management / real estate / infrastructure funds, including the trustees, beneficiaries and contributories of such funds, other funds (including but not limited to funds for providing debt financing investing in equity, equity linked securities and all other instruments as permitted under applicable laws), trusts, investment companies, joint ventures, corporate, institutional, group and individual investors. To set up marketplaces to host and market financial services of any kind.*"

Key events, milestones and achievements

The table below sets forth the key events, milestones and achievements in the history of our Company:

Calendar Year	Particulars
2023	Conversion of company from private limited to public limited and consequent change of name of the company to "Vivriti Capital Limited"
2022	Lightrock infused an amount of INR 24,711.68 Lakh as a part of Series C funding
2022	Creation infused an amount of INR 6,990.81 Lakh as a part of Series C funding
2022	TVS Capital infused an amount of INR 22,099.99 Lakh as a part of Series C funding
2022	ICRA upgraded Company's credit rating to 'A' with a Stable outlook
2022	First sustainability report of the Company was launched
2022	Our Company crossed INR 5,00,000.00 Lakh of total AUM
2021	Received 'A' rating from CARE with a Stable outlook
2021	Our Company and its Subsidiaries managed a portfolio of INR 4,00,000.00 lakh of total AUM
2020	Lightrock and Creation further infused an amount of INR 35,000 Lakh and INR 10,066.96 Lakh respectively as part of Series B funding
2020	Received "A-" rating from ICRA with a Stable outlook
2019	Creation infused an amount of INR 10,999.94 Lakh as part of Series A2 funding rounds.
2019	Creation infused an amount of INR 20,000.00 lakh as part of Series A1 funding rounds.

Material agreements

Share Subscription Agreement dated August 4, 2018 entered into amongst our Company, our Promoters and Creation Investments India III, LLC ("SSA 2018")

Pursuant to this SSA 2018, Creation Investments India III, LLC has been issued by our Company, equity and preference shares of face value ₹10 each, aggregating up to 75.47% of the issued and paid-up share capital in our Company for a consideration of ₹ 20,000 lakh.

Share Subscription Agreement dated March 27, 2019 entered into amongst our Company, our Promoters and Creation Investments India III, LLC ("SSA 2019")

Pursuant to this SSA 2019, Creation Investments India III, LLC has been issued by our Company, preference shares of face value ₹10 each, aggregating up to 21.33% of the issued and paid-up share capital in our Company for a consideration of ₹ 10,999.94 lakh.

Share Subscription Agreement dated March 13, 2020 entered into amongst our Company, our Promoters and Lightstone Fund S.A ("SSA 1 of 2020")

Pursuant to this SSA 1 of 2020, Lightstone Fund S.A. has been issued by our Company, equity shares and preference shares of face value ₹10 each, aggregating up to 24.84% of the issued and paid-up share capital in our Company for a consideration of ₹ 35,000 lakh.

Share Subscription Agreement dated September 15, 2020 entered into amongst our Company, our Promoters and Creation Investments India III, LLC ("SSA 2 of 2020")

Pursuant to this SSA 2 of 2020, Creation Investments India III, LLC has been issued by our Company, preference shares of face value ₹10 each, cumulatively aggregating up to 57.89% of the issued and paid-up share capital in our Company for a consideration of ₹ 10,066.96 lakh.

Share Subscription Agreement dated April 27, 2022 entered into amongst our Company, our Promoters, and TVS Shriram Growth Fund 3 ("SSA 2022")

Pursuant to this SSA 2022, Creation Investments India III, LLC, Lightrock and TVS Shriram Growth Fund 3 has been issued by our Company, equity shares and preference shares of face value ₹10 each, cumulatively aggregating up to 52.54%, 24.2% and 2.78% respectively, of the issued and paid-up share capital in our Company for a consideration of ₹ 6,990.81 lakh, ₹ 24,711.68 lakh and ₹ 22,099.99 lakh respectively.

Shareholders' Agreement dated August 4, 2018, entered into amongst our Company, our Promoters and Creation Investments India III, LLC ("Creation") (Creation referred to as "Investor") ("Shareholders' Agreement 2018")

Pursuant to the terms of the Shareholders' Agreement 2018, Promoters and the Investor are entitled to certain rights including pre-emptive rights in case of a further issuance of shares. Promoters and the Investor are also entitled to appoint and nominate two directors on the board; Investor shall have the right to nominate one director on the board provided that its shareholding in our Company does not fall below 50% Equity Share Capital of our Company on an as converted basis and shall cease the right to nominate any director on the board if the shareholding falls below 10% on an as converted basis. The Shareholders' Agreement 2018 provides that no action in relation to Investor reserved matter can be taken by our Company without the prior written consent of the Investor and no action in relation to Promoters reserved matter can be taken in any meeting, forum, circular resolution or in any other manner whatsoever, without the prior written consent of Promoters. Additionally, the Investor has ROFR, tag along and anti-dilution rights in any proposed transfer of Equity Shares in the Company. The Shareholders' Agreement 2018 also contains a liquidation preference in favour of the Investor and an exit option right through IPO.

Amended and Restated Shareholders' Agreement dated March 27, 2019, entered into amongst our Company, our Promoters and Creation Investments India III, LLC ("Creation") (Creation referred to as "Investor") ("Shareholders' Agreement 2019")

Pursuant to the terms of the Shareholders' Agreement 2019, Promoters and the Investor are entitled to certain rights including pre-emptive rights in case of a further issuance of shares. Promoters and the Investor are also entitled to appoint and nominate two directors on the board; Investor shall have the right to nominate one director on the board provided that its shareholding in our Company does not fall below 50% Equity Share Capital of our Company on an as converted basis and shall cease the right to nominate any director on the board if the shareholding falls below 10% on an as converted basis. The Shareholders' Agreement 2019 provides that no action in relation to Investor reserved matter can be taken by our Company without the prior written consent of the Investor and no action in relation to Promoters reserved matter can be taken in any meeting, forum, circular resolution or in any other manner whatsoever, without the prior written consent of Promoters. Additionally, the Investor has ROFR, tag along and anti-dilution rights in any proposed transfer of Equity Shares in the Company. The Shareholders' Agreement 2019 also contains a liquidation preference in favour of the Investor and an exit option right through IPO.

Shareholders' Agreement dated March 13, 2020, entered into amongst our Company, our Promoters, Creation Investments India III, LLC ("Creation") and Lightstone Fund S.A. ("Lightstone") (Creation, Lightstone referred to as "Investors") ("Shareholders' Agreement 2020")

Pursuant to the terms of the Shareholders' Agreement 2020, Promoters and the Investors are entitled to certain rights including pre-emptive rights in case of a further issuance of shares. Promoters and the Investors are also entitled to appoint and nominate directors on the board; Creation shall have the right to nominate one director on the board provided that its shareholding in our

Company does not fall below 50% Equity Share Capital of our Company on an as converted basis and shall cease the right to nominate any director on the board if the shareholding falls below 10% on an as converted basis; Lightstone shall have the right to nominate any director on the board until it ceases to hold at least 10% of the paid up Share Capital of the Company on an as converted basis. The Investors each shall have a right to appoint an observer to attend meetings of the Board in a non-voting capacity. Further, the observer is entitled to receive documents, communication and information as received by a director and participate in all Board meeting as a director without exercising any voting rights. The Shareholders' Agreement 2020 provides that no action in relation to Investors reserved matter can be taken by our Company without the prior written consent of the Investors and no action in relation to Promoters reserved matter can be taken in any meeting, forum, circular resolution or in any other manner whatsoever, without the prior written consent of Promoters. Additionally, the Investors have ROFR, tag along and anti-dilution rights in any proposed transfer of Equity Shares in the Company. The Shareholders' Agreement 2020 also contains a liquidation preference in favour of the Investors and an exit option right through IPO.

Amended and Restated Shareholders' Agreement dated September 15, 2020, entered into amongst our Company, our Promoters, Creation Investments India III, LLC ("Creation") and Lightstone Fund S.A. ("Lightstone") (Creation, Lightstone referred to as "Investors") ("Amended and Restated Shareholders' Agreement")

Pursuant to the terms of the Amended and Restated Shareholders' Agreement, Promoters and the Investors are entitled to certain rights including pre-emptive rights in case of a further issuance of shares. Promoters and the Investors are also entitled to appoint and nominate directors on the board; Creation shall have the right to nominate one director on the board provided that its shareholding in our Company does not fall below 50% Equity Share Capital of our Company on an as converted basis and shall cease the right to nominate any director on the board if the shareholding falls below 10% on an as converted basis; Lightstone shall have the right to nominate any director on the board until it ceases to hold at least 10% of the paid up Share Capital of the Company on an as converted basis. The Investors each shall have a right to appoint an observer to attend meetings of the Board in a non-voting capacity. Further, the observer is entitled to receive documents, communication and information as received by a director and participate in all Board meeting as a director without exercising any voting rights. The Amended and Restated Shareholders' Agreement provides that no action in relation to Investors reserved matter can be taken by our Company without the prior written consent of the Investors and no action in relation to Promoters reserved matter can be taken in any meeting, forum, circular resolution or in any other manner whatsoever, without the prior written consent of Promoters. Additionally, the Investors have ROFR, tag along and anti-dilution rights in any proposed transfer of Equity Shares in the Company. The Amended and Restated Shareholders' Agreement also contains a liquidation preference in favour of the Investors and an exit option right through IPO.

Amended and Restated Shareholders' Agreement dated April 27, 2022 entered into amongst our Company, our Promoters, Creation Investments India III, LLC ("Creation"), Lightrock Growth Fund I S.A., SICAV-RAIF (formerly known as Lightstone S.A) ("Lightrock Growth"), LR India Holdings Limited ("LR India") Financial Investments SPC ("Financial Investments") (Lightrock Growth LR India and Financial Investments, collectively referred to as "Lightrock"), and TVS Shriram Growth Fund 3 ("TVS") (Creation, Lightrock and TVS, collectively referred to as "Investors") ("Amended and Restated Shareholders' Agreement 2022")

Pursuant to the terms of the Amended and Restated Shareholders' Agreement 2022, Vineet Sukumar and the Investors are entitled to certain rights including pre-emptive rights in case of a further issuance of shares. Investors are also entitled to appoint and nominate directors on the board; Creation shall have the right to nominate one director on the board provided that its shareholding in our Company does not fall below 50% Equity Share Capital of our Company on a fully diluted basis and the right to nominate any director on the board provided that it holds at least 5% of the paid up share capital of our Company on a fully diluted basis; Lightrock shall have a right to nominate a director on the board provided that it holds at least 5% of the paid up share capital of our Company on a fully diluted basis; and TVS shall have a right to nominate a director on the board provided that it holds at least 2.5% of the paid up share capital of our Company on a fully diluted basis. Creation, Lightrock and TVS each shall have a right to appoint an observer to attend meetings of the Board in a non-voting capacity. Further, the observer is entitled to receive documents, communication and information as received by a director and participate in all Board meeting as a director without exercising any voting rights. The Amended and Restated Shareholders' Agreement 2022 provides that no action in relation to Investor reserved matter can be taken by our Company without the prior written consent of Creation, Lightrock and TVS and no action in relation to Promoters reserved matter can be taken in any meeting, forum, circular resolution or in any other manner whatsoever, without the prior written consent of Vineet Sukumar and if the Promoters reserved matter is a proposal for amendment or change of the rights, preference, privileges or powers of, or the restrictions provided for the benefit of, the securities held by the Promoters, then the prior written consent of Gaurav Kumar (in addition to Vineet Sukumar) shall also be required. Additionally, Creation, Lightrock and TVS, have tag along, anti-dilution and drag along rights in any proposed transfer of Equity Shares in the Company.

Amended and Restated Shareholders' Agreement dated February 4, 2023 entered into amongst our Company, our Promoters, Creation Investments India III, LLC ("Creation"), Lightrock Growth Fund I S.A., SICAV-RAIF (formerly known as Lightstone S.A) ("Lightrock Growth"), LR India Fund I S.A.R.L, SICAV-RAIF (formerly known as LR India Holdings Limited) ("LR India") Financial Investments SPC ("Financial Investments") (Lightrock Growth, LR India and Financial Investments collectively referred to as "Lightrock"), and TVS Shriram Growth Fund 3 ("TVS") (Creation, Lightrock and TVS, collectively referred to as "Investors") ("Amended and Restated Shareholders' Agreement 2023")

Our Company, Promoters and the Investors have entered into the Amended and Restated Shareholders' Agreement 2023, to govern their *inter se* rights and obligations in our Company. Pursuant to the terms of the Amended and Restated Shareholders' Agreement, Vineet Sukumar and the Investors are entitled to certain rights including pre-emptive rights in case of a further issuance of shares. Investors are also entitled to appoint and nominate directors on the board; Creation shall have the right to nominate one director on the board provided that its shareholding in our Company does not fall below 50% Equity Share Capital of our Company on a fully diluted basis and the right to nominate any director on the board provided that it holds at least 5% of the paid up share capital of our Company on a fully diluted basis; Lightrock shall have a right to nominate a director on the board provided that it holds at least 5% of the paid up share capital of our Company on a fully diluted basis; and TVS shall have a right to nominate a director on the board provided that it holds at least 2.5% of the paid up share capital of our Company on a fully diluted basis. Creation, Lightrock and TVS each shall have a right to appoint an observer to attend meetings of the Board in a non-voting capacity. Further, the observer is entitled to receive documents, communication and information as received by a director and participate in all Board meeting as a director without exercising any voting rights. The Amended and Restated Shareholders' Agreement 2023 provides that no action in relation to Investor reserved matter can be taken by our Company without the prior written consent of Creation, Lightrock and TVS and no action in relation to Promoters reserved matter can be taken in any meeting, forum, circular resolution or in any other manner whatsoever, without the prior written consent of Vineet Sukumar and if the Promoters reserved matter is a proposal for amendment or change of the rights, preference, privileges or powers of, or the restrictions provided for the benefit of, the securities held by the Promoters, then the prior written consent of Gaurav Kumar (in addition to Vineet Sukumar) shall also be required. Additionally, Creation, Lightrock and TVS, have tag along, anti-dilution and drag along rights in any proposed transfer of Equity Shares in the Company. The Amended and Restated Shareholders' Agreement supersedes any previous agreement or understanding between the parties to the Amended and Restated Shareholders' Agreement 2023 subsisting prior to the Amended and Restated Shareholders' Agreement 2023.

Holding Company

As at the date of this Draft Prospectus, our Company does not have a holding company.

Our Subsidiaries

As at the date of this Draft Prospectus, our Company has seven subsidiaries as per Companies Act, 2013 namely:

1. Vivriti Asset Management Private Limited;
2. CredAvenue Private Limited;
3. CredAvenue Securities Private Limited;
4. Spocto Solutions Private Limited;
5. Bluevine Technologies Private Limited;
6. CredAvenue Spocto Technology Ltd;
7. Finfort Infotech LLP.

Vivriti Asset Management Private Limited ("VAMPL")

Corporate Information

VAMPL was incorporated as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the RoC on February 12, 2019. The CIN of VAMPL is U65929TN2019PTC127644. The registered office of VAMPL is located at Prestige Zackria Metropolitan No. 200/1-8, 1st Floor, Block - 1, Annasalai, Chennai 600 002, Tamil Nadu, India.

Nature of Business

VAMPL is managing fixed income funds raised by investment vehicles domiciled in India, from investors in India and across the globe. It has raised commitments from large domestic institutional investors, offshore investors, corporate treasuries, family offices and high net worth Individuals. VAMPL currently acts as the manager and sponsor of the funds. These funds are registered with SEBI as alternative investment funds.

CredAvenue Private Limited ("CAPL")

Corporate Information

CAPL was incorporated as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the RoC on August 21, 2020. The CIN of CAPL is U72900TN2020PTC137251. The registered office of CAPL is located at 12th Floor, Prestige Polygon, No. 471, Annasalai, Nandanam, Chennai 600 035, Tamil Nadu, India.

Nature of Business

CAPL is engaged in the business of an information technology company engaged in financial solutions. It owns and operates a technology platform serving as marketplace between borrowers and lenders/investors, having branches across India and a step-down subsidiary in Dubai.

CredAvenue Securities Private Limited ("CSPL")

Corporate Information

CSPL was incorporated as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the RoC on June 18, 2021. The CIN of CSPL is U65990TN2021PTC144175. The registered office of CSPL is located at 12th Floor, Prestige Polygon, No. 471, Annasalai, Nandanam, Chennai, Tamil Nadu 600 035, India. CSPL is a wholly owned subsidiary of CAPL.

Nature of Business

CSPL acts as an arranger in debt capital markets and provide merchant banking services and other allied services within the purview of SEBI regulations. CSPL currently holds research analyst, merchant banker and stock broker registration under section 12 (1) of the Securities and Exchange Board of India Act, 1992.

Spocto Solutions Private Limited ("Spocto")

Corporate Information

Spocto was incorporated as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai on February 18, 2020. The CIN of Spocto is U74999MH2020PTC337918. The registered office of Spocto is located at Unit A, 6th Floor, Techniplex I, Techniplex Complex opposite Veer Savarkar Flyover, Goregaon, Mumbai 400 062, Maharashtra, India.

Nature of Business

Spocto is currently engaged in business of software designing development customization, implementation, maintenance, testing, developing and dealing in computer, mobile and data software and solutions. To take up information technology and analytical recommendations related assignments providing solutions/packages services through applications services provider mode via internet, intranet, private telecommunication networks, or any other means such as email service. To carry on the business to provide services as a recovery agent and to give solutions for recovery of receivables by using analytical and modem digital methods. Spocto has a wholly owned subsidiary at DIFC.

Bluevine Technologies Private Limited ("Bluevine")

Corporate Information

Bluevine was incorporated as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Registrar of Companies, Gujarat at Ahmedabad on October 12, 2015. The CIN of Bluevine is U72900GJ2015PTC084737. The registered office of Bluevine is located at Corpository, Office No 2001 to 2020, 20th Floor, B Block, Navratna Corporate Park, Ambli-Bopal Road, Nr. Jayantilal BRTS Bus Stand, Ambli Daskroi Ahmedabad 380 058, Gujarat, India.

Nature of Business

Bluevine is a data aggregator turned data science company offering end-to-end automated, complete lifecycle solutions for credit evaluation, forensic analysis, corporate due diligence, portfolio monitoring and smart lead generation.

CredAvenue Spocto Technology Ltd ("CSTL, Dubai")

Corporate Information

CSTL, Dubai is incorporated in Dubai International Financial Centre on August 12, 2022, by Spocto as a non-regulated Private Company with registration number 6011. Its registered office is situated at Unit Office 1102, Level 11, Index Tower, UAE DIFC.

Nature of Business

CTSL, Dubai is engaged in data classification and analysis services including but not limited to software house, technology research and development, information technology consultancy and computer consultancies.

Finfort Infotech LLP ("Finfort")

Corporate Information

Finfort was incorporated as a Limited Liability Partnership under the LLP Act, 2008, pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai on May 2, 2016. The LLPIN of Finfort is AAG-2708. The registered office of Finfort is located at Office No.108, 1st Floor Sapphire Building Tycoons, Kalyan D.C., Thane Maharashtra, 421 301.

Nature of Business

Finfort is engaged in the business of digitizing the lending lifecycle for its users in context of credit evaluation and pre-disbursement of loans including providing of technology driven data, analytics, processing solutions covering loan origination.

Joint Venture

As at the date of this Draft Prospectus, our Company has no joint ventures.

Associate

As at the date of this Draft Prospectus, our Company has no associate companies as defined under companies Act, 2013, as amended.

Acquisition or Amalgamation in the preceding one year

Our Company has not made any acquisition or amalgamation in the preceding one year prior, preceding the date of this Draft Prospectus.

Reorganization or Reconstruction undertaken by our Company in the preceding one year

There have been no reorganization or reconstruction undertaken by our Company in the preceding one year, preceding the date of this Draft Prospectus.

OUR MANAGEMENT

Board of Directors

The general supervision, direction and management of our Company, its operations, affairs and business are vested in the Board, which exercises its power subject to the Memorandum and Articles of Association of our Company and the requirements of the applicable laws.

The Articles of Association of our Company require us to have not less than three Directors and not more than fifteen Directors. The general superintendence, direction and management of our affairs and business are vested in our Board of Directors.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and is governed by the Articles of Association of our Company, the relevant directions issued by the RBI, and the SEBI Listing Regulations.

As of the date of this Draft Prospectus, we have nine Directors on our Board of Directors including one Managing Director, one Non-executive Director, four Nominee Directors and three Independent Directors of which two are Women Directors.

The following table sets forth details regarding the Board as on the date of this Draft Prospectus.

Name, Designation and DIN	Age	Address	Date of Appointment	Details of other Directorship
Vineet Sukumar ***Designation*:** Managing Director **Nationality:** Indian **DIN:** 06848801	44	No: Flat 4, KG Valmiki Apartment, 3rd Seaward Road, Valmiki Nagar, Thiruvamiyur, Chennai 600 041, Tamil Nadu, India.	May 25, 2019[(1)]	• CredAvenue Private Limited • CredAvenue Securities Private Limited; • Keerthi Logistics Private Limited • Sangvint Technologies Private Limited; • Vivriti Next Private Limited (*formerly known as QED Business Solutions Private Limited*); and • Vivriti Asset Management Private Limited
Gaurav Kumar ***Designation*:** Non-Executive Director **Nationality:** Indian **DIN:** 07767248	40	19, B-103 Manasasrovar Apartments, 3rd Seaward Road, Valmiki Nagar, Thiruvamyur, Chennai 600 041, Tamil Nadu, India	September 29, 2021[(2)]	• Bluevine Technologies Private Limited • CredAvenue Private Limited • CredAvenue Securities Private Limited; • CredAvenue Spocto Technology Limited; • Keerthi Logistics Private Limited • Spocto Solutions Private Limited; • Vivriti Next Private Limited (*formerly known as QED Business Solutions Private Limited*); and • Vivriti Asset Management Private Limited
John Tyler Day ***Designation*:** Nominee Director **Nationality:** United States **DIN:** 07298703	37	7034, Irongate Lane Dallas, Texas 75214, USA	May 25, 2019[(3)]	• CISV India Private Limited; • CredAvenue Private Limited; • Desiderata Impact Ventures Private Limited; • Muthoot Microfin Limited; • OFB Tech Private Limited; • Sohan Lal Commodity Management Private Limited; • Shapos Services Private Limited;

Name, Designation and DIN	Age	Address	Date of Appointment	Details of other Directorship
				• Vastu Housing Finance Corporation Limited; • Vivriti Next Private Limited (*formerly known as QED Business Solutions Private Limited*); and • Vivriti Asset Management Private Limited
Kartik Srivatsa ***Designation*:** Nominee Director **Nationality:** Indian **DIN:** 03559152	40	3rd Floor, No 5, 12th Block, 5th Main Road Opp. BDA Office, Kumara Park West Bangalore 560 020, Karnataka, India	May 30, 2020[(4)]	• Aye Finance Private Limited; • Be Well Hospitals Private Limited; • CredAvenue Private Limited; • Lightrock Corporate Services Private Limited (*formerly known as Aspada Investment Advisors Private Limited*); • Lightrock Investment Advisors Private Limited (*formerly known as LGT Impact Investment Advisors India Private Limited*); • Niyo Solutions, Inc; • Smartcoin Financials Private Limited; • Ummeed Housing Finance Private Limited; • Vivriti Asset Management Private Limited; • Vivriti Next Private Limited (*formerly known as QED Business Solutions Private Limited*) and • Waycool Foods and Products Private Limited;
Gopal Srinivasan ***Designation*:** Nominee Director **Nationality:** Indian **DIN:** 00177699	64	No.14, Boat Club Road, Raja Annamalaipuram, Chennai 600 028, Tamil Nadu, India	September 22, 2022[(5)]	• Chennai International Centre; • Chennaiangles Network Association; • Chennai City Connect Foundation; • CredAvenue Private Limited; • Diaspora Leaders Foundation; • Geeyes Capital Funds Private Limited; • IVC Association; • IIT Madras Research Park; • Lucas TVS Limited; • NextWealth Entrepreneurs Private Limited; • Reserve Bank Innovation Hub; • Sundaram Investment Private Limited; • TVS Capital Funds Private Limited; • TVS Electronics Limited; • TVS Investments Private Limited (*formerly Geeyes Family Holdings Private Limited*);

Name, Designation and DIN	Age	Address	Date of Appointment	Details of other Directorship
				• T.V. Sundram Iyengar & Sons Private Limited; • TVS Wealth Private Limited; • Vivriti Asset Management Private Limited; • Vivriti Next Private Limited (*formerly known as QED Business Solutions Private Limited*) and • Wonderla Holidays Limited
Lazar Zdravkovic ***Designation*:** Nominee Director **Nationality:** Swedish **DIN:** 10052432	31	1158 W Armitage Ave, Apt 202 Lincoln Park,1160 N Larrabee st. Chicago, Illinois 60614, USA	April 5, 2023[6]	• Vivriti Asset Management Private Limited; and • Vivriti Next Private Limited *(formerly known as QED Business Solutions Private Limited)*
Namrata Kaul ***Designation*:** Independent Director **Nationality:** Indian **DIN:** 00994532	59	Flat 401, Tower B6, the World Spa West Sector-30 Gurgaon 122 001, Haryana, India	January 12, 2019	• Bhopal Smart City Development Corporation Limited; • Care India Solutions for Sustainable Development; • Fusion Micro Finance Limited; • Havells India Limited; • Healthium Medtech Limited; • Prime Research and Advisory Limited; • Prime Securities Limited; • Schneider Electric Infrastructure Limited; • Synergetics Management and Engineering Consultants Private Limited; and • Vivriti Asset Management Private Limited
Anita Belani ***Designation*:** Independent Director **Nationality:** Indian **DIN:** 01532511	59	A 3502, Lodha Bellissimo, N.M. Joshi Marg, Apollo Mill Compound, Jacob Circle, Mumbai 400 011, Maharashtra India	May 7, 2021	• Asirvad Micro Finance Limited; • Eternis Fine Chemicals Limited; • Foseco India Limited; • IDFC Asset Management Company Limited; • IDFC Financial Holding Company Limited; • IDFC Limited; • Margo Networks Private Limited; and • Redington Limited
Santanu Paul ***Designation*:** Independent Director **Nationality:** Indian	55	Plot No. 12, Aparna Orchids, Near NAC, Madhapur, Hyderabad 500 084, Telangana, India.	April 5, 2023[7]	• NSDL Payments Bank Limited; • Talentsprint Private Limited; and • TalentSprint INC

Name, Designation and DIN	Age	Address	Date of Appointment	Details of other Directorship
DIN: 02039043				

(1) Vineet Sukumar was originally appointed as a director on August 30, 2017 and subsequently was designated as the whole time Director on September 9, 2017.
(2) Gaurav Kumar was originally appointed as a director upon incorporation of the Company on June 22, 2017 and subsequently was designated as the whole time Director on August 1, 2017.
(3) John Tyler Day is a nominee director from Creation Investments and he was originally appointed on January 18, 2019 .
(4) Kartik Srivatsa is a nominee director from Lightrock.
(5) Gopal Srinivasan is a nominee director from TVS Capital and he was originally appointed on May 27, 2022.
(6) Lazar Zdravkovic is a nominee director from Creation Investments and he was originally appointed on March 31, 2023.
(7) Santanu Paul was originally appointed on February 9, 2023.

Profile of Directors

Vineet Sukumar is the Managing Director, Promoter and co-founder of our Company. He holds a bachelor's degree in technology (mechanical engineering) from Indian Institute of Technology, Kharagpur and a postgraduate diploma in management from Indian Institute of Management, Bangalore. He is also the managing director of VAMPL. He was previously the Chief Financial Officer of Northern Arc Capital Limited *(formerly known as IFMR Capital Limited)* and the Chief Executive Officer of Northern Arc Investment Managers Private Limited *(formerly known as IFMR Investment Managers Private Limited)* (wholly owned subsidiary of IFMR Capital). He was previously also associated with Standard Chartered Bank. For details of his other directorships, please see "- *Details of other Directorship*" on page 124.

Gaurav Kumar is a Non-Executive Director, Promoter and co-founder of our Company. He holds a bachelor's degree in arts from Delhi University and a post graduate diploma in rural management from Institute of Rural Management Anand. He is also the managing director of CAPL and CSPL. He was previously the Chief Business Officer of Northern Arc Capital Limited *(formerly known as IFMR Capital Limited)* and the CEO of Northern Arc Investment Managers Private Limited *(formerly known as IFMR Investment Managers Private Limited)* (a wholly owned subsidiary of IFMR Capital Private Limited). He was awarded the 'Young Entrepreneur' award at the Young Entrepreneur Summit and Award 2020 by Business World. For details of his other directorships, please see "- *Details of other Directorship*" on page 124.

John Tyler Day is a Nominee Director of our Company. He holds a bachelor's degree in business administration from University of Texas at Austin and a master's degree in business administration from J.L. Kellogg School of Management, Northwestern University. He is currently associated with Creation Investment Capital Management LLC as a partner and member of the investment committee. He has over 12 years of experience in the field of financial services. For details of his other directorships, please see "*Details of other Directorship*" on page 124.

Kartik Srivatsa is a Nominee Director of our Company. He is a director on the board of directors of Aye Finance Private Limited, Be Well Hospitals Private Limited, CAPL, Lightrock Corporate Services Private Limited, Lightrock Investment Advisors Private Limited, Niyo Solutions, Inc, Smartcoin Financials Private Limited, Ummeed Housing Finance Private Limited, VAMPL, Vivriti Next Private Limited *(formerly known as QED Business Solutions Private Limited)*, and Waycool Foods and Products Private Limited.

Gopal Srinivasan is a Nominee Director of our Company. He has a master's degree in business administration from the Graduate School of Business Administration, University of Michigan, Ann Arbor, USA. He is the founder, chairman and managing director of TVS Capital Funds Private Limited. He is the founding member of "The Chennai Angels", one of the premier angels investing networks in India. He is a non-official member on the National Start-up Advisory Council (NSAC), formed by the Department for Promotion of Industry and Internal Trade (DPITT) to advise the Government of India on measures needed to build a strong eco-system for nurturing innovation and start-ups in the country to drive sustainable economic growth and generate large scale employment opportunities. He is also the chairman of Chennai International Centre, a think-tank that brings together a wealth of thought leaders from the spheres of business, the economy, policymaking, science, art, culture, and entrepreneurship. He has been recently appointed as the Honorary Consul for the Kingdom of Netherlands in Tamil Nadu. He was also the Member of the Venture Capital Investment Committee for SIDBI's Fund of Funds for Start-ups (FFS) program in 2018-2019. For details of his other directorships, please see "-*Details of other Directorship*" on page 125.

Lazar Zdravkovic is a Nominee Director of our Company. He holds a bachelor's degree in business administration in finance and international business from McDonough School of Business at Georgetown University. He is a nominee on the Board on behalf of Creation Investments. He is also a director on the board of directors of Vivriti Next Private Limited and VAMPL

Namrata Kaul is an Independent Director of our Company. She holds a post-graduate diploma from Indian Institute of Management, Ahmedabad and was also awarded the Chevening Scholarship to study Leadership and Excellence at the London School of Economics and Political Science. She has over 33 years of experience in the finance sector in India and UK. In the past she has worked with Grindlays Bank and Deutsche Bank and is currently an independent director on several boards including Havells India Limited, Schneider Electric, Bhopal Smart City Development Corporation Limited.

Anita Belani is an Independent Director of our Company. She is a director on the board of directors of Asirvad Micro Finance Limited, Eternis Fine Chemicals Limited, Foseco India Limited, IDFC Asset Management Company Limited, IDFC Financial Holding Company Limited, IDFC Limited, Margo Networks Private Limited and Redington Limited.

Santanu Paul is an Independent Director of our Company. He holds a bachelor's degree of technology in computer science from the Indian Institute of Technology, Madras and doctor of philosophy in computer science and engineering from the University of Michigan. He is a director on the board of directors of NSDL Payments Bank Limited, Talentsprint Private Limited and TalentSprint INC. He was previously associated with International Business Machine Corporation and Virtusa.

Relationship between our Directors

None of our Directors are related to each other.

Remuneration and terms of employment of our Directors

Managing Director

Vineet Sukumar was appointed for a period of five years with effect from September 15, 2017 as the whole-time director of the Company pursuant to the approval of the Board dated September 15, 2017, and approval of the shareholders dated April 30, 2018. Our Board and the shareholders had, at their meetings held on May 25, 2019 and June 19, 2019, respectively, approved his appointment as the Managing Director of our Company with effect from May 25, 2019 and subject to the terms and conditions as agreed upon in the employment agreement entered into with our Company on September 28, 2021 (the **"Employment Agreement**").

Non-Executive Director

Gaurav Kumar was appointed for a period of five years with effect from August 1, 2017 as the whole-time director of the Company by a resolution of the Board dated August 1, 2017. He was appointed as the Managing Director of our Company pursuant to the Board and the shareholders meetings held on May 25, 2019 and June 19, 2019, respectively. He was further designated as the Non-executive Director of our Company with effect from September 29, 2021, pursuant to the Board and the shareholders meetings held on September 23, 2021 and September 30, 2021, respectively.

Remuneration of our Directors

No remuneration is paid to the Non-Executive Director and Nominee Directors of our Company. However, a sitting fee of ₹1 lakh is payable to the Independent Directors of our Company for attending meetings of the Board or committees thereof.

The following table sets forth the remuneration (including sitting fees, commission and perquisites) paid by our Company (Standalone basis) since Financial Year 2021 to the date of this Draft Prospectus to our Directors:

Name of Director	Type of Remuneration Received/ Payable
Financial Year 2021	
Vineet Sukumar	Remuneration of ₹ 194.69 lakh
Gaurav Kumar	Remuneration of ₹ 194.69 lakh(1)
Namrata Kaul	Sitting fee of ₹13.80 lakh
Sridhar Srinivasan	Sitting fee of ₹ 8.25 lakh
Financial Year 2022	
Vineet Sukumar	Remuneration of ₹ 292.19 lakh
Gaurav Kumar	Remuneration of ₹ 241.35 lakh
Namrata Kaul	Sitting fee of ₹ 11.00 lakh
Anita Belani	Sitting fee of ₹ 9.00 lakh
Financial Year 2023	
Vineet Sukumar	Remuneration of ₹ 249.56 lakh
Namrata Kaul	Sitting fee of ₹ 13.08 lakh
Anita Belani	Sitting fee of ₹ 14.17 lakh
Santanu Paul	Sitting fee of ₹ 2.18 lakh
Financial Year 2024 (From April 1, 2023 till date)	
Vineet Sukumar	Remuneration of ₹ 47.32 lakh(2)
Namrata Kaul	Sitting fee of ₹ 3.00 lakh
Anita Belani	Sitting fee of ₹ 3.00 lakh
Santanu Paul	Sitting fee of ₹ 2.00 lakh

(1) Gaurav Kumar was appointed as the Managing Director of our Company pursuant to the Board and the shareholders meetings held on May 25, 2019 and June 19, 2019, and subsequently his designation was changed to Non-executive Director on September 29, 2021. The remuneration paid is inclusive of arrears thereon.

(2) There is an arrear of ₹3.45 lakh for the months of April, May and June for Financial Year 2023 pursuant to the revised remuneration passed by the Board on May 4, 2023

Remuneration payable or paid to Directors by Subsidiaries and associate company of our Company

The following table sets forth the remuneration (including sitting fees, commission and perquisites) paid by our Subsidiaries from Financial Year 2021 to the date of this Draft Prospectus to our Directors. We do not have an associate company.

A. VAMPL

Name of Director	Type of Remuneration Received/ Payable
Financial Year 2021	
Namrata Kaul	Sitting fee of ₹ 8.00 lakh
Financial Year 2022	
Namrata Kaul	Sitting fee of ₹ 6.00 lakh
Financial Year 2023	
Namrata Kaul	Sitting fee of ₹ 4.00 lakh
Financial Year 2024 (From April 1, 2023 till date)	
Namrata Kaul	Sitting fee of ₹ 1.00 lakh

B. CAPL

Name of Director	Type of Remuneration Received/ Payable
Financial Year 2021	
Nil	Nil
Financial Year 2022	
Gaurav Kumar	Remuneration of ₹62.29 lakh
Financial Year 2023	
Gaurav Kumar	Remuneration of ₹ 229.36 lakh
Financial Year 2024 (From April 1, 2023 till date)	
Nil	Nil

Other confirmations

No Director of our Company is a director or is otherwise associated in any manner with, any company that appears in the list of the vanishing companies as maintained by the Ministry of Corporate Affairs, wilful defaulter list as categorized by the RBI or Export Credit Guarantee Corporation of India Limited or any other regulatory or governmental authority.

We also confirm that none of our Directors is restrained or prohibited or debarred from accessing the securities market or dealing in securities by SEBI. Further, none of our Directors is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by SEBI. No Director in our Company is, or was, a director of any listed company, which has been or was compulsorily delisted from any recognised stock exchange within a period of ten years preceding the date of this Draft Prospectus, in accordance with Chapter V of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

None of our Directors have committed any violation of securities laws in the past and no proceedings in such regard by SEBI or, RBI are pending against any of our Directors.

No Director of our Company is a fugitive economic offender, as defined in the SEBI NCS Regulations.

We confirm that the Permanent Account Number of the Directors of the Company has been submitted to the Stock Exchange at the time of filing the Draft Prospectus.

Borrowing powers of our Board of Directors

Pursuant to a resolution passed by our Board dated April 28, 2023 and Shareholders at the EGM held on May 2, 2023, our Board has been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed a sum of ₹ 1,000,000.00 lakh.

The aggregate value of the NCDs offered under this Draft Prospectus, together with the existing borrowings of the Company, is within the approved borrowing limits as abovementioned.

Interest of our Directors

Our Managing Director may be deemed to be interested to the extent of remuneration paid by our Company as well as to the extent of reimbursement of expenses payable to them. Our Independent Directors may be deemed to be interested to the extent

of sitting fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other reimbursement of expenses and/or to the extent of their shareholding and profit linked incentives payable to them.

Our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity. Except as stated in the section "*Financial Statements*" on page 331 and to the extent of compensation and commission if any, and their shareholding in the Company, the Directors do not have any other interest in the business of the Company.

Some of our Directors may be deemed to be interested to the extent, including of consideration received/paid or any loans or advances provided to any body corporate, including companies, firms, and trusts, in which they are interested as directors, members, partners or trustees.

Except for John Tyler Day, Gopal Srinivasan and Kartik Srivatsa, the nominee directors of our Company and Namrata Kaul and Anita Belani, the independent directors of our Company none of our Directors have an interest in any venture that is involved in any activities similar to those conducted by our Company.

Except as stated in this section, "- *Interest of our Directors*" none of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them or to help them qualify as a director or for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.

Our Directors have no interest in any immovable property acquired in the preceding two years of filing this Draft Prospectus or proposed to be acquired by our Company nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company. No benefit/interest will accrue to our Promoters/Directors out of the proceeds of the Issue.

Except for Vineet Sukumar and Gaurav Kumar, none of our Directors are interested in the promotion of our Company, except in the ordinary course of business.

None of our Directors have taken any loan from our Company. Further, our Company has not availed any loans from the Directors which are currently outstanding.

Shareholding of our Directors

Except as stated below, none of our Directors hold any Equity Shares as on the date of this Draft Prospectus.

S. No	Name of Director, Designation and DIN	No. of Equity Shares of face value ₹10 each	Number of Stock Options	% of total Equity Shares of our Company	% of total Equity Shares of our Company on fully diluted basis
1.	**Vineet Sukumar** **Designation:** Managing Director **DIN:** 06848801	6,737,840	NIL	31.23	6.83
2.	**Gaurav Kumar** **Designation:** Non-executive Director **DIN: 07767248**	6,632,577	NIL	30.74	6.72
3.	**Namrata Kaul** **Designation:** Independent Director **DIN: 00994532**	115,161	NIL	0.53	0.12
4.	**Anita Belani** **Designation:** Independent Director **DIN: 01532511**	21,053	NIL	0.10	0.02

Shareholdings of Directors in Subsidiaries and associate companies, including details of qualification shares held by Directors as on the date of Draft Prospectus

S. No	Name of Director, Designation and DIN	No. of Equity Shares of face value ₹10 each	Number of Stock Options	Details of qualification shares held by Directors	% of total equity shares of the relevant Subsidiary/ associate company	% of total equity shares of the relevant Subsidiary/ associate company on fully diluted basis
A.	**VAMPL**					
1.	**Vineet Sukumar** **Designation:** Managing Director **DIN:** 06848801	2,235,266	NIL	NIL	10.00	6.92
2.	**Gaurav Kumar** **Designation:** Non-executive Director **DIN: 07767248**	2,235,267	NIL	NIL	10.00	6.92
B.	**CAPL**					
1.	**Vineet Sukumar** **Designation:** Non-executive Director **DIN:** 06848801	6,589,300	NIL	NIL	9.86	6.74
2.	**Gaurav Kumar** **Designation:** Managing Director **DIN: 07767248**	6,668,000	NIL	NIL	9.98	7.85

Our Company does not have any associate companies as defined under Companies Act, 2013, as of the date of this Draft Prospectus.

Debentures/Subordinated Debt holding of our Directors

As on the date of this Draft Prospectus, none of our Directors hold debentures or subordinated debt issued by our Company.

Changes in our Directors of our Company during the preceding three financial years and as on date of this Draft Prospectus

The changes in our Board of Directors of our Company in the preceding three financial years and as on date of this Draft Prospectus are as follows:

Name, Designation and DIN	Date of Appointment/re-appointment	Date if Cessation, if applicable	Date of Resignation, if applicable	Remarks
Sridhar Srinivasan **Designation:** Independent Director **DIN:** 07240718	January 1, 2019	-	August 28, 2020	Resignation
Kartik Srivatsa **Designation:** Nominee director **DIN:** 03559152	May 30, 2020	-	-	Appointment
Anita Belani **Designation:** Independent Director **DIN:** 01532511	May 7, 2021	-	-	Appointment.
Gaurav Kumar **Designation:** Non-executive Director **DIN:** 07767248	June 22, 2017	September 29, 2021	-	Change in designation from Managing Director to Non-Executive Director.
Gopal Srinivasan **Designation:** Nominee Director **DIN:** 00177699	May 27, 2022		-	Appointment.
Gopal Srinivasan **Designation:** Nominee Director **DIN:** 00177699	-	September 22, 2022	-	Change in designation from Additional Director (Non-

Name, Designation and DIN	Date of Appointment/re-appointment	Date if Cessation, if applicable	Date of Resignation, if applicable	Remarks
				executive Nominee Director) to Nominee Director
Kenneth Dan Vander Weele **Designation:** Nominee Director **DIN:** 02545813	-		February 9, 2023	Resignation.
Santanu Paul **Designation:** Independent Director **DIN:** 02039043	February 9, 2023	-	-	Appointment.
Lazar Zdravkovic **Designation:** Nominee Director **DIN:** 10052432	March 31, 2023	-	-	Appointment.
Lazar Zdravkovic **Designation:** Nominee Director **DIN:** 10052432	April 5, 2023	-	-	Change in designation from Additional Director (Non-executive Nominee Director) to Nominee Director
Santanu Paul **Designation:** Independent Director **DIN:** 02039043	April 5, 2023	-	-	Change in designation from Additional Director (Non-executive Independent Director) to Independent Director

Appointment of any relatives of Directors to an Office or place of profit of Company, subsidiaries or associates companies during the preceding three financial years and as on date of this Draft Prospectus.

None of our Directors' relatives have been appointed to an office or place of profit of our Company, subsidiaries or associates companies.

Key Managerial Personnel of our Company

The details of our Key Managerial Personnel, as on the date of this Draft Prospectus, are set out below:

(a) Vineet Sukumar (*Managing Director*)

(b) Srinivasaraghavan B (*Chief Financial Officer*)

(c) P S Amritha (*Company Secretary*)

Senior Managerial Personnel of our Company

The details of our Senior Managerial Personnel, as on the date of this Draft Prospectus, are set out below:

(a) Deepak Kumar Sahoo (*Group Head - Admin*)

(b) Gautam Jain (*Chief Business Officer*)

(c) Parth Sanghani (*Chief Treasury Officer*)

(d) Prasenjit Datta *(Chief Technology Officer and Chief Information Officer)*

(e) Hemang Mehta *(Chief Risk Officer)*

(f) Ajit K Menon *(Group Head – Operations)*

(g) Sowjanya V *(Group Head - Human Resources)*

(h) Smitha Jain Arora *(Head - Sustainability and Impact)*

(i) Ashish Avasthy *(Vice President – Legal)*

(j) Satya Srinivasan *(Head – Products)*

(k) Ashish Kumar Malani *(Chief Credit Officer)*

(l) Ravi Kabra *(Head - Client Acquisition)*

(m) Mohan Sushantam *(Chief Data Officer)*

Relationship with other Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel are related to each other.

Interests of Key Managerial Personnel and Senior Management Personnel

Except to the extent of their remuneration or extent of their shareholding or/and benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business, the Key Managerial Personnel and Senior Management Personnel of the Company do not have any interest in the Company.

Our Directors, Key Managerial Personnel or Senior Management have no financial or other material interest in the Issue**.**

Payment or Benefit to Officers of our Company

Nil

Shareholding of our Company's Key Managerial Personnel and Senior Management Personnel

Except as stated below, none of our Key Managerial Personnel and Senior Management Personnel hold any Equity shares in our Company as on the date of this Draft Prospectus.

S. No	Name of Key Managerial Personnel and Senior Management Personnel and their Designation	No. of Equity Shares of face value ₹10 each	% of total Equity Shares of our Company
Key Managerial Personnel			
1.	Vineet Sukumar **Designation:** Managing Director	6,737,840	31.23
2.	P S Amritha **Designation:** Company Secretary	8,500	0.03
Senior Management Personnel			
1.	Deepak Kumar Sahoo **Designation:** Group Head – Admin	12,000	0.06
2.	Gautam Jain **Designation:** Chief Business Officer	33,750	0.16
3.	Parth Sanghani **Designation:** Chief Treasury Officer	15,000	0.07
4.	Sowjanya V **Designation:** Group Head - Human Resources	6,250	0.03

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided, as per the requirements specified under the Companies Act, refer to the Financial Year 2023, 2022 and 2021 under chapter "*Financial Statements*" beginning on page 331 and for June 30, 2023, please see, chapter "*Related Party Transactions*" on page 213.

Corporate Governance

Our Company has in place processes and systems whereby it complies with the requirements to the corporate governance provided in SEBI Listing Regulations (to the extent applicable to a company which has listed debt securities) and the applicable RBI Guidelines. The corporate governance framework is based on an effective independent Board, separation of the supervisory role of the Board from the executive management team and constitution of the committees of the Board, as required under

applicable law. The Board of our Company is constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Details of various committees of the Board of Directors

Our Company has constituted the following committees:

Audit Committee

The members of the Audit Committee are:

Name of the Member	Designation in the Committee	Nature of Directorship
Namrata Kaul	Chairperson	Independent Director
Vineet Sukumar	Member	Managing Director
Anita Belani	Member	Independent Director

The Audit Committee was constituted by the Board of Directors at their meeting held on July 21, 2018 and was last reconstituted on May 25, 2021. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of our Audit Committee includes the following:

(a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

(b) Recommending to the Board, the appointment, re-appointment (including remuneration and other terms of appointment thereof) and, if required, the replacement or removal of the auditors and the fixation of audit fees.

(c) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, in general and with particular reference to:

    (i) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013

    (ii) Changes, if any, in accounting policies and practices and reasons for the same.

    (iii) Major accounting entries involving estimates based on the exercise of judgment by management.

    (iv) Significant adjustments made in the financial statements arising out of audit findings

    (v) Compliance with listing and other statutory requirements relating to financial statements

    (vi) Disclosure of any related party transactions

    (vii) Modified opinion(s) in the draft audit report.

(d) Reviewing, with the management, the quarterly financial results before submission to the Board for approval.

(e) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, private placement, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue, private placement or rights issue, or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter

(f) Reviewing the adequacy of internal audit function, if any, including its structure, staffing and seniority of the official who heads the department, reporting structure coverage and frequency of internal audit.

(g) Valuation of undertakings or assets of the Company, wherever it is necessary

(h) Evaluation of internal financial controls and risk management systems

(i) Reviewing with the management, adequacy of the internal control systems

(j) Discussion with internal auditors any significant findings and follow up there on.

(k) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

(l) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

(m) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors

(n) To review functioning of the vigil mechanism in accordance with the Whistle blower Policy/ Mechanism of the Company on a quarterly basis by overseeing activities including but not limited to the following:

(i) Review of protected disclosure, received if any during the review period

(ii) Authorise investigation into the case as required

(iii) Recommend the findings of protected disclosure to the Board and to the Management to take the required actions

(iv) Call for further information from the complainant

(v) Appoint any external investigator for investigation, as may be required on case to case basis

(vi) Maintain confidentiality at all times in relation to the above.

(o) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate

(p) A potential complainant as per the whistle blower policy shall have right to access to the Chairperson of the Committee and the Chairperson is authorised to prescribe suitable directions in this regard.

(q) Exercise decisions in accordance with the provisions of Companies Act, 2013.

(r) Review and monitor the auditor's independence and performance, and effectiveness of audit process, at least once a year.

(s) Review the auditors' eligibility in accordance with the guidelines issued by the Reserve Bank of India and such other regulators, as amended from time to time.

(t) Approval or any subsequent modification of transactions of the Company with related parties.

(u) Review the following information for the approval of a proposed related party transaction ("**RPT**"):

(i) Type, material terms and particulars of the proposed transaction

(ii) Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);

(iii) Tenure of the proposed transaction (particular tenure shall be specified);

(iv) Value of the proposed transaction;

(v) The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction(and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);

(vi) If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:

a. details of the source of funds in connection with the proposed transaction;

b. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,

i. nature of indebtedness;

ii. cost of funds; and

iii. tenure;

c. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and

d. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.

(vii) Justification as to why the RPT is in the interest of the listed entity;

(viii) A copy of the valuation or other external party report, if any such report has been relied upon;

(ix) Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;

(x) Any other information that may be relevant or required under the applicable laws, as may be amended from time to time.

The Committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis. Provisions (including changes) made under Listing Regulations related to the aforementioned and/ or approval of RPT by the Audit Committee shall be deemed to be incorporated herein.

(v) Scrutiny of inter-corporate loans and investments.

(w) Monitoring the end use of funds raised through private placement and public offers and related matters.

(x) Any deviations to be approved and thereon recommended for Board's noting, as and when required on a case to case basis.

(y) To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

(z) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

(aa) Oversight of the Risk Based Internal Audit Policy.

(bb) Oversight of the Internal Audit function's performance.

(cc) To review and approve granting of loans & advances or awarding of any contracts aggregating to INR 5 Crores or above to the following:

(i) Directors (including the Chairman/ Managing Director) of the Company or relatives of directors;

(ii) any firm in which any of the directors of the Company or their relatives, is interested as a partner, manager, employee or guarantor;

(iii) any company in which any of the directors of the Company, or their relatives, is interested as a major shareholder, director, manager, employee or guarantor.

"Majority Shareholder" *shall mean a person holding 10 % or more of the paid-up share capital or five crore rupees in paid-up shares, whichever is lower or as may be amended from time to time.*

(dd) To approve granting of any loans & advances and/ or awarding contracts to Senior Officers and/ or their relatives aggregating to INR 5 Crores or above.

(ee) The Committee shall ensure that the details of such loans & advances granted, or contracts awarded shall be placed before the Board on quarterly basis.

(ff) The Committee to ensure that necessary declarations shall be obtained from the borrower along with the details of the relationship of the borrower to the directors/ Senior Officers of the Company for loans and advances aggregating Rupees five crore and above.

(gg) The Committee may review the disclosures to be made in the financial statements of the Company with respect to the sanctioned loans & advances or contracts before the same will be placed before the Board for approval.

Powers of the Audit Committee

The Committee shall have powers, which include the following:

(a) To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.

(b) To investigate any activity covered under this Charter.

(c) To seek any specific information, as may be required from any employee of the Company and concerned employee(s) shall co-operate with the request of the Committee.

(d) To obtain outside legal or other professional advice as may be required from time to time.

(e) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

(f) To take note of and recommend to the Board any related party transactions on a quarterly basis;

(g) To ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks. Further, to take note of the IS Audit Report and recommend the same for noting of the Board, if required.

    (i) The Committee shall be empowered to provide its comments and suggest procedural or other changes, wherever required.

    (ii) The feedback shall be shared with the management of the Company.

(h) To secure attendance of outsiders with relevant expertise, if it considers necessary.

(i) The Company shall bear all such expenses to support the requirements of the Committee.

Reviewing Power

The Audit Committee shall mandatorily review the following information:

(a) management discussion and analysis of financial condition and results of operations;

(b) management letters / letters of internal control weaknesses issued by the statutory auditors;

(c) internal audit reports relating to internal control weaknesses; and

(d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Committee.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

Name of the Member	Designation in the Committee	Nature of Directorship
Anita Belani	Chairperson	Independent Director
Namrata Kaul	Member	Independent Director
Gopal Srinivasan	Member	Nominee Director

The Nomination and Remuneration Committee was constituted by the Board of Directors at their meeting held on December 15, 2018 and was last reconstituted on March 31, 2023. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee include the following:

a. Formulation and recommendation of criteria for determining qualifications, positive attributes and independence of a director for recommending and appointing directors (including executive/non-executive directors and independent directors) to the board and the board committees and recommend to the board the Nomination and Renumeration Policy, relating to the remuneration of the directors, KMPs, and other employees and periodically review the same;

b. Review matters related to remuneration and benefits payable to directors, KMPs and the Senior Management.

For the purpose of Nomination and Remuneration Committee Charter:

"**Senior Management**" shall mean officers/personnel of the Company who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole-time director/manager (including chief executive officer/manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer

c. In respect of appointment of independent director(s) the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation prepare a description on the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   i. consider candidates from a wide range of backgrounds, having due regard to diversity;

   ii. consider the time commitments of the candidates; and

   iii. may use the services of an external agency, if required

d. The process for appointing and removal of directors and the Senior Management;

e. To ensure adherence of fit & proper criteria for all the Directors in line with RBI guidelines;

f. To ascertain that there is no conflict of interest between the Company and Directors, KMP & Senior Management of the Company;

g. Ensuring there is an appropriate induction in place for new directors and KMP;

h. Formulating and recommending development and implementation of a process for evaluating the performance of the independent directors, board, its committees;

i. Devising a policy on diversity of the Board;

j. Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board appointment and removal.

k. Assess whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors.

l. To assist and advise the Board on remuneration policies and practices for the Board, the CEO, the chief financial offer (CFO), Senior Management and other persons whose activities, individually or collectively;

m. Recommending remuneration/compensation structure including the stock option plans of the directors, KMP, Senior Management and other employees of the Company;

n. Recommending the formation of any new committee of the Board, if required suggesting members of Board and management for constitution of such committees to the Board;

o. Recommend changes in Board composition to the Board;

p. Developing a succession plan for Board and KMP and regularly reviewing the plan; and

q. Considering any other matters at the request of the Board and such matters as may be required to be considered by law.

Nomination and Remuneration Committee shall be responsible for the following in relation to Employee Stock Option Plan:

(a) To formulate ESOP Schemes, from time to time and recommend the same to the Board for its approval;

(b) Decide the total quantum of incentive to be offered in the form of Stock Options during the year based on the performance of the employees

(c) To exercise such powers as envisaged to carry out the objectives in the ESOP Scheme;

(d) To employ professionals and other persons to help the committee in the administration of the scheme and fix their remuneration

(e) To formulate, approve, evolve, decide upon and bring into effect, suspend, withdraw or revive any sub-scheme or plan for the purpose of grant of Options to the employees and to make any modifications, changes, variations, alterations or revisions in such sub-scheme or plan from time to time;

(f) To delegate to the Manging Director any responsibility or action to be taken for successful implementation of ESOP Schemes;

(g) To review the ESOP as and when required, and recommend appropriate changes in its terms and conditions, if any, to the Board of Directors. The Committee may recommend changes in case:

(i) This ESOP does not fulfil the objectives set out for the same

(ii) There are changes in legislation which need to be incorporated in the ESOP

(iii) Such changes that would facilitate implementation of the ESOP

(iv) Such changes are for the welfare of the employees;

(h) Any deviations from ESOP Committee shall be reviewed and be further recommended to the Board for its noting, if required.

(i) The MIS dashboard containing the option details shall be placed for review before the Committee on a quarterly basis.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

Name of the Member	Designation in the Committee	Nature of Directorship
Santanu Paul	Chairperson	Independent Director
Vineet Sukumar	Member	Managing Director
John Tyler Day	Member	Nominee Director

The Stakeholders' Relationship Committee was constituted by the Board of Directors at their meeting held on November 8, 2023 and was last reconstituted on March 31, 2023 with effect from May 4, 2023. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the Listing Regulations

The terms of reference of the Stakeholders' Relationship Committee are as follows:

(a) The Committee shall consider and oversee the implementation of the objectives stated in this Charter;

(b) The Committee may consult with other committees of the Board, if required, while discharging its responsibilities;

(c) The Committee shall review and reassess the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval;

(d) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;

(e) Review of measures taken for the effective exercise of voting rights by shareholders;

(f) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent;

(g) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(h) To undertake self-evaluation of its own functioning and identification of areas for improvement towards better governance;

(i) To monitor and review any investor grievances received by the Company and ensure its timely and speedy resolution, in consultation with the members of the Committee, Board of Directors and registrar & share transfer agent of the Company; and

(j) To perform such other functions or duties as may be required under the relevant provisions of Listing Regulations and the Act and as may be specifically delegated to the Committee by the Board from time to time.

(k) The Committee shall not be responsible for handling the grievances received under grievance redressal mechanism as applicable to Company under RBI Regulations, amended from time to time.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

Name of the Member	Designation in the Committee	Nature of Directorship
Namrata Kaul	Chairperson	Independent Director
Vineet Sukumar	Member	Managing Director
Anita Belani	Member	Independent Director

The Corporate Social Responsibility Committee was first constituted by a meeting of the Board of Directors held on November 6, 2019 and was reconstituted on April 27, 2022.

The terms and reference of the Corporate Social Responsibility Committee include the following:

a. Formulate and recommend to the Board, CSR Policy which is in alignment of the broad objectives of the Company;

b. Identify the activities to be considered by the Company and the projects and timelines and recommend the same to the Board for its approval;

c. Identify the "**Key Focus Areas**" for CSR expenditure which are in alignment with organisational objectives and in pursuant to schedule VII of the Act;

d. Recommend amount of expenditure to be incurred on activities undertaken, during each financial year with preference to the local areas of operation and keep a track of timelines of expenditure on a regular basis;

e. Identify and recommend to the Board constructive mechanism for implementation and execution of CSR initiatives/ activities;

f. Review performance of the Company in the areas of activities/ projects undertaken.

g. Institute a transparent monitoring mechanism for implementation of projects/ programs/ activities undertaken and review amount spent;

h. Review synergy with various activities along with CSR partners to make sure the projects undertaken are alignment with organizational goals and vision.

i. Ensure and take update on compliance, corporate governance and reporting;

j. Review the policy's effectiveness and implementation on a regular basis and report relevant findings and make appropriate recommendations to the Board;

k. Review and finalise CSR Report as part of the Annual Report and website disclosure of the Company;

l. Implement and monitor the implementation of the CSR Policy;

m. Place Action Taken Report on CSR activities before the Board, including responses/ actions in respect of the queries and recommendations of the Board;

n. All such acts, deeds, matters as may be required for successful execution, implementation and smooth compliance of matters pertaining to CSR, as and when required.

o. Delegate operational and functional tasks to CSR Working Committee of the Company and oversee its performance on a periodical basis.

Risk Management Committee

The members of the Risk Management Committee are:

Name of the Member	Designation in the Committee	Position
Namrata Kaul	Chairperson	Independent Director
Vineet Sukumar	Member	Managing Director

Name of the Member	Designation in the Committee	Position
Anita Belani	Member	Independent Director

The Risk Management Committee was constituted by the Board of Directors at their meeting held on July 21, 2018 was last reconstituted on August 10, 2022.

The terms and reference of the Risk Management Committee include the following:

i. To formulate a detailed risk management policy, which shall include:

a. A framework for identification of internal and external risks specifically faced by the listed entity, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology, cyber security risks or any other risk as may be determined by the Committee;

b. Measures for risk mitigation including systems and processes for internal control of identified risks; and

c. Business continuity plan.

(hereinafter the "**Risk Management Policy**")

ii. On an annual basis, the Committee shall annually review and approve the Risk Management Policy of the Company, including by considering the changing industry dynamics and evolving complexity. All deviation to the approved Risk Management Policy requires the approval of the Committee.

iii. To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems.

a) **Risk classification**: The Committee shall be responsible to oversee the classification of all the borrowers under the respective risk category in accordance with the RBI Master Directions.

b) **Risk profile:** The Committee shall oversee the performance of high-risk exposures that the Company classifies as watchlist as per the Risk Management Policy. The Committee shall review the performance of entities that have breached risk triggers defined in the Risk Management Policy.

c) **Credit deviations**: Any credit deviation approved by the Credit Committee shall be presented to the Risk Management Committee on a quarterly basis for review.

d) **Risk assessment**:

i. To oversee 'Money Laundering and Terrorist Financing Risk Assessment' exercise periodically to identify, assess and take effective measures to mitigate its money laundering and terrorist financing risk for clients, countries or geographic areas, products, services, transactions or delivery channels, etc.

ii. To oversee evaluating the overall risks faced by the NBFC including liquidity risk in accordance with Liquidity Risk Management Framework issued by RBI (RBI/2019-20/88) dated November 4, 2019.

iii. The Committee shall ensure that the assessment factors in the overall sector-specific vulnerabilities, and that the internal risk assessment carried out by the RE should be commensurate to its size, geographical presence, complexity of activities/structure, etc.

iv. Advise on Risk Based Approach for mitigation and management of the identified risk.

v. Ensure that appropriate training on money laundering and terrorist financing to employees/ staff is being carried out whenever required.

vi. To monitor and review such functions including cyber security, critical asset management and preventive actions wherever required.

vii. The Committee may seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, as may be required.

viii. To manage all integrated risks faced by the Company and take all necessary actions in this connection.

e) **Risk appetite**:

i. The Committee shall review and approve portfolio thresholds - sector wise, product wise and entity wise.

ii. The Committee may place a sector or a client on watchlist and task the management with appropriate action, which could be freezing of exposure, run down of exposure, sale of exposure, client engagement etc. as required.

f) **General Roles and Responsibilities**:

i. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

ii. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

iii. The appointment, removal and terms of remuneration of the 'Chief Risk Officer' (if any) shall be subject to review by the Committee;

iv. The Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board, from time to time;

v. To carry out any other function or undertake any other activity (from time to time) as is referred/specified by the Board or enforced by any statutory notification/amendment or modification as may be applicable, whether under the Act, the Listing Regulations or by any other regulatory authority.

IT Strategy Committee

The members of the IT Strategy Committee are:

Name of the Member	Designation in the Committee	Position
Santanu Paul	Chairperson	Independent Director
Vineet Sukumar	Member	Managing Director
John Tyler Day	Member	Nominee Director
Namrata Kaul	Member	Independent Director
Prasenjit Datta	Member	Chief Information Officer and Chief Technology Officer

The IT Strategy Committee was constituted by the Board of Directors at their meeting held on February 15, 2019 and was last reconstituted on February 9, 2023.

The terms and reference of the IT Strategy Committee include the following:

a) Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place.

b) Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business.

c) Ensuring proper balance of IT investments for sustaining Vivriti Capital's growth and becoming aware of exposure towards IT risks and controls.

d) Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable.

e) Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.

IT Steering Committee

The members of the IT Steering Committee are:

Name of the Member	Designation in the Committee	Position
Vineet Sukumar	Chairperson	Managing Director

Name of the Member	Designation in the Committee	Position
Prasenjit Datta	Member	Chief Information Officer and Chief Technology Officer

The IT Steering Committee was constituted by the Board of Directors through circulation September 24, 2019 and was last reconstituted on August 10, 2022.

The terms and reference of the IT Steering Committee include the following:

a) Priority setting in terms of execution of a project;

b) Oversight and monitoring of progress of the project, including:

   i. Deliverables to be realized at each phase of the project;

   ii. Milestones to be reached according to the timelines.

c) Role in respect of outsourced IT operations

d) Sponsoring or assisting in governance, risk, and control framework, and also directing and monitoring key IT Governance processes

e) Defining project success measures and following up progress on IT projects.

f) Advice on infrastructure products.

g) Provide direction relating to technology standards and practices.

h) Ensure that vulnerability assessments of new technology is performed.

i) Verify compliance with technology standards and guidelines.

j) Consult and advice on the application of architecture guidelines.

k) Ensure compliance to regulatory and statutory requirements.

l) Provide direction to IT architecture design and ensure that the IT architecture reflects the need for legislative and regulatory compliance, the ethical use of information and business continuity.

Asset Liability Committee (ALCO)

The members of the ALCO are:

Name of the Member	Designation in the Committee	Position
Vineet Sukumar	Member	Managing Director
Srinivasaraghavan B	Member	Chief Financial Officer
Hemang Mehta	Member	Chief Risk Officer

The ALCO was constituted by the Board of Directors at their meeting held on July 21, 2018, and was last reconstituted on November 10, 2021.

The terms and reference of the ALCO include the following:

a) The Committee shall oversee the following and ensure compliance with internal thresholds approved by the Board (as laid down in the Treasury Policy)

   (i) Review of financial results - current and projected

   (ii) Review and approval of business plan – current year and 5 years

   (iii) Liquidity requirements - current and projected

   (iv) Liquidity risk – structural and dynamic

   (v) Interest Rate Risk – Structural and dynamic

   (vi) Capital Adequacy – Current and projected

(vii) Capital Allocation – Current and projected

(viii) Sell Down Targets - Monthly and quarterly

b) The Committee may take necessary decisions regarding desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions.

c) The Committee may recommend appropriate corrective actions to the Treasury and Finance team for:

(i) Change in product mix

(ii) Tenor of borrowings.

d) The Committee may approve the following:

(i) Opening of all kinds of Bank accounts including Foreign Currency Non Resident Accounts;

(ii) Opening of all kinds of accounts with Depositories and admission of securities thereof;

(iii) III. Opening of all kinds of accounts with Depository Participants, Registrars, Clearing Houses, Stock Exchanges and Trade Reporting Platforms for regular business purposes and availing of NEFT/NACH/RTGS/Payment/Cash management linkages and services of all kinds, including but not limited to internet / mobile/ API / phone banking and all other similar non-credit services from a financial services provider. The persons authorized to operate these accounts shall be in line with the approved delegation of the financial powers matrix, as applicable.

e) The Committee may frame, review and amend the Delegation of Powers document, as and when required on a periodic basis and the same shall be placed before the Board for its noting. All the online banking transactions shall be based on a maker-checker mode.

f) The Committee may approve any closure of bank accounts, depository accounts, etc. based on requests from the finance or any other team entailing the details of the account including its nature, that is to be closed along with the reasons for the closure of the account.

g) The Committee may decide on deployment of surplus resources into short-term investments in securities, units, instruments in accordance with the Investment Policy of the Company.

h) Any one member of the committee may approve the deviations from the float retention policy (where idle cash is maintained over and above the prescribed limit of Rs. 20 lakhs) for month end placement of funds and any related activities based on requests from finance or the treasury teams.

i) The Committee may approve buy back or prepayment of Non-Convertible Debentures, Market Linked Debentures, Commercial Papers issued by the Company on account of exercise of call/ put option or otherwise.

j) The Committee may exercise the call/ put option and all other rights associated with Non-Convertible Debentures and as agreed with the investors, on behalf of the Company.

k) The Committee may approve to exercise such rights as associated with investments made in securities, options, units or any other instrument.

l) The Committee may approve to exercise such rights and carry out such responsibilities as may be required, from time to time, to execute public issuance of debt securities, including but not limited to opening, closing or maintenance of such accounts including but not limited to Bank Account, Demat Account, Public issuance Account, Refund Account with Scheduled Commercial Banks, Institutions or Agencies as may be required for the Issue or to do any other similar function as the ALCO is authorised to do for facilitating the public issuance of debt securities.

m) The Committee is responsible for approving the public disclosure information pursuant to RBI Notification on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies dated 4th November 2019, as may be amended from time to time, in the following cases:

(i) Publication on the official website of the Company, on a quarterly basis, and

(ii) Disclosure in the Annual Financial Statements as notes to accounts.

n) The Committee may authorize employees of the Company and/or any of its subsidiaries to do all such acts, to sign power of attorney, Letter of Authority for the purpose of execution and registration of deed, agreements relevant to the transaction entered in to by the Company.

o) The Committee may authorize employees of the Company to sign documents in relation to secondary market transactions and/or sell-downs as initiated by the Company.

p) The Committee may authorize employees of the Company to sign premises administration and facility related documents and agreements.

q) The Committee may approve for availing overdraft facilities, CCS (Cross Currency Swap - Hedging) facilities.

Credit Committee

The members of the Credit Committee are:

Name of the Member	Designation in the Committee	Position
Vineet Sukumar	Member	Managing Director
Srinivasaraghavan B	Member	Chief Financial Officer
Hemang Mehta	Member	Chief Risk Officer
Ashish Malani	Member	Chief Credit Officer

The Credit Committee was constituted by the Board of Directors at their meeting held on July 21, 2018, and was last reconstituted on June 20, 2023.

The terms and reference of the Credit Committee include the following:

I. (A) Approvals: The Credit Committee may approve the following:

a) Conducting on-site diligence

b) Onboarding

(i) Onboarding of a sector

(ii) Onboarding of product(s)

(iii) Onboarding of each client, as well as appropriate products for such client, if required

(iv) Onboarding of partner in a Co-lending arrangement

(v) Onboarding of vendor and anchor under supply chain financing

Note – When a client is onboarded, it shall be deemed that sector to which the client belongs is also onboarded. Separate approval of the Committee will not be required for onboarding the sector in such cases.

c) Credit exposure limits at entity/ group level and products, in accordance with the Risk Policy or as decided by Board/ Risk Management Committee.

d) Providing financial/ Corporate guarantees within the limit approved by the Board of Directors and/or shareholders of the Company.

e) Investment by way of Direct Assignment transactions as an assignee or Securitisation transactions.

f) Investment by way of subscription to NCRPS, NCDs and such other securities as may approved.

g) Investment in the units of Funds / Schemes of regulated trusts managed by the Subsidiaries of the Company, where the Funds / Schemes will further invest into the Company's approved client list, including review and approval of Contribution agreements any other ancillary documents in relation to the said investment.

h) Acting as Sponsor to the Funds/ Schemes of regulated trusts

(i) Approvals for the Company to act as Sponsor to the Funds/ Schemes of regulated Trusts floated by Subsidiaries of the Company or other approved clients;

(ii) Approval to determine investment in the units of the said Funds/ Schemes (in form of contribution to corpus or otherwise) i.e. minimum amount as prescribed under law or such higher amount as may be determined by the Committee;

(iii) Approval of Contribution agreements any other ancillary documents in relation to the said investment;

(iv) Authorizing signatories for the purpose of execution of documents in relation to the said investment;

(v) To carry out such other acts or deeds as may be required in the capacity of Sponsor.

i) Authorization in respect of third-party guarantee structures and related execution in respect of eligible credit exposure or financial assistance extended by the Company to its clients whereby the said facilities are guaranteed by the third-party.

j) Warehousing of securities and sell downs.

k) Authorize employees of the Company and/or any of its subsidiaries to do all such acts, to sign documents related to financial assets, execution of mortgage deed, guarantee agreements and related registrations.

l) Quarterly credit assessment and any changes in entity rating

m) Introduction of a new product, as well as deviations thereof

n) Eligibility criteria

o) Each transaction that is:

(i) To an approved entity

(ii) For an approved product

(iii) Meeting portfolio risk criteria or any deviation highlighted thereof

p) In case product offered is Working Capital, limits sanctioned shall be valid for a period of 1 (one) year. Renewal after each cycle, if any, shall not require any additional Committee approvals.

(i) Committee shall be convened for renewal only if Credit / Risk has rejected the renewal.

q) commence, issue, execute, institute, file, carry out, continue, prosecute, defend, answer or oppose all actions, suits, petitions, proceedings (including judicial or statutory or regulatory proceedings), caveats, complaints notices and any other required action/documents for any matter in the name and/or on behalf of the Company.

r) Submission of tender/bid or bidding/participating in the auction under SARFAESI Act 2002/Insolvency and Bankruptcy Code, 2016 or any other statutes or rules made thereunder, execution of deeds, agreements, undertakings, affidavits, indemnity bond, letters, forms, applications, acknowledgements, receipts or any other necessary documents and to do all such acts/things and to take all such actions acquisition of assets (movable/immovable), including signing, executing, submitting, and presenting any of the above-mentioned documents to any authority, person, body corporate or officer of any department necessary approvals/registration/noting.

ESG Risk Assessment Committee

The members of the ESG Risk Assessment Committee are:

Name of the Member	Designation in the Committee	Position
Vineet Sukumar	Member	Managing Director
Hemang Mehta	Member	Chief Risk Officer
Ashish Malani	Member	Chief Credit Officer

The ESG Risk Assessment Committee was constituted by the Board of Directors at their meeting held on February 9, 2023.

The terms and reference of the ESG Risk Assessment Committee include the following:

a) The Committee shall oversee the following and ensure compliance with internal thresholds approved by the Board (as laid down in the ESG Policy) - (i) Vivriti shall adhere to all the policies of the Government of India or any department thereof concerning any environmental, social or labour related issues applicable to Vivriti.

b) Vivriti will conduct it business and operations in compliance with all environmental, social and labour laws.

c) Vivriti will identify opportunities to promote environmental sustainability and equitable growth through its business and by doing so, help implement the ESG policy.

d) The Committee shall review the ESG policy periodically and suggest modifications or amendments to Board, as may be required.

e) Vivriti will honor its "Do No Harm Statement" at all times, as annexed to ESG policy.

f) Vivriti will conduct ESG diligence on its prospective and existing clients and monitor the same on a regular basis.

g) Any non-compliance identified during the periodic assessment/diligence will be documented and reported.

h) Vivriti will provide ESG disclosures to effectively demonstrate our ESG commitment to our stakeholders.

ESOP Committee

The members of the ESOP Committee are:

Name of the Member	Designation in the Committee	Position
Vineet Sukumar	Chairperson	Managing Director
Sowjanya V	Member	Vice President, HR

The ESOP Committee was constituted by the Board of Directors at their meeting held on February 4, 2022.

The terms and reference of the ESOP Committee include the following:

a) Select the employee(s) (shall be construed to mean employees of the Company and its Subsidiaries) to whom the Stock Options are to be granted;

b) Decide the number of Stock Options per employee every year under the Scheme for the eligible employees.

c) Decide the number of Stock Options to be granted to any of the Employees in the aggregate for the year.

d) To determine the terms and conditions of grant, issue, re-issue, cancellation and withdrawal of Options from time to time.

e) To exercise such powers as envisaged to carry out the objectives in the ESOP Scheme;

f) To Issue Letter of Grant to such selected employees as may deem fit;

g) Approve the transfer of equity shares to the eligible employees against the Options granted upon exercise of such option granted under any of the ESOP Schemes of the Company;

h) To collect and hold the renunciation letters and to obtain such other undertakings and declarations from employees as may be required;

i) To do all such acts, deeds, things and matters as may be considered necessary or expedient for the purpose of giving effect to the above mentioned including delegation of all or any of the powers herein conferred by the Board;

j) To do all such other things as may be necessary or incidental for the administration of the ESOP Scheme and allotment of ESOPs;

k) To obtain from the trustees of the ESOP Trust such declarations, letters, documents under their signature, as may be required, from time to time;

l) To authorize signatories for the purpose of filing e-forms, from to time; and

m) Any deviation approved by the ESOP Committee shall be presented to the Nomination and Remuneration Committee on a quarterly basis for review.

Borrowing Committee

The members of the Borrowing Committee are:

Name of the Member	Designation in the Committee	Nature of Directorship/Designation
Vineet Sukumar	Chairperson	Managing Director
Srinivasaraghavan B	Member	Chief Financial Officer

The Borrowing Committee was constituted by the Board of Directors at their meeting held on April 30, 2018 and was last reconstituted on December 27, 2021.

The terms and reference of the Borrowing Committee include the following:

Borrow via loans, non-convertible preference shares, commercial paper, working capital finance, foreign currency denominated loans, external commercial borrowings, borrowings by way of issue of rupee denominated loans outside India, debentures, including market linked debentures, sub-debt instruments and any other debt instrument, over-draft facility, short-term and long-term resources as mentioned under the Resource Planning Policy of the Company including creation of security in accordance with the terms of issue, and authorize employees of the Company to carry out necessary acts, deeds to sign documents or agreements wherever required.

a) Issue, offer and allot debentures in tranches or otherwise and do all such acts related to such issue of debentures, including but not limited to:

   i. Identify Investors as it deems fit;

   ii. Consider, negotiate and approve any terms or modifications thereof for issue of Debentures and any Tranche/Issue thereof;

   iii. Authorize, direct or delegate to any Authorized Officers to do such things and to take such actions as the Company is entitled to do or in relation to issue of debentures;

   iv. To generally do or to take any other action, deed, or things, as may be necessary for successful issuance of the debentures;

   v. Open and maintain a separate account for receipt of money from subscription of debentures;

b) To carry out such acts and actions in connection with issue, offer and/ or allotment of loan, debentures, commercial paper, working capital loans, hedging facilities, repo, non-fund-based facilities and any tranche/ issue thereof and shall include the following, without limitation, if any:

   i. Negotiate and deciding on the terms of transaction;

   ii. Appointment of relevant agencies for successful completion of transaction;

   iii. Enter into agreements including and not limited to loan agreements, security agreements ((hypothecation, mortgage, pledge, cash collateral, DSRA and others as appropriate), Power of attorney Debenture agreements (trust deed, trustee agreement, IM, PPOL and others as appropriate), Repo and GMR agreements, ISDA and other transaction documents that are required to give effect to such transactions ;

   iv. Seek approvals or consent from Government or any regulatory authorities or sanction bodies in connection with the transaction;

   v. Carry out all necessary acts for successful listing of debentures, commercial paper, or any other facility;

   vi. Create security in accordance with the terms of issue, wherever required;

   vii. To do all other necessary acts, as authorized by the Board.

c) Authorize/ approve redemption, partial redemption, prepayment of debentures:

   i. Carry out all necessary acts for delisting of debentures by way of partial or full redemption at maturity/ prepayment/ exercise of call option or otherwise and authorize other employees of the Company to carry out such acts;

   ii. To do all other necessary acts, as authorized by the Board.

d) Avail non-fund limits such as bank guarantees, letter of credit, letter of comfort etc.

e) Approve corporate bond Repurchase transactions (repo) as per RBI Directions, including but not limited to execution of Global Master Repurchase (GMR) agreements or such similar agreements and other related documents, relevant authorization.

f) Avail short-term borrowing (secured/unsecured).

g) Avail Cash Credit (Secured) / Overdraft (Unsecured), IRS (Interest Rate Swap), CCS (Cross Currency Swap), Options, Forwards, or any other instrument as permitted under RBI regulations to hedge foreign currency exposure.

h) Approve co-lending arrangement with a bank or NBFC as mentioned in Co-lending Policy of the company including opening escrow account and authorize employees of the Company to carry out necessary acts, deeds to sign documents or agreements wherever required.

i) negotiate, modify and approve the terms of the Issue including the actual size, timing, pricing and all other terms and conditions of the Issue including coupon rate, yield, retention of over subscription, if any, etc, and to accept any amendments, modifications, variations or alterations thereto and all other related matters, including the determination of the size of the Issue up to the maximum limit prescribed by the Board and the minimum subscription for the Issue.

j) accept and execute any declarations required in connection with draft prospectus, prospectus for issue of the NCDs, issue agreement, debenture trustee agreement, debenture trustee deed, deed of hypothecation, registrar agreement, and other necessary agreements, memorandum of understanding, deeds, general undertaking/indemnity, certificates, consents, communications, affidavits, applications (including those to be filed with the regulatory authorities, if any) ("Transaction Documents") and negotiate and agree to/ accept any changes and modifications to the terms and conditions contained in the Transaction Documents (whether before or after the execution of the Transaction Documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the Transaction Documents (the "Ancillary Documents") as may be necessary or required for the aforesaid purpose including to sign and/or dispatch all forms, filings, documents and notices to be signed, submitted and/or dispatched by it under or in connection with the documents to which the Company is a party as well as to accept and execute any amendments, amendment and restatements or modifications to the Transaction Documents, the Ancillary Documents and other deeds, documents and other writings as and when necessary, including any advertisements, corrigendum, amendments supplements thereto and to approve any corrections or alterations therein on behalf of the Board and to take all such further steps as may be required to give effect to the aforesaid resolutions.

k) negotiate and finalise fees payable to the Debenture Trustee, and all other persons providing services or otherwise associated with the issue of the NCDs.

l) make the necessary application for creation of International Securities Identification Number ("ISIN") to National Securities Depository Limited ("NSDL") or Central Depository Services Limited ("CDSL"), for rating certificates to ICRA Limited and CARE Ratings Limited (the "Rating Agency"), and such other applications to all such authorities as may be necessary from time to time for the purpose of issuance of the aforesaid NCDs.

m) seek the listing of the NCDs on any Indian stock exchange, submitting the listing application to such stock exchange and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned Stock Exchange(s); and taking all actions that may be necessary in connection with obtaining such listing

n) arrange for payment of the applicable stamp duty in respect of the above referred Transaction Documents and also in respect of all other transactions, documents and instruments executed in relation to the issue.

o) file with the relevant Registrar of Companies, all particulars in respect of the creation of charge/return of allotment for the issue of the NCDs in accordance with the Companies Act, 2013 and rules made thereunder, as may be required in the prescribed forms.

p) register the Transaction Documents and the Ancillary Documents with any authority, as may be required under Applicable Law.

q) appoint any person(s) as the true and lawful attorney to take all such actions as contemplated herein, for and on behalf of the Company, and to execute any power(s) of attorney granting the authority to such person(s) in this regard.

r) appoint the lead manager, legal counsel, credit rating agencies, Registrar and Share Transfer Agents, Debenture Trustee, bankers to the issue, refund bank, sponsor bank, consortium member, printers, advertising agency, professionals and other intermediaries to the issue in accordance with the provisions of the SEBI NCS Regulations and to remunerate them by way of commission, brokerage, fees or the like and to negotiate, modify, enter into, execute, deliver and register all deeds, contracts, agreements, memorandum of understanding, arrangements, or documents with such intermediaries or agencies as may be required or desirable in connection with the Issue including the listing of the NCDs on the Stock Exchange(s) and creation of security for the Debentures.

s) seek, if required, any approval, consent or waiver from the Company's lenders, and/or parties with whom the Company has entered into various commercial and other agreements, and/or any/all concerned government and regulatory authorities in India, and/or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of the NCDs and creation of security.

t) approve/ adopt the financial statements (including reformatted financial statements) of the Company for the purpose of incorporating in the Offering Documents.

u) approve the materiality policy for the litigations to be disclosed in the Offering Documents.

v) grant of powers of attorney / authority, if required, to such officers / employees of the Company or of its subsidiary or any other concerned persons, as it may deem necessary, to do such acts, deeds and things as such attorney in his / her / its absolute discretion may deem necessary or desirable in connection with the Issue of the NCDs.

w) get the NCDs admitted to National Securities Depository Limited and Central Depository Services (India) Limited, and to execute or ratify the necessary or requisite agreement(s) with those depositories and the registrar and transfer agent and to negotiate, finalise and execute or ratify the agreements, undertakings or other writings required, with these authorities / agencies for the Issue in the dematerialised form.

x) appoint the debenture trustee and execution of the trust deed in connection with the Issue, in accordance with the provisions of the SEBI NCS Regulations.

y) authorize of the maintenance of a register of holders of the NCDs.

z) open such Banks Accounts, Demat Accounts, Public Issue Account, Refund Account with Scheduled Commercial Banks, Institutions or Agencies as may be required for the Issue

aa) acceptance and appropriation of the proceeds of the Issue.

bb) finalize of the date of allotment and finalization of the basis of allotment of the NCDs on the basis of the applications received and to approve and to issue and allot the NCDs and to approve all other matters relating to the Issue including acceptance and appropriation of the proceeds of the Issue, issuing debenture certificates and do all such acts, deeds, matters and things in relation to the allotment of the NCDs;

cc) appoint independent Chartered Accountant(s), Statutory Auditors (both current and previous) to issue such reports including financial reports/statements for the purpose of issue.

dd) identify group companies.

ee) do all acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolutions and to execute on behalf of the Company, such deeds, documents, agreements and writings in this regard as may be necessary.

OUR PROMOTERS

Our Promoters are Vineet Sukumar and Gaurav Kumar.

As of June 30, 2023, our Promoters collectively hold 13,370,417 Equity Shares equivalent to 61.97% of the paid-up Equity Share capital of our Company.

The profile of our Promoters is given below:

Vineet Sukumar (DIN: 06848801), was born on June 30, 1979, and aged 44 years. He is the Managing Director, Promoter and co-founder of our Company. He resides at 4, KG Valmiki Apartment, 3rd Seaward Road, Valmiki Nagar, Thiruvamiyur, Chennai 600 041, Tamil Nadu, India. His Permanent Account Number is ATYPS8757R.

Our Company confirms that details of the permanent account number, aadhaar number, driving license number, bank account number(s) and passport number of our Promoter have been submitted to the Stock Exchange at the timing of filing the Draft Prospectus.

For additional details on the background, educational qualifications, experience in the business of our Company, positions / posts held in the past, term of appointment as Managing Director and other directorships of our Promoter, please refer "*Our Management*" on page 124 of this Draft Prospectus.

Gaurav Kumar (DIN: 07767248), was born on August 28, 1982 and aged 40 years. He is the Non-Executive Director, Promoter and co-founder of our Company. He resides at 19, B-103 Manasasrovar Apartments, 3rd Seaward Road, Valmiki Nagar, Thiruvamiyur, Chennai 600 041, Tamil Nadu, India His Permanent Account Number is AHSPG4205C.

Our Company confirms that details of the permanent account number, aadhaar number, driving license number, bank account number(s) and passport number of our Promoter have been submitted to the Stock Exchange at the timing of filing the Draft Prospectus.

For additional details on the background, educational qualifications, experience in the business of our Company, positions / posts held in the past, term of appointment as Non-Executive Director and other directorships of our Promoter, please refer "*Our Management*" on page 124 of this Draft Prospectus.

Vineet Sukumar is a designated partner in Vivriti Fixed Income Fund – Series 3 IFSC LLP, Vivriti Fixed Income Fund – Series 4 IFSC LLP and Vivriti India CAT III LLP; and Gaurav Kumar is a designated partner in Finfort Infotech LLP, except as disclosed above and under the chapter "*Our Management*" on page 124, our Promoters are not interested in any other ventures.

Common pursuits of our Promoters

Our Promoters are not engaged in businesses similar to ours as on date of this prospectus.

Interest of our Promoters in our Company

Our Promoters are interested in our Company to the extent they have promoted our Company and to the extent: (i) of their shareholding in the Company and our Subsidiaries and other distributions in respect of the Equity Shares held by them; (ii) that Vineet Sukumar is the Managing Director of our Company and received remuneration from our Company in this regard; and Gaurav Kumar is the Non-Executive Director of our Company and received remuneration from our Company when he was designated as executive director of the Company; (iii) that Vineet Sukumar is also the managing director in one of our Subsidiaries, VAMPL and director on the board of our subsidiaries, namely, CAPL and CSPL; and Gaurav Kumar is also the managing director in two of our subsidiaries, namely, CAPL and CSPL and received remuneration in this regard. Gaurav Kumar is also a director on the board of subsidiaries, namely, Bluevine, Spocto, VAMPL. For additional details on the background, educational qualifications, experience in the business of our Company, positions / posts held in the past, term of appointment

as Non-Executive Director and other directorships of Gaurav Kumar, please refer " "*Our Management*" on page 124 of this Draft Prospectus. For further details, please see "*Capital Structure*" and "*Our Management*" on page 41 and 124, respectively, and as disclosed under "*Related Party Transactions*" segment of "*Financial Information*" beginning on page 331, as on the date of this Draft Prospectus, our Promoters do not have interests in our Company.

Our Promoters do not have any interest in any property acquired by our Company within two years preceding the date of filing of this Draft Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

Our Promoters do not propose to subscribe to this Issue.

Our Promoters have no financial or other material interest in the Issue and no benefit / interest will accrue to our Promoters out of the objects of the Issue.

Other understanding and confirmations

Our Company confirms that the Aadhaar number, Permanent Account Number, driving license number, passport number and Bank account number of the Promoters and Permanent Account Number of Directors have been submitted to the Stock Exchange at the time of filing this Draft Prospectus.

Our Promoters have confirmed that neither it nor its directors, have been identified as Wilful Defaulters by the RBI or any other governmental authority and are not a Promoter of any such company which has been identified as a Wilful Defaulter by the RBI or any other governmental authority or which has been in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months. Further, no members of our Promoter Group have been identified as Wilful Defaulters.

None of our Promoters have been declared as a fugitive economic offender.

No violation of securities laws has been committed by our Promoters in the past and no regulatory action before SEBI, RBI is currently pending against our Promoters except as disclosed in section titled "*Outstanding Litigations and Defaults*" on page 271. Our Promoters were not a promoter of any company which was delisted within a period of ten years preceding the date of this Draft Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations

Our Promoters and Promoter Group are not restrained or debarred or prohibited from accessing the capital markets or restrained or debarred or prohibited from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad and are not promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority

No benefit or interest will accrue to our Promoters out of the objects of the Issue.

Payment of benefits to our Promoters during the preceding three years

Other than as disclosed under "*Our Management*" segment of "*Financial Statements*" beginning on pages 124 and 331, respectively, our Company has not made payment of any benefit to our Promoters during the preceding three years preceding the date of this Draft Prospectus.

Details of Equity Shares allotted to our Promoters during the preceding three Fiscal Years

Except as disclosed under "*Capital Structure*" on page 41, our Promoters have not been allotted any Equity Shares of our Company during the preceding three Fiscal Years.

SECTION V: FINANCIAL INFORMATION

DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS

The outstanding borrowings of the Company as on June 30, 2023 (as per IND AS) is as follows:

Sr. No.	Nature of borrowings	Amount (in INR Lakh)
1.	Secured borrowings	499,493.53
2.	Unsecured borrowings	4,300.42
Total		**503,793.95**

DETAILS OF BORROWINGS OF THE COMPANY, AS ON JUNE 30, 2023

(a) Details of outstanding secured term loan facilities as on June 30, 2023:

Our Company's total principal amount outstanding for secured term loans from banks and financial institutions as on June 30, 2023 is INR 3,07,249.48 lakh and the total amount outstanding for secured term loans from banks and financial institutions as on June 30, 2023 (as per IND AS) is INR 3,06,634.81. The details of the borrowings are set out below:

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
1.	The Federal Bank Limited	September 22, 2020	Term Loan	2,000.00	166.55	Tenor: 36 months 36 monthly instalments commencing from the date of disbursement of the facility.	Exclusive charge over identified loan receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
2.	The Federal Bank Limited	March 10, 2021	Term Loan	2,500.00	700.36	Tenor: 36 months 36 monthly instalments commencing from the date of disbursement of the facility.	Exclusive charge over identified loan receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
3.	The Federal Bank Limited	September 20, 2021[2]	Term Loan	5,000.00	2,081.82	Tenor: 36 months 36 monthly instalments commencing from the date of disbursement of the facility.	Exclusive charge over identified loan receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
4.	The Federal Bank Limited	June 27, 2022[3]	Term Loan	14,500.00 with sub-limit for Foreign Currency Term Loan of 5,000.00 (in equivalent USD)[4]	Rupee Term Loan – 6,975.53 Foreign Currency Term Loan - 2,876.52	Tenor: 36 months 36 monthly instalments commencing from the date of disbursement of the facility.	Exclusive charge over identified loan receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard

[2] Sanction limits also consist of hedging exposure limit of INR 4,000.00 lakh with tenor of 60 months. The Company has to maintain 100% cash margin (under lien) for MTM losses beyond INR 2,000.00 lakh.
[3] Sanction limits also consist of renewed hedging exposure limit of INR 4,000.00 lakh with tenor of 60 months. The Company is required to maintain 100% cash margin (under lien) for MTM losses beyond INR 2,000.00 lakh.
[4] The Company has availed rupee term loan of INR 10,500.00 lakh and foreign currency term loan of INR 4,000.00 lakh (in equivalent USD).

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
5.	The Federal Bank Limited	May 04, 2023[5]	Foreign Currency Term Loan	5,000.00 (in equivalent USD)	4,987.40	Tenor: 36 months 30 equal monthly instalments with 6 months moratorium on principal repayments from the date of disbursement of the facility.	Exclusive charge over identified loan receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
6.	The Federal Bank Limited	June 12, 2023	Term Loan	5,000.00	5,011.22	Tenor: 36 months 30 equal monthly instalments with 6 months moratorium on principal repayments from the date of disbursement of the facility.	Exclusive charge over identified loan receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
7.	Bank of Baroda	December 13, 2022	Term Loan	5,000.00	4,126.81	Tenor: 36 months 36 equal monthly instalments commencing from the next month after first drawdown of the facility.	(i) Exclusive charge over the specific book debts / loan receivables arising from onward lending undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard

[5] Sanction limits also consist of renewed hedging exposure limit of INR 4,000.00 lakh with tenor of 60 months. The Company is required to maintain 100% cash margin (under lien) for MTM losses beyond INR 2,000.00 lakh.

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							(ii) Charge over the whole of the Company's stocks (including all stocks of raw materials, work-in-progress, semi-finished electronic equipment and software), book-debts, outstanding moneys, receivables, claims, bills, contracts, engagements and securities, and all tangible movable machinery and plant and cranes, boats and crafts and vehicles together with spares, tools and accessories and other movables and the furniture, fixtures and fittings and office equipment, both present and future.		
8.	NABKISAN Finance Limited	September 24, 2020	Term Loan	3,000.00	249.92	Tenor: 36 months 12 equal quarterly instalments without any moratorium.	Charge by way of hypothecation over loan receivables, cash and bank balances, stocks (if any) and other movable / immovable assets of the	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							Company, arising from onward lending undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained.		
9.	NABKISAN Finance Limited	January 7, 2022	Term Loan	3,000.00	1,497.50	Tenor: 36 months 12 equal quarterly instalments without any moratorium.	First and exclusive charge by way of hypothecation over standard book debts and loan receivables, cash and bank balances, stocks (if any) and other movable / immovable assets of the Company, arising from onward lending undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
10.	NABKISAN Finance Limited	November 18, 2022	Term Loan	5,000.00	4,990.36	Tenor: 36 months 10 equal quarterly instalments after moratorium period of 2 quarters.	First and exclusive charge by way of hypothecation over standard book debts, loan receivables, cash and bank balances, stocks (if any) and other movable / immovable assets of the Company, arising from onward lending	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained.		
11.	NABSAMRUDDHI Finance Limited	July 23, 2021	Term Loan	1,350.00	756.68	Tenor: 42 months 36 equated monthly instalments after principal moratorium of 6 months.	Exclusive charge by way of hypothecation over assets / specific pool of receivables and all book debts arising from onward lending undertaken by the Company from proceeds of the loan or in possession of the Company, present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
12.	NABSAMRUDDHI Finance Limited	October 28, 2020	Term Loan	1,500.00	235.12	Tenor: 36 months 36 equated monthly instalments.	Exclusive charge by way of hypothecation over assets / specific pool of receivables and all book debts arising from onward lending undertaken by the Company from proceeds of the loan or in possession of the Company, present and future, such that the security cover stipulated	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							by the lender is maintained.		
13.	NABSAMRUDDHI Finance Limited	December 2, 2022	Term Loan	1,800.00	1,792.09	Tenor: 42 months 36 equated monthly instalments after principal moratorium of 6 months.	Exclusive charge by way of hypothecation over assets / specific pool of receivables and all book debts arising from onward lending undertaken by the Company from proceeds of the loan or in possession of the Company, present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
14.	Hinduja Leyland Finance Limited	December 31, 2020	Term Loan	850.00	161.35	Tenor: 36 months 36 equal monthly instalments commencing one month from the date of	First and exclusive charge by way of hypothecation over all the unencumbered receivables of the Company arising from onward lending undertaken by the	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						disbursement of the facility.	Company from proceeds of the loan such that the security cover stipulated by the lender is maintained.		
15.	Hinduja Leyland Finance Limited	September 27, 2021	Term Loan	3,000.00	1,365.75	Tenor: 36 months 36 equal monthly instalments commencing one month from the date of disbursement of the facility.	First and exclusive charge by way of hypothecation over all of the unencumbered receivables arising from onward lending undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
16.	Hinduja Leyland Finance Limited	March 30, 2022	Term Loan	1,800.00	1,116.68	Tenor: 36 months 36 equal monthly instalments commencing one month from the date of disbursement of the facility.	First and exclusive charge by way of hypothecation over all of the unencumbered receivables arising from onward lending undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
17.	Hinduja Leyland Finance Limited	March 9, 2023	Term Loan	1,700.00	1,582.23	Tenor: 36 months 36 equal instalments commencing one month	First and exclusive charge by way of hypothecation over all of the unencumbered	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						from the date of disbursement of the facility.	receivables arising from onward lending undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained.		
18.	Tata Capital Financial Services Limited	September 29, 2021	Term Loan	3,000.00	711.69	Tenor: 24 months 24 equal monthly instalments till maturity of the facility.	First and exclusive charge by way of hypothecation over the book debts of the Company arising from onward lending undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
19.	Tata Capital Financial Services Limited	September 27, 2022	Term Loan	4,000.00	2,527.01	Tenor: 24 months 24 equal monthly instalments till maturity of the facility.	First and exclusive charge by way of hypothecation over the book debts of the Company arising from onward lending undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
20.	Kotak Mahindra Investments Limited	June 16, 2021	Term Loan	5,000.00	1,811.82	Tenor: 36 months 36 equal monthly instalments commencing from subsequent month from first disbursement of the facility.	First and exclusive charge by way of hypothecation over the Company's existing and future identified book debts and loan receivables such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
21.	MAS Financial Services Limited	September 23, 2021	Term Loan	3,000.00	376.05	Tenor: 24 months 24 equal monthly instalments.	Exclusive charge by way of hypothecation over all that loan assets and book debts of the Company which are sufficient to maintain the security cover stipulated by the lender.	CARE A Positive / ICRA A Stable	Standard
22.	MAS Financial Services Limited	December 21, 2021	Term Loan	4,000.00	1,002.62	Tenor: 24 months 24 equal monthly instalments.	Exclusive charge by way of hypothecation over all that loan assets and book debts of the Company which are sufficient to maintain the security cover stipulated by the lender.	CARE A Positive / ICRA A Stable	Standard
23.	MAS Financial Services Limited	February 2, 2022	Term Loan	3,000.00	1,005.61	Tenor: 24 months 24 equal monthly instalments.	Exclusive charge by way of hypothecation over all that loan assets and book debts of the Company which are sufficient to maintain the security cover stipulated by the	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							lender.		
24.	MAS Financial Services Limited	June 25, 2022	Term Loan	3,000.00	1,635.91	Tenor: 24 months 24 equal monthly instalments.	Exclusive charge by way of hypothecation over all that loan assets and book debts of the Company which are sufficient to maintain the security cover stipulated by the lender.	CARE A Positive / ICRA A Stable	Standard
25.	ESAF Small Finance Bank Limited	December 18, 2020	Term Loan	2,500.00	427.74	Tenor: 36 months 35 monthly instalments after one month initial holiday.	First and exclusive charge by way of hypothecation over loan receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
26.	ESAF Small Finance Bank Limited	December 3, 2021	Term Loan	2,500.00	1,361.33	Tenor: 36 months 33 monthly instalments after initial three months' repayment holiday.	First and exclusive charge by way of hypothecation over identified portfolio of book debts and receivables of the Company arising from onward lending undertaken by the Company from proceeds of the loan such that the	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							security cover stipulated by the lender is maintained.		
27.	CSB Bank Limited	December 30, 2020	Term Loan	2,500.00	834.18	Tenor: 40 months 12 equal quarterly instalments with the first instalment being due on July 31, 2021.	First and exclusive charge by way of hypothecation over specific loan receivables portfolio of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
28.	Kisetsu Saison Finance (India) Private Limited	February 23, 2023	Term Loan	7,500.00	7547.78	Tenor: 24 months (from the date of drawdown of respective tranche). 4 instalments payable on a semi-annual basis on the 15th day of every month from the date of disbursement of the facility.	First and exclusive charge by way of hypothecation over identified receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
29.	Sundaram Finance Limited	August 23, 2021	Term Loan	2,500.00	229.33	Tenor: 24 months 24 equal monthly instalments with the first instalment payable on September 22, 2021.	First and exclusive charge by way of hypothecation over identified receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
30.	Bajaj Finserv Limited	November 25, 2021	Term Loan	2,500 .00	639.00	Tenor: 24 months (from the date of first drawdown) 24 equal monthly instalments.	First and exclusive charge by way of hypothecation over the specific & identified loan receivables of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
31.	Bajaj Finserv Limited	September 21, 2022	Term Loan	2,500.00	1,674.63	Tenor: 24 months (from the date of first drawdown) 24 equal monthly instalments.	First and exclusive charge by way of hypothecation over the specific & identified loan receivables of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
32.	Bajaj Finserv Limited	May 11, 2023	Term Loan	3,000.00[6]	2,886.15	Tenor: 24 months (from the date of first drawdown) 24 equal monthly instalments.	First and exclusive charge by way of hypothecation over the specific & identified loan receivables of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard

[6] Total exposure of Bajaj Finserv Limited to the Company to not exceed INR 5,719.00 lakh.

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
33.	Aditya Birla Finance Limited	November 30, 2021	Term Loan	3,000.00	1,620.98	Tenor: 36 months from the date of first disbursement. 36 equal quarterly principal instalments.	Exclusive charge by way of hypothecation over the Company's current assets and specifically identified loan receivables, outstanding moneys, claims and demands, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
34.	Cholamandalam Investment and Finance Company Limited	February 28, 2022	Term Loan	1,469.00[7]	526.07	Tenor: 24 months 24 equated monthly instalments payable on 1st day of each month.	Exclusive charge by way of hypothecation over specific receivables of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
35.	HDFC Bank Limited	June 29, 2022	Term Loan	5,000.00	2,498.26	Tenor: 24 months 24 equal monthly instalments from the date of disbursement of the facility.	First and exclusive charge by way of hypothecation over all the book debts, amounts outstanding, monies receivable, claims and bills of the Company, both present and future.	CARE A Positive / ICRA A Stable	Standard

[7] Total exposure of Cholamandalam Investment and Finance Company Limited to the Company to not exceed INR 2,000.00 lakh.

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
36.	HDFC Bank Limited	February 27, 2023	Term Loan	3,000.00	2,496.14	Tenor: 24 months 24 monthly instalments from the date of disbursement of the facility.	First and exclusive charge by way of hypothecation over specific book debts, amounts outstanding, monies receivable, claims and bills of the Company, both present and future.	CARE A Positive / ICRA A Stable	Standard
37.	Suryoday Small Finance Bank Limited	June 29, 2022	Term Loan	2,500.00	208.08	Tenor: 12 months 12 equated monthly instalments due on 5th of every month.	First ranking exclusive and continuing charge by way of hypothecation over portfolio of receivables and all outstanding, monies, receivables, claims and bills of the Company, present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
38.	Suryoday Small Finance Bank Limited	March 21, 2023	Term Loan	4,000.00	3,153.14	Tenor: 9 months 9 equated monthly instalments due on 5th of every month.	First ranking exclusive and continuing charge by way of hypothecation over identified book debt on portfolio of receivables and all outstanding, monies, receivables, claims and bills of the Company, present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
39.	Hero FinCorp Limited	June 29, 2022	Term Loan	5,000.00	2,726.82	Tenor: 24 months (from the date of first disbursement) 24 equal monthly instalments.	First ranking and exclusive continuing charge by way of hypothecation over present and future receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
40.	Hero FinCorp Limited	March 23, 2023	Term Loan	5,000.00	4,194.19	Tenor: 12 months (from the date of first disbursement) 12 equal monthly instalments.	First ranking and exclusive continuing charge by way of hypothecation over present and future receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
41.	Karnataka Bank Limited	July 23, 2021	Term Loan	2,000.00	748.24	Tenor: 30 months 8 equal quarterly instalments after an initial holiday period of 6 months.	Charge by way of hypothecation over present and future receivables / book debts of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
42.	Karnataka Bank Limited	August 18, 2022	Term Loan	3,500.00	2,647.64	Tenor: 36 months 36 equal monthly instalments from the date of disbursement of the facility.	Charge by way of hypothecation over present and future receivables / book debts of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
43.	Capital Small Finance Bank Limited	September 22, 2021	Term Loan	1,200.00	460.16	Tenor: 36 months 36 equal monthly instalments commencing from November 1, 2021.	First and exclusive charge by way of hypothecation over the present and future goods, stocks of raw materials, work in process, finished goods, consumables, stores and spares, and the present and future book debts, outstanding decrees, money receivables, claims, securities, government subsidies, investments, rights and other movable assets of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
44.	Capital Small Finance Bank Limited	July 11, 2022	Term Loan	800.00	451.49	Tenor: 36 months 36 equal monthly instalments commencing from August 1, 2022.	First and exclusive charge by way of hypothecation over specific identified book debts of the Company such that the security cover stipulated by the	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							lender is maintained.		
45.	Capital Small Finance Bank Limited	February 16, 2023	Term Loan	1,500.00[8]	1,333.61	Tenor: 42 months 42 equal monthly instalments commencing from April 1, 2023.	First and exclusive charge by way of hypothecation over specific identified book debts of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
46.	Bank of India	June 15, 2020	Term Loan	4,000.00	1,990.12	Tenor: 54 months 14 quarterly instalments after initial moratorium period of 12 months from the date of first disbursement of the facility.	(i) Exclusive charge by way of hypothecation over specific standard book debts such that the security cover stipulated by the lender is maintained. (ii) Charge by way of hypothecation over all present and future book-debts, outstandings, money receivables, claims and bills of	CARE A Positive / ICRA A Stable	Standard

[8] Total exposure of Capital Small Finance Bank Limited to the Company to not exceed INR 2,700.00 lakh.

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							the Company, both present and future.		
47.	Small Industries Development Bank of India	March 23, 2022	Term Loan	15,000.00	8,169.52	Tenor: 36 months Monthly installments after moratorium of 6 months from the date of each tranche of disbursement, commencing from 10th day of the month in which the moratorium ends.	Exclusive charge by way of hypothecation over specified book debts, outstanding moneys, receivables, claims, bills, contracts, engagements and securities of secured loans provided by the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
48.	Small Industries Development Bank of India	March 30, 2022	Term Loan	15,000.00	10,557.97	Tenor: 36 months Monthly installments after a moratorium period of 6 months from the date of each tranche of disbursement, commencing from 10th day of the month in which the moratorium ends.	Exclusive charge by way of hypothecation over specified book debts, outstanding moneys, receivables, claims, bills, contracts, engagements and securities of secured loans provided by the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
49.	Small Industries Development Bank of India	June 27, 2023	Term Loan	15,000.00	14,998.42	Tenor: 36 months Equal quarterly instalments commencing after a moratorium period of 3	Exclusive charge by way of hypothecation over specified book debts, outstanding moneys, receivables, claims, bills, contracts, engagements	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						months from the date of each tranche of disbursement.	and securities of the Company, present and future, such that the security cover stipulated by the lender is maintained.		
50.	Union Bank of India	March 25, 2022	Term Loan	6,000.00	4,091.95	Tenor: 48 months 16 quarterly instalments commencing from the date of first disbursement of the facility.	First charge by way of hypothecation over the Company's present and future book debts, outstanding monies, deposits, receivables, bills, contract securities, investments, rights and assets (except property otherwise charged to the bank).	CARE A Positive / ICRA A Stable	Standard
51.	Union Bank of India	March 30, 2023	Term Loan	5,000.00	4,645.93	Tenor: 48 months 48 equal monthly instalments commencing from the date of first disbursement of the facility.	First charge by way of hypothecation over the Company's present and future book debts, outstanding monies, deposits, receivables, bills, contract securities, investments, rights and assets (except property otherwise charged to the bank).	CARE A Positive / ICRA A Stable	Standard
52.	DBS Bank Limited	August 24, 2022	Term Loan	2,500.00	1,651.85	Tenor: 24 months (from the date of first drawdown including 3 months of principal	(i) First and exclusive charge by way of hypothecation over all of the Company's present	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						repayment moratorium) 21 equal monthly instalments commencing from completion of principal repayment moratorium period.	and future book debts, outstanding monies receivables, claims, bills contracts, engagements, securities, investments, rights and assets. (ii) First and exclusive charge by way of hypothecation over certain receivables of the Company such that the security cover stipulated by the lender is maintained.		
53.	Bank of Maharashtra	September 13, 2022	Term Loan	10,000.00	8,902.25	Tenor: 36 months 10 equal quarterly instalments after moratorium period of 6 months from the date of first disbursement of the facility.	First ranking charge by way of hypothecation over the Company's present and future goods, book debts, outstanding's moneys receivables (including rent receivables), other claims, bills and other current assets, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
54.	SBM Bank (India) Limited	December 16, 2022	Term Loan	2,750.00	2,064.16	Tenor: 24 months 8 equal quarterly instalments with no moratorium.	First and exclusive charge by way of hypothecation over receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
55.	Piramal Enterprises Limited	January 31, 2023	Term Loan	3,000.00	2,517.15	Tenor: 24 months 24 equated monthly instalments commencing from the date of first disbursement.	Exclusive charge by way of hypothecation over the identified / allocated book debts of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
56.	AU Small Finance Bank	October 21, 2021	Term Loan	3,000.00	630.14	Tenor: 24 months 24 monthly instalments commencing from the following month form the date of full disbursement of the facility.	First and exclusive charge by way of hypothecation over present and future loan receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
57.	AU Small Finance Bank	March 17, 2023	Term Loan	2,500.00	2,288.99	Tenor: 24 months 24 monthly instalments commencing from the following month form the date of full disbursement of the	First and exclusive charge by way of hypothecation over present and future loan receivables of the Company such that the security cover stipulated	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						facility.	by the lender is maintained.		
58.	Karur Vysya Bank	December 30, 2021	Term Loan	5,000.00	2,485.60	Tenor: 36 months 12 quarterly instalments without any holiday period.	Exclusive charge by way of hypothecation over specific loan assets / receivables of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
59.	Karur Vysya Bank	September 20, 2022	Term Loan	5,000.00	3,735.71	Tenor: 36 months 12 quarterly instalments without initial holiday period.	Charge by way of hypothecation over specific receivables of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
60.	Karur Vysya Bank	June 19, 2023	Term Loan	5,000.00	4,967.45	Tenor: 48 months 16 quarterly instalments without initial holiday period.	Charge by way of hypothecation over specific receivables of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
61.	State Bank of India	October 18, 2022	Term Loan	25,000.00	21,033.73	Tenor: 36 months 33 monthly instalments commencing after moratorium of 3 months	First and exclusive charge by way of hypothecation over specific book debts and receivables arising from	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						from the date of first disbursement of the facility.	onward lending undertaken by the Company from proceeds of the loan, both present and future, such that the security cover stipulated by the lender is maintained.		
62.	IndusInd Bank Limited	September 23, 2021	Term Loan	5,000.00	1,874.12	Tenor: 36 months 36 equal monthly instalments.	(i) Exclusive charge by way of hypothecation over identified book debts/ receivables of the Company such that the security cover stipulated by the lender is maintained. (ii) Charge by way of hypothecation over all present and future book-debts, outstanding moneys, receivables, claims and bills, due and owing to the Company. (iii) Charge by way of hypothecation over all present and future rights, title, interest, benefits,	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							receivables, claims, receivable by way of sale proceeds, lease rentals and demands of the Company in respect of the immovable property.		
63.	IndusInd Bank Limited	December 28, 2022	Term Loan	10,000.00	8,117.57	Tenor: 36 months 36 equal monthly instalments.	(i) Exclusive charge by way of hypothecation over identified book debts/ receivables of the Company such that the security cover stipulated by the lender is maintained. (ii) Charge by way of hypothecation over all present and future book-debts, outstanding moneys, receivables, claims and bills, due and owing to the Company. (iii) Charge by way of hypothecation over all present and future rights, title, interest, benefits,	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							receivables, claims, receivable by way of sale proceeds, lease rentals and demands of the Company in respect of the immovable property.		
64.	Bandhan Bank Limited	March 15, 2022	Term Loan	10,000.00	6,637.79	Tenor: 36 months 12 equal quarterly instalments with nil moratorium.	First and exclusive charge by way of hypothecation over book debts arising from onward lending undertaken by the Company from proceeds of the loan, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
65.	Indian Overseas Bank	February 22, 2022	Term Loan	2,500.00	1,371.33	Tenor: 36 months 36 monthly instalments from the date of first disbursement of the facility.	Exclusive charge by way of hypothecation over receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
66.	Axis Bank Limited	January 20, 2022	Term Loan	2,500.00	828.69	Tenor: 24 months 24 monthly instalments commencing at the end of one month from the date of first disbursement of the facility.	First and exclusive floating charge by way of hypothecation over receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
67.	Axis Bank Limited	December 26, 2022	Term Loan	7,500.00	5,608.33	Tenor: 24 months 24 equal monthly instalments commencing at the end of one month from the date of first disbursement of the facility.	First and exclusive floating charge by way of hypothecation over receivables of the Company such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
68.	Canara Bank	September 30, 2021	Term Loan	5,000.00	1,992.51	Tenor: 36 months from the date of first disbursement 36 monthly instalments.	First and exclusive floating charge by way of hypothecation over identified receivables of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
69.	Canara Bank	March 18, 2023	Term Loan	7,000.00	6,457.98	Tenor: 36 months from the date of first disbursement 36 monthly instalments.	First and exclusive floating charge by way of hypothecation over specific receivables of the Company, both present and future, such that the security cover	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							stipulated by the lender is maintained.		
70.	Kotak Mahindra Bank Limited	September 6, 2021	Term Loan	6,000.00	750.47	Tenor: 24 months 24 monthly principal instalments commencing from the month following the month of disbursement for each tranche.	First charge by way of hypothecation over receivables of the Company arising from onward lending undertaken by the Company from proceeds of the loan and book debts, receivables, outstanding moneys, claims, demands, bills, contracts, engagements and securities of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
71.	Kotak Mahindra Bank Limited	February 8, 2022	Term Loan	10,000.00	3,494.52	Tenor: 24 months 24 monthly instalments commencing from the month following the month of disbursement for each tranche.	First charge by way of hypothecation over receivables of the Company arising from onward lending undertaken by the Company from proceeds of the loan and book debts, receivables, outstanding moneys, claims, demands, bills, contracts, engagements and securities of the Company, both present	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							and future, such that the security cover stipulated by the lender is maintained.		
72.	Kotak Mahindra Bank Limited	September 22, 2022	Term Loan	15,000.00	10,755.14	Tenor: 24 months 24 monthly instalments commencing from the month following the month of disbursement for each tranche.	First charge by way of hypothecation over whole of the current assets and book debts, receivables, outstanding moneys, claims, demands, bills, contracts, engagements and securities of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
73.	Kotak Mahindra Bank Limited	June 26, 2023	Term Loan	15,000.00[9]	8,970.45	Tenor: 24 months 24 monthly instalments commencing from the month following the month of disbursement for each tranche.	First charge by way of hypothecation over whole of the current assets and book debts, receivables, outstanding moneys, claims, demands, bills, contracts, engagements and securities of the Company, both present and future, such that the security cover stipulated by the lender is	CARE A Positive / ICRA A Stable	Standard

[9] Total exposure of Kotak Mahindra Bank Limited to the Company to not exceed INR 27,500.00 lakh.

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							maintained.		
74.	IDFC First Bank Limited	October 29, 2022	Term Loan	10,000.00	6,666.65	Tenor: 24 months 24 monthly instalments.	Exclusive charge by way of hypothecation over specific identified receivables and book debts of the Company including all rights, title, interest, benefits, claims and demand in relation to the underlying facility portfolio, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
75.	IDFC First Bank Limited	March 27, 2023	Term Loan	7,500.00	6,564.15	Tenor: 24 months 24 monthly instalments.	First and exclusive charge by way of hypothecation over specific identified receivables and book debts of the Company including all rights, title, interest, benefits, claims and demand in relation to the underlying facility portfolio, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
76.	RBL Bank Limited	July 6, 2021	Term Loan	7,500.00	626.81	Tenor: 24 months (for each tranche) Monthly amortizing instalments after	First and exclusive (floating) charge by way of hypothecation over all tangible and intangible assets of the Company	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						moratorium of 2 months.	including portfolio of receivables as acceptable to the bank, both present and future, such that the security cover stipulated by the lender is maintained.		
77.	RBL Bank Limited	February 25, 2022	Term Loan	10,000.00	4,684.19	Tenor: 24 months (for each tranche) Monthly amortizing instalments after moratorium of 2 months.	First and exclusive (floating) charge by way of hypothecation over all tangible and intangible assets of the Company including portfolio of receivables as acceptable to the bank, both present and future, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
78.	RBL Bank Limited	February 28, 2023	Term Loan	19,900.00	14,432.79[10]	Tenor: 24 months (for each tranche with nil moratorium) Equated monthly amortizing instalments.	First and exclusive (floating) charge by way of hypothecation over all tangible and intangible assets of the Company including book-debts, outstanding, money receivables, claims, bills and portfolio of receivables as acceptable to the bank, both present and future, such that the security cover stipulated	CARE A Positive / ICRA A Stable	Standard

[10] The Company has availed INR 16,100.00 lakhs under this facility as on June 30, 2023.

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							by the lender is maintained.		
79.	Ujjivan Small Finance Bank	August 30, 2021	Term Loan	2,000.00	166.54	Tenor: 24 months 24 equated monthly instalments commencing form the date of first disbursement of the facility.	Exclusive and first ranking floating charge by way of hypothecation over specific book debts and receivables of the Company, both present and future including all rights and assets in relation to the underlying loans, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
80.	Ujjivan Small Finance Bank	February 24, 2022	Term Loan	2,000.00	665.54	Tenor: 24 months 24 equated monthly instalments from the date of first disbursement of the facility.	Exclusive and first ranking floating charge by way of hypothecation over specific book debts and receivables of the Company, both present and future including all rights and assets in relation to the underlying loans, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
81.	Ujjivan Small Finance Bank	November 24, 2022	Term Loan	3,000.00	2,203.58	Tenor: 24 months 24 equated monthly instalments from the date of first disbursement of the	Exclusive and first ranking floating charge by way of hypothecation over specific book debts and receivables of the Company, both present and future including all	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						facility.	rights and assets in relation to the underlying loans, such that the security cover stipulated by the lender is maintained.		
82.	Ujjivan Small Finance Bank	June 23, 2023	Term Loan	2,000.00[11]	1,994.30	Tenor: 24 Months 24 equated monthly instalments from the date of first disbursement of the facility.	Exclusive and first ranking floating charge by way of hypothecation over specific book debts and receivables of the Company, both present and future including all rights and assets in relation to the underlying loans, such that the security cover stipulated by the lender is maintained.	CARE A Positive / ICRA A Stable	Standard
83.	YES Bank Limited	November 4, 2021	Term Loan	3,000.00	625.03	Tenor: 24 months 24 equal monthly principal repayments starting one month post disbursement of the facility.	First and exclusive charge by way of hypothecation over all of the Company's current assets, and all monies, securities, contractor guarantees, performance bonds, cash flows, book debt and receivables, all book debts, all cash flows, revenues, bank accounts together with investments, fixed deposits and any letter of credit provided in favour	CARE A Positive / ICRA A Stable	Standard

[11] Total exposure of Ujjivan Small Finance Bank to the Company to not exceed INR 5,333.00 lakh.

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							of the Company including all loan assets / book debts arising arising from onward lending undertaken by the Company from proceeds of the loan, both present and future, such that the security cover stipulated by the lender is maintained.		
84.	YES Bank Limited	September 28, 2022	Term Loan	10,000.00[12]	6,754.66	Tenor: 24 months 24 equal monthly principal repayments starting one month post disbursement of the facility.	First and exclusive charge by way of hypothecation over all of the Company's current assets, and all monies, securities, contractor guarantees, performance bonds, cash flows, book debt and receivables, all book debts, all cash flows, revenues, bank accounts together with investments, fixed deposits and any letter of credit provided in favour of the Company including all loan assets / book debts arising from onward lending undertaken by the Company from proceeds of the loan, both present	CARE A Positive / ICRA A Stable	Standard

[12] Total exposure of YES Bank Limited to the Company to not exceed INR 10,000.00 lakh.

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							and future, such that the security cover stipulated by the lender is maintained.		
85.	Utkarsh Small Finance Bank Limited	September 22, 2021	Term Loan	2,000.00	249.75	Tenor: 24 months 24 monthly instalments commencing from the date of disbursement of the facility.	First and exclusive charge by way of hypothecation over book debts/ loan assets of the Company arising from onward lending undertaken by the Company from proceeds of the loan, both present or future, which is sufficient to maintain the security cover stipulated by the lender.	CARE A Positive / ICRA A Stable	Standard
86.	Utkarsh Small Finance Bank Limited	February 26, 2022	Term Loan	2,000.00	666.19	Tenor: 24 months 24 equal monthly instalments commencing from the date of disbursement of the facility.	First and exclusive charge by way of hypothecation over book debts/ loan assets of the Company arising from onward lending undertaken by the Company from proceeds of the loan, both present or future, which is sufficient to maintain the security cover stipulated by the lender.	CARE A Positive / ICRA A Stable	Standard
87.	Utkarsh Small Finance Bank Limited	September 27, 2022	Term Loan	2,300.00	1,738.81	Tenor: 37 months 37 equal monthly	First and exclusive charge by way of hypothecation over book	CARE A Positive / ICRA	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
						instalments commencing from the date of disbursement of the facility.	debts/ loan assets of the Company arising from onward lending undertaken by the Company from proceeds of the loan, both present or future, which is sufficient to maintain the security cover stipulated by the lender.	A Stable	
88.	Utkarsh Small Finance Bank Limited	March 27, 2023	Term Loan	1,650.00	1,441.85	Tenor: 24 months 24 equal monthly instalments commencing from the date of disbursement of the facility.	First and exclusive charge by way of hypothecation over book debts/ loan assets of the Company arising from onward lending undertaken by the Company from proceeds of the loan, both present or future, which is sufficient to maintain the security cover stipulated by the lender.	CARE A Positive / ICRA A Stable	Standard
89.	Indian Bank	March 17, 2021	Term Loan	10,000.00	4,381.10	Tenor: 48 months 16 quarterly instalments payable at the end of each quarter from the date of first disbursement.	First charge over all goods, produce and merchandise, and book debts, outstanding monies, recoverable claims, bills, contracts, engagements, securities, investments, rights and assets of the Company, both present and future.	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
90.	Indian Bank	December 22, 2021	Term Loan	4,000.00	2,777.20	Tenor: 60 months 20 quarterly instalments payable at the end of each quarter from the date of first disbursement.	First charge over all goods, produce and merchandise, vehicles, plant and machinery, consumer durables, and book debts, outstanding monies, recoverable claims, bills, contracts, engagements, securities, investments, rights and assets of the Company, both present and future.	CARE A Positive / ICRA A Stable	Standard
91.	Indian Bank	February 6, 2023	Term Loan	5,000.00	4,705.16	Tenor: 48 months 16 quarterly instalments payable at the end of each quarter from the date of first disbursement.	First charge over all goods, produce and merchandise, vehicles, plant and machinery, consumer durables, and book debts, outstanding monies, recoverable claims, bills, contracts, engagements, securities, investments, rights and assets of the Company, both present and future.	CARE A Positive / ICRA A Stable	Standard
92.	South Indian Bank Limited	March 24, 2021	Term Loan	1,000.00	100.00	Tenor: 30 months 30 equated monthly instalments.	First and exclusive charge by way of hypothecation over book debts / loan assets of the Company, both present and future, which is sufficient to maintain the security cover stipulated by the lender.	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
93.	South Indian Bank Limited	February 15, 2022	Term Loan	1,500.00	833.09	Tenor: 36 months 36 monthly principal instalments.	Charge by way of hypothecation over: (i) all the present and future actionable claims and other movable property including book debts, decrees and decretal debts, outstanding moneys receivables, hire purchase receivables / documents and contractual rights arising therefrom, other claims, bills (including government supply bills), contracts, securities, investments, bank deposits and other deposits, beneficial rights to other movable property and other assets of the Company. (ii) all kinds of machinery and/or vehicles, its/their accessories, implements etc. purchased by or	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							belonging to the Company; and (iii) all the tangible movable properties including stock-in-trade and goods of the Company.		
94.	Dhanlaxmi Bank Limited	August 17, 2021	Term Loan	2,500.00	1,161.60	Tenor: 36 months (including initial holiday of 6 months) 10 equal quarterly instalments commencing from February 18, 2022.	(i) Charge by way of hypothecation over all present and future produce, goods and other movable properties including machinery, equipment, stocks, receivables, book debts, furniture and fixtures, and vehicles of the Company including book debts arising from onward lending undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained. (ii) Charge by way of hypothecation over	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							all present and future actionable claims and other movable property including book debts, decrees and decretal debts, outstanding moneys receivables, hire purchase receivables / documents and contractual rights arising therefrom, other claims, bills (including government supply bills), contracts, securities, investments, bank deposits and other deposits, beneficial rights to other movable property and other assets of the Company.		
95.	Dhanlaxmi Bank Limited	December 8, 2021	Term Loan	2,500.00	1,368.14	Tenor: 36 months (including initial holiday of 3 months) 11 equal quarterly instalments commencing from June 8, 2022.	(i) Charge by way of hypothecation over all present and future produce, goods and other movable properties including machinery, equipment, stocks,	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							receivables, book debts, furniture and fixtures, and vehicles of the Company including book debts arising from onward lending undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained. (ii) Charge by way of hypothecation over all present and future actionable claims and other movable property including book debts, decrees and decretal debts, outstanding moneys receivables, hire purchase receivables / documents and contractual rights arising therefrom, other claims, bills (including government supply bills), contracts,		

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							securities, investments, bank deposits and other deposits, beneficial rights to other movable property and other assets of the Company.		
96.	Dhanlaxmi Bank Limited	March 23, 2023	Term Loan	2,000.00	1,828.14	Tenor: 36 months 36 equal monthly instalments.	(i) Charge by way of hypothecation over all present and future produce, goods and other movable properties including machinery, equipment, stocks, receivables, book debts, furniture and fixtures, and vehicles of the Company including book debts arising from onward lending undertaken by the Company from proceeds of the loan such that the security cover stipulated by the lender is maintained. (ii) Charge by way of hypothecation over	CARE A Positive / ICRA A Stable	Standard

Sr. No.	Name of Lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR Lakh)	Principal Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR Lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
							all present and future actionable claims and other movable property including book debts, decrees and decretal debts, outstanding moneys receivables, hire purchase receivables / documents and contractual rights arising therefrom, other claims, bills (including government supply bills), contracts, securities, investments, bank deposits and other deposits, beneficial rights to other movable property and other assets of the Company.		

**Note:*

(i) This table only captures details relating to scheduled repayments. Under the financing documents other amounts such as default penal or additional interest or premium may also be payable on the occurrence of (or absence of) certain events, such prepayment, as also other costs, fees, indemnity payments and reimbursements may also be payable in terms of the financing documents. The prepayment premium, where payable, is typically in the range of up to 2-4% of the prepaid amount.

(ii) Interest rates are typically floating and linked to benchmark agreed with the creditors (such as 3 months / 6 months / 12 months MCLR, RBI repo rate, lender's prime lending rate etc.).

(iii) In case of secured indebtedness, the stipulated security cover ranges from 1.10x to 1.25x. In certain cases, security cover is calculated only on the basis of identified criteria of the underlying assets (such as standard assets, secured book debts, unencumbered receivables, principal component (excluding interest) of the loan assets, nil overdue, DPD of not more than 30 days, PAR of less than 90 days, priority sector loans, loans originated exclusively by our Company (i.e. not from co-lending), priority sector loan assets etc.)

(iv) Ranking and extent of charge and identification of charged assets is agreed through exchange of emails / written correspondence with lenders on a periodic basis.

(v) In certain cases, our Company has also provided demand promissory notes and post-dated cheques to the creditors.
(vi) Additionally, one or both of our Promoters have provided personal guarantees to certain creditors in relation to the indebtedness availed by our Company.

(b) Details of external commercial borrowings:

Our Company's total principal amount outstanding for external commercial borrowings as on June 30, 2023 is USD 100.00 lakh and the total amount outstanding for external commercial borrowings as on June 30, 2023 (as per IND AS) is INR 8,197.24 lakh. The details of the borrowings are set out below:

Sr. No.	Name of lender	Date of Sanction	Type of Facility	Amount Sanctioned (in USD lakh)	Principal Amount outstanding as on June 30, 2023 (as per IND AS) (in INR lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
1.	Calvert Impact Capital Inc.	November 19, 2021	External Commercial Borrowing	100.00	8,197.24	Tenor: 60 months 6 equal semi-annual payments commencing from 30th month from the date of disbursement of the facility.	First and exclusive charge by way of hypothecation over identified receivables of the Company such that the security cover stipulated by the lender is maintained.	Not Applicable	Standard

** Note: Interest rate is floating and linked to 6 months USD LIBOR or SOFR.*

(c) Details of cash credit, working capital demand loans and overdraft facilities:

Our Company's total principal amount outstanding for cash credit, working capital demand loans and overdraft facilities as on June 30, 2023 amounts to INR 48,587.53 lakh and the total amount outstanding for cash credit, working capital demand loans and overdraft facilities as on June 30, 2023 (as per IND AS) amounts to INR 48,607.42 lakh. The details of the borrowings are set out below:

Sr. No.	Name of lender	Date of Sanction	Type of Facility	Amount Sanctioned (in INR lakh)	Principal Amount outstanding (as on June 30, 2023, as per IND AS) (in INR lakh)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
1.	Indian Bank	February 6, 2023	Cash Credit	1,000.00	1,008.59	Tenor: 12 months	First charge over all goods, produce and merchandise, vehicles, plant and machinery, consumer durables, and book	Not Applicable	Standard

						Repayable on demand.	debts, outstanding monies, recoverable claims, bills, contracts, engagements, securities, investments, rights and assets of the Company, both present and future.		
2.	IndusInd Bank Limited	December 28,2022	Working Capital Demand Loan	2,500.00	2,481.57[13]	Tenor: 12 months Repayable on demand.	(i) Exclusive charge by way of hypothecation over identified book debts/ receivables of the Company such that the security cover stipulated by the lender is maintained. (ii) Charge by way of hypothecation over all present and future book-debts, outstanding moneys, receivables, claims and bills, due and owing to the Company. (iii) Charge by way of hypothecation over all present and future rights, title, interest, benefits, receivables, claims, receivable by way of sale proceeds, lease rentals and demands of the Company in respect of the immovable property.	Not Applicable	Standard
3.	CSB Bank Limited	February 9, 2023	Working Capital Demand Loan	2,500.00	2,500.04	Maximum tenor of up to 90 days with an option to roll over every 90 days after a cooling period of one day.	Charge by way of hypothecation over specific book debts / loan receivables of the Company such that the security cover stipulated by the lender is maintained.	Not Applicable	Standard

[13] Sanction limits consist of working capital demand loan of INR 2,500.00 lakh with a cash credit sub-limit of INR 1,000.00 lakh. Since the Company has availed working capital demand loan of INR 2,500.00 lakh, no amount has been drawn/availed by the Company under the cash credit sub-limit.

						Repayable on demand.			
4.	DCB Bank	July 23, 2021	Working Capital Demand Loan	2,500.00	2,503.76	Maximum tenor of up to 89 days with an option to roll over after 2 days cooling period. Repayable on demand.	Exclusive charge by way of hypothecation over all present and future book debts, outstanding money receivables, claims and bills of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	Not Applicable	Standard
5.	South Indian Bank	July 22, 2022	Short Term Loan	2,500.00	2,499.84	Tenor: 12 months (for each tranche) Bullet repayment at the end of each tranche.	(i) First and exclusive charge by way of hypothecation over specific book debts such that the security cover stipulated by the lender is maintained and charge over all present and future produce, goods and other movable properties including machinery and vehicles of the Company. (ii) Charge by way of hypothecation over all present and future actionable claims and other movable property including book debts, decrees and decretal debts, outstanding moneys receivables, hire purchase receivables / documents and contractual rights arising therefrom, other claims, bills (including government supply bills), contracts, securities, investments, bank deposits and other	Not Applicable	Standard

							deposits, beneficial rights to other movable property and other assets of the Company.		
6.	YES Bank Limited	September 28, 2022	Working Capital Demand Loan (with sub-limit of Cash Credit)	1,000.00	1,000.00	Tenor: Maximum tenor of 12 months from the date of disbursement. Bullet repayment at the end of tenor.	First and exclusive charge by way of hypothecation over all of the Company's current assets, and all monies, securities, contractor guarantees, performance bonds, cash flows, book debt and receivables, all book debts, all cash flows, revenues, bank accounts together with investments, fixed deposits and any letter of credit provided in favour of the Company including all loan assets / book debts arising from onward lending undertaken by the Company from proceeds of the loan, both present and future, such that the security cover stipulated by the lender is maintained.	Not Applicable	Standard
7.	The Federal Bank Limited	May 04, 2023	Working Capital Demand Loan	5,000.00	4,990.44	Tenor: 12 months Bullet repayment at the end of tenor.	First and exclusive floating charge by way of hypothecation over loan receivables of the Company such that the security cover stipulated by the lender is maintained.	Not Applicable	Standard
8.	The Federal Bank Limited	May 04, 2023	Overdraft against Fixed Deposit	30,000.00	17,808.43	Tenor: 12 months Repayable on demand.	Fixed deposit to the extent of 100% of the total facility amount lien marked in favour of the bank.	Not Applicable	Standard
9.	Indian Bank	June 27, 2023	Overdraft against Fixed Deposit	5,000.00	4,779.06	Tenor: 12 months Repayable on	Fixed deposit to the extent of 100% of the total facility amount lien marked in favour	Not Applicable	Standard

						demand.	of the bank.		
10.	Kotak Mahindra Investments Limited	December 29, 2022	Short Term Loan (revolving)	4,000.00	4,023.77	Tenor: 90 days for each tranche with cooling period of 3 calendar days. Bullet repayment within 90 days of disbursement of each tranche.	First and exclusive charge by way of hypothecation over the Company's existing and future identified book debts and loan receivables such that the security cover stipulated by the lender is maintained.	Not Applicable	Standard
11.	Kotak Mahindra Bank Limited	September 22, 2022	Working Capital Demand Loan	5,000.00	5,011.93	Tenor: 180 days Bullet repayment at the end of tenor.	First charge by way of hypothecation over whole of the current assets and book debts, receivables, outstanding moneys, claims, demands, bills, contracts, engagements and securities of the Company, both present and future, such that the security cover stipulated by the lender is maintained.	Not Applicable	Standard
12.	Kotak Mahindra Bank Limited	September 22, 2022	Cash Credit	100.00[14]	Nil[15]	Maximum tenor of 12 months and repayable on demand.	Security has not been created for the same since the loan has not been availed.	Not Applicable	Not Applicable
13.	HDFC Bank Limited	June 29, 2022	Overdraft	500.00	Nil[16]	Repayable on demand.	Fixed deposit to the extent of 100% of the total facility amount lien marked in favour of the bank.	Not Applicable	Not Applicable
14.	HDFC Bank Limited	February 27, 2023	Cash Credit (with sub-limit of working capital demand loan)	500.00	Nil[17]	Repayable on demand.	First and exclusive charge by way of hypothecation over all the book debts, amounts outstanding, monies receivable, claims and bills of	Not Applicable	Not Applicable

[14] Total exposure of Kotak Mahindra Bank Limited to the Company to not exceed INR 5,000.00 lakh.
[15] No amount has been drawn/availed by the Company under this facility.
[16] No amount has been drawn/availed by the Company under this facility.
[17] No amount has been drawn/availed by the Company under this facility.

							the Company, both present and future.		
15.	Axis Bank Limited	December 26, 2022	Cash Credit (with sub-limit of working capital demand loan)	500.00	Nil[18]	Repayable on demand.	First and exclusive floating charge by way of hypothecation over receivables of the Company such that the security cover stipulated by the lender is maintained.	Not Applicable	Not Applicable
16.	IDFC First Bank Limited	October 29, 2022	Overdraft against Fixed Deposit	5.00	Nil[19]	Tenor: Revolving / 12 months line Repayable on demand.	Fixed deposit to the extent of 100% of the total facility amount lien marked in favour of the bank.	Not Applicable	Not Applicable
17.	RBL Bank Limited	February 28, 2023	Cash Credit	100.00	Nil[20]	Tenor: 12 months Repayable on demand.	Security has not been created for the same since the loan has not been availed.	Not Applicable	Not Applicable
18.	RBL Bank Limited	February 28, 2023	Overdraft against Fixed Deposit	20,000.00	Nil[21]	Tenor: 12 months Repayable on demand.	Fixed deposit to the extent of 100% of the total facility amount lien marked in favour of the bank.	Not Applicable	Not Applicable
19.	Bandhan Bank Limited	March 15, 2022	Overdraft	500.00	Nil[22]	Tenor: 12 months Repayable on demand.	First and exclusive charge by way of hypothecation over book debts arising from onward lending undertaken by the Company from proceeds of the loan, such that the security cover stipulated by the lender is maintained.	Not Applicable	Not Applicable

***Note: Interest rates are typically floating and linked to benchmark agreed with the creditors.*

[18] No amount has been drawn/availed by the Company under this facility.
[19] No amount has been drawn/availed by the Company under this facility.
[20] No amount has been drawn/availed by the Company under this facility
[21] No amount has been drawn/availed by the Company under this facility.
[22] No amount has been drawn/availed by the Company under this facility.

(d) Details of outstanding unsecured loan facilities:

Our Company's total principal amount outstanding for unsecured loans/facility as on June 30, 2023 amounts to INR 4,500.00 lakh and the total amount outstanding for unsecured loans/facility as on June 30, 2023 (as per IND AS) amounts to INR 4,300.42 lakh. For details of our Company's principal outstanding for unsecured loans/facility, please refer to Paragraph (f) (Details of outstanding commercial papers as on June 30, 2023) under the section *"Disclosures on Existing Financial Indebtedness"* on page 153.

(e) Details of outstanding non-convertible securities as on June 30, 2023 in the following format:

The total principal amount of outstanding non-convertible securities issued by our Company as on June 30, 2023 is INR 1,31,480.00 lakh and the total outstanding amount as on June 30, 2023 (as per IND AS) is INR 1,36,054.06 lakh, the details of which are set forth below:

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount (in INR lakh)	Amount Outstanding as on June 30, 2023(as per IND AS) (in INR lakh)	Date of Allotment	Redemption Date/ Schedule	Credit Rating (as on June 30, 2023)	Secured / unsecured	Security
1.	10.40%Vivriti2024	INE01HV07361	14 months from the deemed date of allotment	10.40% p.a.[23]	10,000.00	10,199.46	March 29,2023	May 29, 2024	CARE A/Positive	Secured	First ranking exclusive charge by way of hypothecation over certain specific loan receivables of the Company, both present and future, such that the stipulated security cover is maintained.
2.	9.60%Vivriti2024	INE01HV07353	18 months from the deemed date of allotment	9.60%	3,000.00	2,494.25	March 23, 2023	September 23, 2024	CARE A/Positive	Secured	First ranking exclusive and continuing charge by way of hypothecation over identified receivables of the Company, both present and future, providing the such that the stipulated security cover is maintained.

[23] The coupon rate is floating and subject to annual reset basis the 3 months MIBOR as applicable on the day falling 2 days prior to the coupon reset plus spread of 3.03% p.a.

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount (in INR lakh)	Amount Outstanding as on June 30, 2023(as per IND AS) (in INR lakh)	Date of Allotment	Redemption Date/ Schedule	Credit Rating (as on June 30, 2023)	Secured / unsecured	Security
3.	9.75% Vivriti Capital Feb 2024	INE01HV07346[24]	15 months from the deemed date of allotment	9.75% p.a.	5,000.00	5,018.26	February 28, 2023	May 28, 2024	CARE A/Positive	Secured	Exclusive charge by way of hypothecation over identified receivables of the Company such that the stipulated security cover is maintained.
4.	10.57% Vivriti Capital Feb 2024	INE01HV07148	36 months from the deemed date of allotment	10.57% p.a.	1,000.00	253.52	February 10, 2021	February 10, 2024	ICRA A (stable)	Secured	Exclusive charge by way of hypothecation over identified receivables of the Company such that the stipulated security cover is maintained.
5.	9.55% VCPL September 2024	INE01HV07304	24 months from the deemed date of allotment	9.55%[25]	5,000.00	4,999.32	September 26, 2022	September 25, 2024	CARE A (stable)	Secured	Exclusive charge by way of hypothecation over identified book debts/loan receivables of the Company such that the stipulated security cover is maintained.
6.	10.75% Vivriti Capital Dec 2024	INE01HV07338	24 months from the Deemed Date of Allotment	10.75% p.a.	4,900.00	4,905.50	December 26, 2022	December 26, 2024	CARE A/Positive	Secured	Exclusive charge by way of hypothecation over identified book debts/loan receivables of the Company such that the stipulated security cover is maintained.

[24] These non-convertible debentures are unlisted. Other than these, all other non-convertible debentures issued by the Company are listed.

[25] The coupon rate will remain 9.55% p.a. until and including the date of expiry of period of 12 months from the Deemed Date of Allotment. The coupon rate will become 10.35% p.a. commencing from (and excluding) the date of expiry of a period of 12 months from the Deemed Date of Allotment.

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount (in INR lakh)	Amount Outstanding as on June 30, 2023(as per IND AS) (in INR lakh)	Date of Allotment	Redemption Date/ Schedule	Credit Rating (as on June 30, 2023)	Secured / unsecured	Security
7.	3 month T-bill Vivriti Capital Sep 2024	INE01HV07288	30 months from the Deemed Date of Allotment	9.78% p.a.[26]	5,000.00	2,798.48	March 31, 2022	September 30, 2024	CARE A/ Positive	Secured	First ranking exclusive and continuing charge by way of hypothecation over specific and identified loans of the Company such that the stipulated security cover is maintained.
8.	10.15%VIVRITI2026	INE01HV07379	37 months and 15 days from the Deemed Date of Allotment	10.15% p.a	2,500.00	2,514.62	April 10, 2023	May 25, 2026	ICRA A/Stable	Secured	First ranking exclusive and continuing charge by way of hypothecation over specific and identified loans of the Company and all rights, interests, claims, benefits and demands of the Company in such loans and the underlying loan documents, both present and future, such that the stipulated security cover is maintained.
9.	2.00%VIVRITI2025	INE01HV07387	24 months from the Deemed Date of Allotment	8.62% p.a.[27]	10,000.00	9,707.40	May 08, 2023	May 08, 2025	ICRA A/Stable	Secured	First ranking exclusive and continuing charge by way of hypothecation over identified receivables

[26] The coupon rate is floating and subject to annual reset ("**Coupon Reset Date**") basis 3 months MIBOR as applicable on the day falling on 2 days prior to the Coupon Reset Date plus spread.

[27] The coupon has three thresholds of variance which is linked to the net worth of the company and the equity infusion in the Company after effective date. Hence, the actual coupon rate is variable. We have captured herein the maximum coupon rate payable.

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount (in INR lakh)	Amount Outstanding as on June 30, 2023(as per IND AS) (in INR lakh)	Date of Allotment	Redemption Date/ Schedule	Credit Rating (as on June 30, 2023)	Secured / unsecured	Security
											of the Company, such that the stipulated security cover is maintained.
10.	2.00%VIVRITI2025	INE01HV07387	22 months and 23 days from the Deemed Date of Allotment.	8.62% p.a.[28]	5,042.90	4,913.48	June 15, 2023	May 08, 2025	ICRA A/Stable	Secured	First ranking exclusive and continuing charge by way of hypothecation over identified receivables of the Company, such that the stipulated security cover is maintained.
11.	8.90% Vivriti Capital 2025	INE01HV07395	23 months 4 days from the Deemed Date of Allotment	8.90% p.a.	7,500.00	7,284.47	June 09, 2023	May 13, 2025	ICRA A/Stable	Secured	First ranking exclusive and continuing charge by way of hypothecation over identified receivables of the Company, such that the stipulated security cover is maintained.
Market Linked Debentures											
12.	8.50% Vivriti Capital Jul 2023 - Vivriti	INE01HV07270	16 months from the Deemed Date of Allotment	8.50%[29]	10,100.00	11,219.46	March 14, 2022	July 14, 2023	CARE PP-MLD A; Positive	Secured	First ranking and exclusive continuing charge by way of hypothecation over identified receivables

[28] The coupon has three thresholds of variance which is linked to the net worth of the company and the equity infusion in the Company after effective date. Hence, the actual coupon rate is variable. We have captured herein the maximum coupon rate payable.

[29] The coupon has three thresholds of variance which is dependent on the performance of an underlying benchmark and hence, the actual coupon rate is variable. We have captured herein the maximum coupon rate payable.

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount (in INR lakh)	Amount Outstanding as on June 30, 2023(as per IND AS) (in INR lakh)	Date of Allotment	Redemption Date/ Schedule	Credit Rating (as on June 30, 2023)	Secured / unsecured	Security
	Capital Private Limited 14 July 2023										of the Company over identified receivables of the Company, such that the stipulated security cover is maintained.
13.	8.50% Vivriti Capital Jul 2023 Further Issuance	INE01HV07270	15 months and 14 days from the Deemed Date of Allotment	8.50%[30]	9,900.00	11,005.08	March 31, 2022	July 14, 2023	CARE PP-MLD A; Positive	Secured	First ranking and exclusive continuing charge by way of hypothecation over identified receivables of the Company over identified receivables of the Company, such that the stipulated security cover is maintained.
14.	G-SEC LINKED MLD 8 Vivriti Capital Apr 2024	INE01HV07296	21 months and 12 days from the Deemed Date of Allotment	8.50%[31]	20,000.00	21,417.59	June 24, 2022	April 05, 2024	CARE PP-MLD A; Positive	Secured	First ranking and exclusive continuing charge by way of hypothecation over identified receivables of the Company over identified receivables of the Company, such that the stipulated security cover is maintained.
15.	8.60% Vivriti	INE01HV073	21 months and 28 days	8.60%[32]	20,000.00	20,933.07	September 28, 2022	July 26, 2024	CARE PP-MLD A; Positive	Secured	First ranking and exclusive continuing charge by way of

[30] The coupon has three thresholds of variance which is dependent on the performance of an underlying benchmark and hence, the actual coupon rate is variable. We have captured herein the maximum coupon rate payable.
[31] The coupon has three thresholds of variance which is dependent on the performance of an underlying benchmark and hence, the actual coupon rate is variable. We have captured herein the maximum coupon rate payable.
[32] The coupon has three thresholds of variance which is dependent on the performance of an underlying benchmark and hence, the actual coupon rate is variable. We have captured herein the maximum coupon rate payable.

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount (in INR lakh)	Amount Outstanding as on June 30, 2023(as per IND AS) (in INR lakh)	Date of Allotment	Redemption Date/ Schedule	Credit Rating (as on June 30, 2023)	Secured / unsecured	Security
	Capital Jul 2024	12	from the Deemed Date of Allotment								hypothecation over identified receivables of the Company over identified receivables of the Company, such that the stipulated security cover is maintained.
16.	8.60% Vivriti Capital Dec 2024	INE01HV07320	23 months and 28 days from the Deemed Date of Allotment	8.60%[33]	30,000.00	16,390.10	December 15, 2022	December 13, 2024	CARE PP MLD A (Positive)	Secured	First ranking and exclusive continuing charge by way of hypothecation over identified receivables of the Company over identified receivables of the Company, such that the stipulated security cover is maintained.

** The total amount outstanding after IND AS adjustment is INR 1,36,054.06 lakh.*

(f) Details of commercial paper issuances as on June 30, 2023 in the following format:

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount Outstanding as on June 30, 2023 (as per IND AS) (in INR lakh)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies
1.	1	INE01HV14219	364 days	10.15%	1,385.90	March 29, 2023	March 27, 2024	CARE A1	Unsecured	NA	Issuing and Paying Agent: The Federal Bank Limited

[33] The coupon has three thresholds of variance which is dependent on the performance of an underlying benchmark and hence, the actual coupon rate is variable. We have captured herein the maximum coupon rate payable.

											Credit Rating Agency: Care Edge Ratings
2.	1	INE01HV14235	90 days	8.40%	994.10	April 27, 2023	July 26, 2023	CARE A1	Unsecured	NA	Issuing and Paying Agent: The Federal Bank Limited
3.	1	INE01HV14243	269 days	9.14%	939.16	June 6, 2023	March 01, 2024	CARE A1	Unsecured	NA	Issuing and Paying Agent: The Federal Bank Limited Credit Rating Agency: Care Edge Ratings
4.	1	INE01HV14250	90 days	8.40%	981.27	June 23, 2023	September 21, 2023	CARE A1	Unsecured	NA	Issuing and Paying Agent: The Federal Bank Limited Credit Rating Agency: Care Edge Ratings

(g) List of top ten holders of non-convertible securities in terms of value (on a cumulative basis) as on June 30, 2023:

S. No	Name of holder	Category of holder	Face value of holding (in INR lakh)	Holding as a % of total outstanding non-convertible securities of the Issuer
1.	Standard Chartered Bank	Bank-Foreign Commercial Bank	10,000.00	7.55%
2.	CredAvenue Securities Private Limited	Corporate Body-Domestic	9,216.00	6.95%
3.	Nippon Mutual Fund	Mutual Funds - MF	5,850.00	4.41%
4.	Kotak Mutual Fund	Mutual Funds - MF	5,000.00	3.77%
5.	JM Financial Products Limited	Corporate Body-Domestic	5,000.00	3.77%
6.	Sundaram Finance Limited	Corporate Body-Domestic	5,000.00	3.77%
7.	Axis Mutual Fund	Mutual Funds - MF	4,900.00	3.70%
8.	MAS Financial Services Limited	Corporate Body-Domestic	4,620.00	3.49%
9.	Kairus Shavak Dadachanji	Resident-Ordinary	4,450.00	3.36%

S. No	Name of holder	Category of holder	Face value of holding (in INR lakh)	Holding as a % of total outstanding non-convertible securities of the Issuer
10.	Shyam Metalics And Energy Limited	Corporate Body-Domestic	4,000.00	3.02%
Total			58,036.00	**43.79%**

(h) List of top ten holders of commercial papers in term of value (in cumulative basis) as on June 30, 2023:

S. No	Name of holder	Category of holder	Face value of holding (in INR lakh)	Holding as a % of total commercial paper outstanding of the Issuer
1.	V M Salgaocar and Brother Private Limited	Corporate Body-Domestic	2,000.00	44.44%
2.	Sundaram Finance Limite	Corporate Body-Domestic	1,500.00	33.33%
3.	Texterity Private Limited	Corporate Body-Domestic	690.00	15.33%
4.	Rajiv Ranjan	Individual-Resident	50.00	1.11%
5.	Veeda Pinto Saroea	Individual-Resident	50.00	1.11%
6.	Moiz Saifuddin Rajkotwala	Resident-Ordinary	25.00	0.56%
7.	Nafisa Moiz Rajkotwala	Individual-Resident Negative Nomination	25.00	0.56%
8.	Ketan Kishoredas Mehta	Resident-Ordinary	15.00	0.33%
9.	Himanshu Chib	Resident-Ordinary	10.00	0.22%
10.	Ritesh Deepak Kanani	Individual-Resident	10.00	0.22%

(i) Restrictive Covenants: The loans availed by our Company contain certain restrictive covenants, including:

- Effecting any change in the constitution, capital structure or shareholding pattern of the Company;
- Effecting any change in the constitutional documents of the Company;
- Effecting any change in control, management or ownership of the Company (including by pledge of promoter shareholding in the Company).

- Disposing assets of the Company other than in normal course of business or as permitted by the lenders in writing.
- Undertaking or permitting any merger, de-merger, consolidation, restructuring, reorganisation, scheme of arrangement or compromise with its creditors or shareholders;
- Formulating or effecting any scheme of amalgamation or reconstruction or do buyback;
- Declaration or payment of dividends for any year except out of that year's profits or earnings after making all due and necessary provisions and provided that no event of default or breach in financial covenant is subsisting in any repayment obligations to the lenders;
- Undertaking guarantee obligations on behalf of any third party (including other companies, organisations, directors, promoters, key officials and group companies);
- Investing by way of share capital in, or lending or advancing to or placing deposit with any other concerns (except permitted investments under the finance documents or in normal course of business or as advance to employees).

This is an indicative list and there may be such other additional terms under the various borrowing arrangements entered into by our Company and certain of our Subsidiaries.

For the purpose of the Issue, our Company has applied to our lenders as required under respective financing agreements, and while we have received consents from our lenders in relation to this Issue, certain of our lenders have responded "acknowledged" to our requests for consents. For details, see "*Risk Factors - Our inability to meet our obligations, including financial and other covenants under our financing arrangements could adversely affect our business, results of operations and financial condition*" on page 17.

(j) The amount of corporate guarantee or letter of comfort issued by the Issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc. (Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash). This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued: (i) in whole or part; (ii) at a premium or discount, or (iii) in pursuance of an option or not:

As on June 30, 2023, our Company has not issued any corporate guarantees or letters of comfort.

As on June 30, 2023, our Company has not incurred any contingent liability including debt service reserve account guarantees/ any put option etc.

As on June 30, 2023, our Company has no outstanding borrowings taken / debt securities issued for consideration other than cash, (i) whether in whole or in part, (ii) at a premium or discount, or (iii) in pursuance of an option.

(k) Details of inter corporate loans as on June 30, 2023:

As on June 30, 2023, our Company has no outstanding inter-corporate loans or deposits.

(l) Details of the bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like foreign currency convertible bonds (FCCB), optionally convertible debentures/ preference shares) from financial institutions or financial creditors:

As on June 30, 2023, with regard to bank fund based facilities please refer to paragraphs (a), (c) and (e) above.

As on June 30, 2023, with regard to rest of the borrowing from financial institutions or financial creditors, our Company has no outstanding amounts in relation to hybrid debt like FCCB, optionally convertible debenture/ preference shares. However, please refer to the section *"Capital Structure"* on page 41.

(m) Details of all defaults and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company, in the preceding three years and the current financial year.

Our Company has not defaulted and/or delayed in payments of interest and principal of any kind of term loans, debt securities, commercial paper and other financial indebtedness including corporate guarantee or letters of comfort issued by the Company, in the preceding three years and the current financial year, except that our Company has received information of technical delays in payments of interest and/or principal amount of certain term loans from respective lenders, on account of technical errors, system issues etc. The details of such technical delays are as set out below:

Financial Year	**Number of technical delays**
2020-21	0
2021-22	7
2022-23	29
2023-24	8

Our Company further confirms that we have not received any notice of default to recall such loans from any of our lenders on account of such technical delays and all our accounts are standard as on date of this Draft Prospectus. For further details, please refer to *"Disclosures on Existing Financial Indebtedness"* above.

(n) Details of default and non-payment of statutory dues for the preceding three financial years and current financial year.

There has been no instances of non-payment or defaults in the payment of statutory dues by our Company in the preceding three financial years and current financial year.

MATERIAL DEVELOPMENTS

There have been no material developments since April 1, 2023 till the date of filing this Draft Prospectus and there has been no material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Company/ Promoter, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of the Issue which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities

RELATED PARTY TRANSACTIONS

For details of the related party transaction as at and for each of the years ended March 31, 2023, 2022 and 2021, as per the requirements under the applicable accounting standards, see "*Financial Statements*" on page 331.

Details of related party transactions under the applicable accounting standards entered during the preceding three financial years and current financial year upto June 30, 2023 with regard to loans made or guarantees given or securities provided

(in Rs. lakhs)

Name of related party	Loans			Guarantees			Securities		
	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2023	Fiscal 2022	Fiscal 2021
A. Transactions During the Year									
Loan Given									
Vivriti Asset Management Private Limited	2,000.00	550.00	500.00	-	-	-	-	-	-
Aye Finance Private Limited	4,000.00	-	-	-	-	-	-	-	-
Shapos Services Private Limited	6,902.00	1,600.00	-	-	-	-	-	-	-
Sonata Finance Private Limited	3,700.00	2,300.00	-	-	-	-	-	-	-
UC Inclusive Credit Private Limited	2,000.00	1,500.00	-	-	-	-	-	-	-
Loans repaid				-	-	-	-	-	-
Vivriti Asset Management Private Limited	1,200.00	550.00	1,400.00	-	-	-	-	-	-
Epimoney Private Limited	500.00	-	-	-	-	-	-	-	-
Shapos Services Private Limited	5,481.24	150.00	-	-	-	-	-	-	-
Sonata Finance Private Limited	2,473.43	2,019.78	-	-	-	-	-	-	-
UC Inclusive Credit Private Limited	1,300.00	400.00	-	-	-	-	-	-	-
Investments in Debentures									
Aye Finance Private Limited	-	-	-	-	-	-	4,340.00	-	-
Secondary purchase of investments in MLDs of other entities									
Credavenue Private Limited	-	-	-	-	-	-	1,713.74	-	-
Credavenue Securities Private Limited	-	-	-	-	-	-	8,999.74	-	-
Secondary sale of investment in MLDs of other entities									
Credavenue Private Limited	-	-	-	-	-	-	1,885.88	-	-
Credavenue Securities Private Limited	-	-	-	-	-	-	16,983.73	-	-
Secondary sale of Investments in Alternative Investment Funds									
Vivriti Asset Management Private Limited	-	-	-	-	-	-	1,421.46	-	-
Subscription of Company's debt securities (borrowings)									
Credavenue Private Limited	-	-	-	-	-	-	5,670.00	7,930.07	-
Credavenue Securities Private Limited	-	-	-	-	-	-	21,000.00	-	-
Investment in CCPS									
Vivriti Asset Management Private Limited	-	-	-	-	-	-	2,000.00	3,000.00	
Investment in Equity									
Vivriti Asset Management Private Limited	-	-	-	-	-	-	-	-	2,750.00

Name of related party	Loans			Guarantees			Securities		
	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2023	Fiscal 2022	Fiscal 2021
Credavenue Private Limited							-	-	5,001.00
B) Balances as at the year-end:									
Investment in Equity									
Vivriti Asset Management Private Limited	-	-	-	-	-	-	2,751.00	2,751.00	2,751.00
Credavenue Private Limited	-	-	-	-	-	-	4,985.85	5,001.00	5,001.00
Investment in CCPS									
Vivriti Asset Management Private Limited	-	-	-	-	-	-	5,000.00	3,000.00	-
Loans (At Amortised cost)									
Vivriti Asset Management Private Limited	800.00	-	-	-	-	-	-	-	-
Epimoney Private Limited	167.75	-	-	-	-	-	-	-	-
Aye Finance Private Limited	4,014.46	-	-	-	-	-	-	-	-
Shapos Services Private Limited	2,804.42	1,461.54	-	-	-	-	-	-	-
Sonata Finance Private Limited	4,011.54	2,790.38	-	-	-	-	-	-	-
UC Inclusive Credit Private Limited	2,784.84	2,064.14	-	-	-	-	-	-	-
Investments in Debentures									
Aye Finance Private Limited	-	-	-	-	-	-	1,870.00	-	-
Debt Securities (Borrowings)									
Credavenue Private Limited	-	-	-	-	-	-	-	7,930.07	-
Credavenue Securities Private Limited	-	-	-	-	-	-	6,870.00	-	-

Name of related party	Loans made	Guarantees given	Securities provided
	As on and for the quarter ended June 30, 2023		
A. Transactions During the Year			
Loan Given			
Shapos Services Private Limited	333.61	-	-
Vivriti Asset Management Private Limited	1,200.00	-	-
Sonata Finance Private Limited	975.00	-	-
Loans repaid			
Shapos Services Private Limited	521.45	-	-
Uc Inclusive Credit Private Limited	450.00	-	-
Sonata Finance Private Limited	962.50	-	-
Epimoney Private Limited	125.00	-	-
Aye Finance Private Limited	222.22	-	-
Investment in PTC			
Epimoney Private Limited	-	-	4,076.50
Secondary purchase of investments in MLDs of other entities			
Credavenue Securities Private Limited	-	-	2,176.30
Secondary sale of investment in MLDs of other entities			
Credavenue Securities Private Limited	-	-	11,832.86
Subscription of Company's debt securities (borrowings)			
Credavenue Securities Private Limited	-	-	5,000.00

Name of related party	Loans made	Guarantees given	Securities provided
	As on and for the quarter ended June 30, 2023		
B) Balances as at the year-end:			
Investment in Equity			
Vivriti Asset Management Private Limited	-	-	2,751.00
Credavenue Private Limited	-	-	4,965.93
Investment in CCPS			
Vivriti Asset Management Private Limited	-	-	5,000.00
Loans (At Amortised cost)			
Uc Inclusive Credit Private Limited	2,300.00	-	-
Epimoney Private Limited	41.67	-	-
Sonata Finance Private Limited	3,996.24	-	-
Shapos Services Private Limited	2,593.59	-	-
Vivriti Asset Management Private Limited	2,000.00	-	-
Aye Finance Private Limited	3,777.78	-	-
Investments in Debentures			
Aye Finance Private Limited	970.00	-	-
Debt Securities (Borrowings)			
Credavenue Securities Private Limited	-	-	9,296.00

SECTION VI: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

Authority for this Issue

At the meeting of the Board of Directors of our Company held on June 20, 2023, the Board of Directors approved the issuance of NCDs of the face value ₹ 1,000 each, for an amount aggregating up to ₹ 25,000 lakhs ("**Base Issue Size**") with an option to retain oversubscription up to ₹ 25,000 lakh ("**Green Shoe Option**"), cumulatively aggregating up to 50,00,000 NCDs for an aggregate amount up to ₹ 50,000 lakh ("**Issue Size" or "Issue Limit**"). Pursuant to a resolution passed by our Board on April 28, 2023 and Shareholders at the EGM held on May 2, 2023, our Board has been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed a sum of ₹ 1,000,000.00 lakh. Further, the present borrowing is within the borrowing limits of ₹ 1,000,000.00 lakh under Section 180(1)(c) of the Companies Act, 2013 duly approved by the members of our Company on May 2, 2023. The NCDs pursuant to this Issue will be issued on terms and conditions as set out in the Prospectus.

Principal terms and conditions of this Issue

The NCDs being offered as part of this Issue are subject to the provisions of the SEBI NCS Regulations and the SEBI Master Circular, the relevant provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Application Forms, the Abridged Prospectus, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government of India, the RBI, the Stock Exchange, and/or any other statutory or regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of the NCDs

The NCDs would constitute secured and senior obligations of our Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall also with regard to amount invested, thereof shall be secured by way of an exclusive charge by way of hypothecation of identified book debts of the Company. The NCDs proposed to be issued under this Issue and all earlier issues of debentures, bond issuances and loans outstanding in the books of our Company having corresponding assets as security, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment. We have received necessary consents from the relevant lenders, debenture trustees and security trustees for creating an exclusive charge in favour of the Debenture Trustee in relation to the NCDs.

In terms of the SEBI Master Circular for Debenture Trustees, our Company is required to obtain permissions or consents from or provide intimations to the prior creditors for proceeding with this Issue, if pari passu security is sought to be created. However, exclusive charge by way of hypothecation of identified book debts of the Company is being provided as security for this Issue and these assets have no prior charge by any creditor of our Company.

Security

The principal amount of the NCDs to be issued in terms of this Draft Prospectus together with all interest due and payable on the NCDs, subject to any obligations under applicable statutory and/or regulatory requirements shall be secured by way of an exclusive charge by way of hypothecation of identified book debts of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that the security cover to the extent of at least 100% of the outstanding principal amounts of NCDs and all interest due and payable thereon in respect of the NCDs maintained at all times as security until the Final Settlement Date, issued pursuant to the Issue. The security shall be created prior to the listing of the NCDs with the Stock Exchange.

Further, NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and RoC or Central Registry of Securitisation Asset Reconstruction and Security Interest ("**CERSAI**") or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee

In terms of the SEBI Master Circular for Debenture Trustees, our Company has entered into the Debenture Trustee Agreement with the Debenture Trustee and proposes to complete the execution of the Debenture Trust Deed before making the application for listing of the NCDs for the benefit of the NCD Holders, the terms of which shall govern the appointment of the Debenture Trustee and the issue of the NCDs.

Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders, the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on NCDs on the rate specified in the Prospectus and in the Debenture Trust Deed.

The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or higher value ensuring the minimum security cover is maintained till the Final Settlement Date of the NCDs.

Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the SEBI NCS Regulations (i.e., prior to the filing of the application for listing the NCDs with the RoC, Stock Exchange and SEBI) or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in the Prospectus, till the execution of the Debenture Trust Deed and in accordance with applicable laws.

Debenture Redemption Reserve

In accordance with the Companies Act, 2013, and the Companies (Share Capital and Debentures) Rules 2014, read with Rule 16 of the SEBI NCS Regulations, any non-banking finance company registered with Reserve Bank of India under section 45-IA of the RBI Act, 1934 ("NBFCs") that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Financial Year 2019-2020 had announced that NBFCs raising funds in public issues would be exempt from the requirement of creating a DRR.

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules, 2014, notified on August 16, 2019, and as on the date of filing this Draft Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 3lst day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;

2. in unencumbered securities of the Central Government or any State Government;

3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;

4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Face Value

The face value of each of the NCDs shall be ₹ 1,000.

NCD Holder not a shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent as may be prescribed under the Companies Act, 2013, and the rules prescribed thereunder the SEBI LODR Regulations and any other applicable law.

Rights of the NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed confer upon the NCD Holders thereof any rights or privileges available to our members/shareholders including, without limitation the right to receive notices, or to attend and/or vote, at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members /shareholders of our Company, the said resolution will first be placed before the concerned registered NCD Holders for their consideration. In terms of Section 136 of the Companies Act, 2013, the NCD Holders shall be entitled to inspect a copy of the financial statements including consolidated financial statements,

if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, and copy of the Debenture Trust Deed at the Registered Office of our Company during business hours on a specific request made to the Company.

2. Subject to applicable statutory/ regulatory requirements and terms of Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.

3. Subject to applicable statutory/ regulatory requirements and terms of Debenture Trust Deed, in case of NCDs held in (i) dematerialised form, the person for the time being appearing in the register of beneficial owners of the Depositories; and (ii) physical form on account of re-materialization, the registered NCD Holders or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such NCD Holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.

4. The NCDs are subject to the provisions of the SEBI NCS Regulations and the SEBI Master Circular, provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of this Draft Prospectus the Prospectus, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to this issue and listing, of securities and any other documents that may be executed in connection with the NCDs.

5. Subject to SEBI circular, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, for NCDs in physical form on account of re-materialization, a register of debenture holders will be maintained in accordance with Section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depositories. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a register of debenture holders for this purpose. The same shall be maintained at the Registered Office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD Holders as given thereunder.

6. Subject to compliance with RBI, NCDs can be rolled over only with the consent of the NCD Holders of at least 75% of the outstanding amount of the NCDs after providing at least 15 days prior notice for such roll over and in accordance with the SEBI NCS Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD Holders are merely indicative. The final rights of the NCD Holders will be as per the terms of this Draft Prospectus and the Debenture Trust Deed.

Trustees for the NCD holders

We have appointed Catalyst Trusteeship Limited to act as the Debenture Trustee for the NCD Holder(s) in terms of Regulation 8 of the SEBI NCS Regulations and Section 71(5) of the Companies Act, 2013 and the rules prescribed thereunder. Our Company and the Debenture Trustee and we will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us with respect to NCDs. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holders shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, (subject to being indemnified and/or secured by the NCD Holders to its satisfaction), give

notice to our Company specifying that the NCDs and/or any particular series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice, *inter alia*, if any of the events listed below occurs The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed:

Indicative list of Events of Default:

(i) Default in redemption of the debentures together with redemption premium, if any, interest accrued thereon as and when the same shall have become due and payable or payment of any other amounts in terms of the Debenture Trust Deed;

(ii) Default is committed in payment of the principal amount of the NCDs on the due date(s);

(iii) Default is committed in payment of any interest on the NCDs on the due date(s);

(iv) Default is committed in payment of any other amounts outstanding on the NCDs;

(v) Default is committed if any information given by the Company in the Draft Prospectus, the Prospectus, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Company to the Debenture Holder(s)/ Beneficial Owner(s) for financial assistance by way of subscription to the Debenture is or proves to be misleading or incorrect in any material respect or is found to be incorrect;

(vi) Defaults in performance or compliance with one or more of its material obligations, covenant, condition or provisions in relation to the NCDs and/or the Transaction Documents, which default is incapable of remedy or, if in the reasonable opinion of the Debenture Trustee is capable of remedy;

(vii) If the Company creates any additional charge on the Secured Assets or any part thereof without the prior approval of the Debenture Trustee;

(viii) If in the opinion of the Debenture Trustee, the Security is in jeopardy;

(ix) An order is made or an effective resolution passed for the winding-up or dissolution, judicial management or administration of the Company, or the Company ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by a Special Resolution of the NCD Holders;

(x) The Company commences a voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect, or consent to the entry of an order for relief in an involuntary proceeding under any such law, or consent to the appointment or taking possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property or take any action towards its reorganisation, liquidation or dissolution;

(xi) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company;

(xii) The Company without the consent of Debenture Trustee ceases to carry on its business or gives notice of its intention to do so;

(xiii) If it is certified by an accountant or a firm of accountants appointed by the Debenture Trustee that the liabilities of the Company exceed its assets;

(xiv) Default is committed if any extraordinary circumstances have occurred which makes it impossible for the Company to fulfil its obligations under the Debenture Trust Deed and/or the Debentures; If the Company is unable to pay its debts;

(xv) If it becomes unlawful for the company to perform any of its obligations under any transaction document;

(xvi) Any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs; and

(xvii) Any other event described as an Event of Default in this Draft Prospectus, the Prospectus and the Transaction Documents.

Any event of default shall be called by the Debenture Trustee, upon request in writing of or by way of resolution passed by holders of 75% (seventy five percent) of the outstanding nominal value of all NCDs at any point of time, as set out in the

Debenture Trust Deed, except for any default relating to points i, ii and iii under the "Indicative list of Events of Default" given above, where no such consent/ resolution of NCD holders will be required for calling of event of default.

Subject to the approval of the debenture holders and the conditions as may be specified by the SEBI from time to time, the Debenture Trustee, on behalf of the debenture holders, may enter into inter-creditor agreements provided under the framework specified by the Reserve Bank of India.

In accordance with the SEBI Master Circular for Debenture Trustees issued by SEBI on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities, post the occurrence of a "default", the consent of the NCD Holders for entering into an inter-creditor agreement (the "**ICA**") /enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

Regulation 51 read with the Explanation to Clause A (11) in Part B of Schedule III of the SEBI Listing Regulations, defines 'default' as non-payment of interest or principal amount in full on the pre-agreed date which shall be recognized at the first instance of delay in the servicing of any interest or principal on debt.

It is hereby confirmed, in case of an occurrence of a "default", the Debenture Trustee shall abide and comply with the procedures mentioned in the SEBI Master Circular for Debenture Trustees.

Minimum Subscription

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of the Base Issue Size being ₹ 18,750 lakh, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Accounts of the Applicants within eight Working Days from the Issue Closing Date. In the event the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within eight Working Days from the Issue Closing Date. In the event there is delay in unblocking of funds/refunds, our Company shall be liable to repay the money, with interest at the rate of 15 % per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Market Lot and Trading Lot

The NCDs shall be allotted in dematerialized form. As per the SEBI NCS Regulations, the trading of the NCDs is in dematerialised form and the tradable lot is one NCD.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable interest for such NCDs) prior to redemption of the NCDs.

Allotment in this Issue will be in electronic form multiples of one NCD. For further details of Allotment, see the "*Issue Procedure*" beginning on page 239.

Nomination facility to NCD Holders

In accordance with Section 72 of the Companies Act, 2013 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, the sole NCD Holder or first NCD Holder, along with other joint NCD Holders (being individual(s) may nominate in form no SH. 13 any one person (being an individual) who, in the event of death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the NCDs. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in form no SH. 13 any person as nominee. A person, being a nominee, becoming entitled to the NCDs by reason of the death of the original NCD Holder(s), will in accordance with Rule 19 and Section 56 of Companies Act 2013 shall be entitled to the same rights to which he would be entitled if he were the registered holder of the NCD subject to compliance with applicable law. Where the nominee is a minor, the NCD Holder(s)

may make a nomination to appoint, in the prescribed manner and in Form no. SH 14, any person to become entitled to the NCDs, in the event of his death, during the minority. A nomination shall stand rescinded upon sale/transfer/alienation of the NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such NCD Holders. Fresh nominations can be made only in the prescribed form available on request at our Registered/ Corporate Office, at such other addresses as may be notified by us, or at the office of the Registrar to the Issue or the transfer agent.

NCD Holders are advised to provide the specimen signature of the nominee to enable us to expedite the transmission of the NCDs to the nominee in the event of demise of the NCD Holders. The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with the Section 72 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, any person who becomes a nominee by virtue of the above said Section, shall upon the production of such evidence as may be required by our Board, elect either:

(a) To register himself or herself as the holder of the NCDs; or

(b) To make such transfer of the NCDs, as the deceased holder could have done.

A person, being a nominee, becoming entitled to NCDs by reason of the death of the holder shall be entitled to the same interests and other advantages to which he would have been entitled to if he were the registered holder of the NCDs except that he shall not, before being registered as a holder in respect of such NCDs, be entitled in respect of these NCDs to exercise any right conferred. Further, our Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board of Directors may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

NCD Holders who are holding NCDs in dematerialised form need not make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the NCD Holder will prevail. If the NCD Holders require to changing their nominations, they are requested to inform their respective Depository Participant.A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the Secured NCD Holder who has made the nomination, by giving a notice of such cancellation or variation in the prescribed manner as per applicable laws. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received.

Since the allotment of Secured NCDs will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant.

Applicants who have opted for rematerialisation of NCDs and are holding the NCDs in the physical form should provide required details in connection with their nominee to our Company.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depositories and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

For further details, see "*Issue Structure*" beginning on page 232, for the implications on the interest applicable to NCDs held by individual NCD Holders on the Record Date and NCDs held by non-individual NCD Holders on the Record Date.

NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred. Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only. The procedure for transmission of securities has been further simplified vide the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 Gazette Notification no. SEBI/LAD-NRO/GN/2022/80 dated April 25th, 2022.

Title

In case of:

- NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depositories; and

- the NCDs held in physical form pursuant to rematerialization, the person for the time being appearing in the register of NCD Holders shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person, as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the consolidated NCD certificates issued in respect of the NCDs and no person will be liable for so treating the NCD holder.

No transfer of title of an NCD will be valid unless and until entered on the register of NCD holders or the register of beneficial owners maintained by the Depositories prior to the Record Date. In the absence of transfer being registered, interest and/or maturity amount, as the case may be, will be paid to the person, whose name appears first in the register of the NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the relevant provisions of the Companies Act, 2013, shall apply, *mutatis mutandis* (to the extent applicable) to the NCD(s) as well.

Succession

Where NCDs are held in joint names and one of the joint NCD Holder dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the NCDs. In the event of demise of the sole or first holder of the NCDs, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the NCDs only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. Our Board of Directors or any other person authorised by our Board of Directors in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation. In case of death of NCD Holders who are holding NCDs in dematerialised form, third person is not required to approach our Company to register his name as successor of the deceased NCD Holder. The successor of the deceased NCD Holder shall approach the respective Depository Participant for this purpose and submit necessary documents as required by the Depository Participant.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the legacy cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.

2. Proof that the non-resident Indian is an Indian national or is of Indian origin.

3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles of Association.

Procedure for re-materialisation of NCDs

Subject to SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022 dated January 25, 2022, NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of NCDs who propose to rematerialise their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to the Company and the DP. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to the Issue shall be compulsorily in dematerialized form only

Register of NCD Holders

No transfer of title of a NCD will be valid unless and until entered on the Register of NCD Holders (for re materialized NCDs) or the register and index of NCD Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Redemption Amount, as the case may be, will be paid to the person, whose name appears first in the Register of NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be as on the Record Date. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company, SEBI Listing Regulations and the Companies Act shall apply, mutatis mutandis (to the extent applicable) to the NCDs as well.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to this Issue. Pursuant to the SEBI LODR IV Amendment and SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022 dated January 25, 2022, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

Period of subscription

ISSUE SCHEDULE	
ISSUE OPENING DATE	as specified in the Prospectus
ISSUE CLOSING DATE	as specified in the Prospectus
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors or Borrowing Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ Borrowing Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period indicated in the Prospectus, except that this Issue may close on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of 10 Working Days from the date of opening of the Issue and subject to not exceeding thirty days from filing the Prospectus with ROC) as may be decided by the Board of Directors of our Company or Borrowing Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 216 of this Draft Prospectus.

*Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m.(Indian Standard Time) ("**Bidding Period**"), during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday) (a) by the Designated Intermediaries at the Bidding Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchange. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange. It is clarified that the Applications not uploaded on the Stock Exchange(s) Platform would be rejected. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date.*

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Manager or Trading Members of the Stock Exchange are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on the basis of date of upload of each application into the electronic book of the Stock Exchange in accordance with the SEBI Master Circular. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

Taxation

Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 193 of the IT Act (in case where interest is paid to Individual or HUF, no TDS will be deducted where interest paid is less than 5,000 and interest is paid by way of account payee cheque).

Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

a. When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company/ Registrar, at least 7 days before the relevant record date for payment of debenture interest;

b. When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be Nil. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of 236 Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

c. Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be Nil.

In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13. Further, eligible NCD Holders other than resident individuals or resident HUF investors, the following documents should be submitted with the Company/ Registrar, at least 7 days before the relevant record date for payment of debenture interest (i) copy of registration certificate issued by the regulatory authority under which the investor is registered, (ii) self-declaration for non-deduction of tax at source, and (iii) such other document a may be required under the Income Tax Act, for claiming non-deduction / lower deduction of tax at source and/or specified by the Company/ Registrar, from time to time.

The aforesaid documents, as may be applicable, should be submitted at least 7 days before the relevant Record Date for payment of interest on the NCDs quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The aforesaid documents for claiming non-deduction or lower deduction of tax at source, as the case may be, shall be submitted to the Registrar as per below details or any other details as may be updated on the website of the Issuer at https://www.vivriticapital.com/investors.html or the Registrar at https://www.integratedindia.in/Corporate-Container.aspx, from time to time.

The investors need to submit Form 15H/ 15G/certificate in original from the Assessing Officer for each Fiscal during the currency of the NCD to claim non-deduction or lower deduction of tax at source from interest on the NCD. Tax exemption certificate/document, if any, must be lodged at the office of the Registrar to the Issue at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

Please also see, "*Statement of Possible Tax Benefits*" on page 61.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Draft Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date as stated in the section titled "Issue Procedure" on page 239, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Draft Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Payment of Interest

Amount of interest payable shall be rounded off to the nearest Rupee. In the event, the interest / payout of total coupon /redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Interest/Premium and Payment of Interest/ Premium

Interest/ Coupon on NCDs

As specified in the Prospectus.

Basis of payment of Interest

The Tenor, Coupon Rate / Yield and Redemption Amount applicable for each Series of NCDs shall be determined at the time of Allotment of NCDs pursuant to the Prospectus. NCDs once allotted under any particular Series of NCDs shall continue to bear the applicable Tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment irrespective of the category of NCD Holder on any Record Date, and such tenor, coupon/ yield and redemption amount as at the time of original allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market.

Mode of payment of Interest to NCD Holders

Payment of interest will be made (i) in case of NCDs in dematerialised form, the persons who, for the time being appear in the register of beneficial owners of the NCDs as per the Depositories, as on the Record Date and (ii) in case of NCDs in physical form on account of re-materialization, to the persons whose names appear in the register of debenture holders maintained by us (or to first holder in case of joint-holders) as on the Record Date.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the NCD Holders. In such cases, interest, on the interest payment date, would be directly credited to the account of those investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. For further details, see the "*Terms of the Issue - Manner of Payment of Interest / Refund / Redemption*" beginning on page 226.

Maturity and Redemption

As specified in the Prospectus.

Put / Call Option

As specified in the Prospectus.

Deemed Date of Allotment

The date on which the Board of Directors or Borrowing Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or Borrowing Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

Application in the Issue

NCDs being issued through this Draft Prospectus can be applied for, through a valid Application Form filled in by the applicant along with attachments, as applicable. Further, Applications in this Issue shall be made through the ASBA facility only.

In terms of Regulation 7 of SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in the terms of Section 8(1) of the Depositories Act, but subject to SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 ("SEBI LODR IV Amendment") and SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022 dated January 25, 2022, our Company at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, trading of the NCDs shall be compulsorily in dematerialised form only.

Application Size

Each application should be for a minimum of 10 NCDs across all series collectively and multiples of 1 NCD thereafter (for all series of NCDs taken individually or collectively). The minimum application size for each application for NCDs would be ₹10,000 across all series collectively and in multiples of ₹1,000 thereafter. Applicants can apply for any or all series of NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price of ₹1,000 per NCD, is blocked in the ASBA Account on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall unblock the excess amount paid on application to the applicant in accordance with the terms of the Prospectus.

Record Date

The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date of payment of interest, and/or the date of redemption under the Prospectus. In case the Record Date falls on a day when the Stock Exchange are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchange, will be deemed as the Record Date Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be.

Manner of Payment of Interest / Refund / Redemption*

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below*:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants who are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Neither the Lead Manager, nor our Company, nor the Registrar to the Issue shall have any responsibility and undertake any liability arising from such details not being up to date.

In case of NCDs held in physical form, on account of rematerialisation, the bank details will be obtained from the documents submitted to the Company along with the rematerialisation request. For further details, please see *"Terms of the Issue – Procedure for Re-materialization of NCDs*" on page 222.

The Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to unblocked for the Applicants.

**In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838.*

The mode of interest / refund / redemption payments shall be undertaken in the following order of preference:

1. **Direct Credit**

   Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Bank.

2. **NACH**

   National Automated Clearing House which is a consolidated system of ECS. Payment would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition ("**MICR**") code wherever applicable from the depository. Payments through NACH are mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing

on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get payments through NEFT or Direct Credit or RTGS.

3. **RTGS**

Applicants having a bank account with a participating bank and whose interest payment/ refund/ redemption amounts exceed ₹ 200,000, or such amount as may be fixed by RBI from time to time, have the option to receive payments through RTGS. Such eligible Applicants who indicate their preference to receive interest payment/ refund/ redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. **NEFT**

Payment of interest/ refunds/ redemption shall be undertaken through NEFT wherever the Applicants' banks have been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to a MICR, if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/ refund/ redemption will be made to the applicants through this method.

5. **Registered Post/Speed Post**

For all other applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through speed post/ registered post.

Please note that applicants are eligible to receive payments through the modes detailed in (1), (2) (3), and (4) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed / available.

Please note that our Company shall not be responsible to the holder of NCDs, for any delay in receiving credit of interest / refund / redemption so long as our Company has initiated the process of such request in time.

6. The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date

Printing of bank particulars on interest / redemption warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/ redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs applied and held in dematerialized form, these particulars would be taken directly from the Depositories. In case of NCDs held in physical form on account of rematerialisation, the NCD Holders are advised to submit their bank account details with our Company/ Registrar to the Issue at least seven days prior to the Record Date failing which the orders/ warrants will be dispatched to the postal address of the NCD Holders as available in the records of our Company either through speed post, registered post.

Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Loan against NCDs

Pursuant to RBI Circular dated June 27, 2013, our Company, being an NBFC, is not permitted to extend any loans against the security of its NCDs.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buy-back the NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the NCD Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or

resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Form of allotment and Denomination of NCDs

In case of Secured NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the Secured NCD Holder for the aggregate amount of the Secured NCDs held ("**Consolidated Certificate**"). The Applicant can also request for the issue of Secured NCD certificates in denomination of one NCD ("**Market Lot**"). In case of NCDs held under different Options, as specified in the Prospectus, by a Secured NCD Holder, separate Consolidated Certificates will be issued to the NCD Holder for the aggregate amount of the Secured NCDs held under each Option. It is however distinctly to be understood that the Secured NCDs pursuant to this issue shall be traded only in demat form.

In respect of Consolidated Certificates, we will, only upon receipt of a request from the Secured NCD Holder, split such Consolidated Certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of Secured NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the Secured NCD Holder. The request for splitting should be accompanied by the original NCD certificate which would then be treated as cancelled by us. As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchange shall be in dematerialized form only in multiples of 1 (one) NCD ("**Market Lot**"). Allotment in this Issue to all Allottees, will be in electronic form i.e., in dematerialised form and in multiples of one NCD. For details of allotment see "*Issue Procedure*" beginning on page 239 of this Draft Prospectus.

Procedure for Redemption by NCD holders

The procedure for redemption is set out below:

NCDs held in physical form on account of rematerialisation of NCDs

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment. We may at our discretion redeem the Secured NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those NCD holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the Secured NCD certificates would be deemed to have been cancelled. Also see the para "*Payment on Redemption*" given below.

Secured NCDs held in electronic form

No action is required on the part of Secured NCD holder(s) at the time of redemption of NCDs.

Payment on Redemption

The manner of payment of redemption is set out below:

NCDs held in physical form on account of rematerialisation

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the NCD certificates). Dispatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgment of the transfer documents with us at least seven days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar to the Issue.

Our liability to NCD Holder(s) towards their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque/ pay order/ electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holders towards his/their rights including for payment/ redemption in all events shall end when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

Right to reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, as applicable, on the date of this Draft Prospectus, where we have fully redeemed or repurchased any NCDs, we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or re-issue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or re-issuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Transfer/ Transmission of NCDs

For NCDs held in physical form on account of rematerialisation

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of Companies Act, 2013 applicable as on the date of this Draft Prospectus and all other applicable laws. The provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Articles and the relevant provisions of the Companies Act, 2013 applicable as on the date of this Draft Prospectus, and all applicable laws including FEMA and the rules and regulations thereunder, shall apply, *mutatis mutandis* (to the extent applicable to debentures) to the NCDs as well. In respect of the NCDs held in physical form on account of rematerialisation, a common form of transfer shall be used for the same. The NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depository Participants of the transferor and the transferee and any other applicable laws and rules notified in respect thereof. The transferees should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the register of debenture holders or the records as maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferors and not with the Issuer or Registrar.

For NCDs held in electronic form

The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of the NCDs held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to his depository participant.

In case the transferee does not have a Depository Participant account, the transferor can rematerialise the NCDs and thereby convert his dematerialised holding into physical holding. Thereafter these NCDs can be transferred in the manner as stated above for transfer of NCDs held in physical form.

Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

Common form of transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 and all applicable laws including the FEMA and the rules and regulations thereunder shall be duly complied with in respect of all transfer of debentures and registration thereof.

Sharing of information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper at the place where the registered office of the Company is situated and/or will be sent by post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Issue of duplicate NCD certificate(s)

If NCD certificate(s), issued pursuant to rematerialisation, is/ are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/ security and/or documents as we may deem adequate, duplicate NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Lien

As per the RBI circular dated June 27, 2013, the Company is not permitted to extend loans against the security of its debentures issued by way of private placement or public issues. The Company shall have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD holders or deposits held in the account of the NCD holders, whether in single name or joint name, to the extent of all outstanding dues by the NCD holders to the Company, subject to applicable law.

Lien or pledge of NCDs

Our Company may, at its discretion, note a lien or pledge of NCDs if such pledge of NCD is accepted by any third party bank/institution or any other person for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding, subject to applicable law.

Future Borrowings

We shall be entitled to make further issue of secured or unsecured debentures and/or raise term loans or raise further funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency by creating a charge on any assets, (a) subject to such consents and approvals and other conditions, as may be required under applicable law or existing financing agreements, including any intimation, if applicable under the Transaction Documents (b) provided the stipulated security cover for the Issue is maintained and compliance with other terms of the Transaction Documents.

Illustration for guidance in respect of the day count convention and effect of holidays on payments.

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Master Circular will be as disclosed in the Prospectus.

Payment of Interest

If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount will be unblocked within the time prescribed under applicable law, failing which interest may be due to be paid to the Applicants, for the delayed period, as prescribed in applicable law. Our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. For further details, see "*Issue Procedure - Rejection of Applications*" beginning on page 262.

Listing

The NCDs proposed to be offered in pursuance of this Draft Prospectus will be listed on the BSE. Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number [●] dated [●]. The application for listing of the NCDs will be made to the Stock Exchange at an appropriate stage. For the purposes of the Issue, BSE shall be the Designated Stock Exchange.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Draft Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within six Working Days from the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of NCDs shall not be listed.

Guarantee/Letter of comfort

This Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Monitoring and Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. Our Board shall monitor the utilisation of the proceeds of the Issue. For the relevant quarters, our Company will disclose in our quarterly financial statements, the utilisation of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue

Pre-Issue Advertisement

Subject to Regulation 30(1) of SEBI NCS Regulations, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed in Schedule V of SEBI NCS Regulations in compliance with Section 30 of Companies Act, 2013. Material updates, if any, between the date of filing of this Draft Prospectus and the Prospectus with RoC and the date of release of the statutory advertisement will be included in the statutory advertisement information as prescribed under SEBI NCS Regulations.

Pre-closure

Our Company, in consultation with the Lead Manager reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in the Prospectus. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described herein and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement has been given.

Recovery Expense Fund

Our Company will create a recovery expense fund in the manner as specified by SEBI in circular bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 titled “Master Circular for Debenture Trustees” dated March 31, 2023 and as updated on July 6, 2023, as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and will inform the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Settlement Guarantee Fund

Our Company shall be creating a settlement guarantee fund in the manner as specified in the SEBI Master Circular. This fund will be created to ensure upfront collection of charges from eligible issuers at the time of allotment of debt securities.

ISSUE STRUCTURE

The following are the key terms of the NCDs. This section should be read in conjunction with, and is qualified in its entirety by more detailed information in "*Terms of the Issue*" beginning on page 216.

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Debt Listing Agreement, SEBI Listing Regulations, and the Companies Act, 2013, the RBI Act, the terms of this Draft Prospectus, the Prospectus, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, RBI, the Government of India, and other statutory/regulatory authorities relating to the offer, issue and listing of NCDs and any other documents that may be executed in connection with the NCDs.

The key common terms and conditions of the Term Sheet are as follows:

Particulars	Terms and Conditions
Issuer	Vivriti Capital Limited
Lead Manager	JM Financial Limited
Debenture Trustee	Catalyst Trusteeship Limited
Registrar to the Issue	Integrated Registry Management Services Private Limited
Type of Instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Nature of Instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Face Value of NCDs (₹ /NCD)	₹ 1,000
Issue Price (₹ /NCD)	₹ 1,000
Minimum Application	₹ 10,000 (10 NCD)
In Multiples of thereafter	₹ 1,000 (1 NCD)
Seniority	Senior
Mode of Issue	Public issue
Mode of Allotment	In dematerialised form
Mode of Trading	NCDs will be in dematerialized form
Issue	Public issue by our Company of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each ("**NCDs**") for an amount up to ₹ 25,000 lakhs ("**Base Issue Size**") with an option to retain oversubscription up to ₹ 25,000 lakh ("**Green Shoe Option**"), cumulatively aggregating up to 50,00,000 NCDs for an for an aggregate amount of up to ₹ 50,000 lakh.
Base Issue Size	₹ 25,000 lakh
Green Shoe Option / Option to retain oversubscription (Amount)	₹ 25,000 lakh
Minimum Subscription	Minimum subscription is 75% of the Base Issue size, i.e., ₹ 18,750 lakhs
Stock Exchange/s proposed for listing of the NCDs	BSE Limited
Listing and timeline for Listing	The NCDs are proposed to be listed on BSE. The NCDs shall be listed within six Working Days from the date of Issue Closure. For more information see "*Other Regulatory and Statutory Disclosures*" on page 276.
Depositories	NSDL and CDSL
Market Lot/Trading Lot	One NCD

Particulars	Terms and Conditions
Description regarding security (where applicable) including type of security (movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Prospectus	The principal amount of the NCDs to be issued together with all interest due and payable on the NCDs, thereof shall be secured by an exclusive charge by way of hypothecation of identified book debts of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover to the extent of at least 100% of the outstanding principal amounts of NCDs and all interest due and payable thereon in respect of the NCDs maintained at all times as security until the Final Settlement Date, issued pursuant to the Issue. The NCDs proposed to be issued shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment.
Security Cover	Our Company shall maintain a minimum 100% security cover on the outstanding balance of the NCDs plus accrued interest thereon
Eligible Investors	Category I Investors- Institutional Investors • Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds and pension funds each with a minimum corpus of ₹ 2,500 lakh, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 50,000 lakh as per the last audited financial statements; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI. Category II Investors- Non-Institutional Investors • Companies within the meaning of Section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners;

Particulars	Terms and Conditions
	• Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons. Category III Investors– High Net-Worth Individual Investors High net-worth individual investors - resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1,000,000 across all options of NCDs in this Issue. Category IV Investors – Retail Individual Investors Retail individual investors – resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all options of NCDs in this Issue and shall include retail individual investors, who have submitted bid for an amount not more than UPI Application Limit in any of the bidding options in the Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism
Credit Rating for the Issue / Rating of the Instrument	CARE A; Positive and [ICRA]A(Stable)
Pay-in date	Application date. The entire application amount is payable on application.
Mode of payment	Please see, "*Issue Procedure*" on page 239
Record Date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the relevant interest payment date or relevant Redemption Date for NCDs issued under the Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In case the Record Date falls on a day when the Stock Exchange is having a trading holiday, the immediate preceding trading day or a date notified by our Company to the Stock Exchange, will be deemed as the Record Date.
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	As specified in the Prospectus and the Debenture Trust Deed. Any covenants later added shall be disclosed on the websites of the Stock Exchanges, where the NCDs are proposed to be listed.
Issue Schedule	The Issue shall be open from [●] to [●] with an option to close earlier (subject to the Issue being kept open for minimum period of three Working Days) as may be determined by a duly authorised committee of the Board and informed by way of newspaper publication on or prior to the earlier closer date/date of closure.
Objects of the Issue / Purpose for which there is requirement of funds	Please refer to the chapter titled "*Objects of the Issue*" on page 58.
Put option Date	As specified in the Prospectus.
Put Option Price	As specified in the Prospectus.
Call Option Date	As specified in the Prospectus.
Call Option Price	As specified in the Prospectus.
Put Notification Time	As specified in the Prospectus.
Call Notification Time	As specified in the Prospectus.
Details of the utilisation of the proceeds of the Issue	Please refer to the chapter titled "*Objects of the Issue*" on page 58.
Coupon rate	As specified in the Prospectus.

Particulars	Terms and Conditions
Coupon Payment Date	As specified in the Prospectus.
Step Up/ Step Down Interest Rates	As specified in the Prospectus.
Coupon Type	As specified in the Prospectus.
Coupon reset process	As specified in the Prospectus.
Default Coupon Rate	The Issuer shall pay interest, over and above the agreed coupon rate, in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws. Our Company shall pay at least two percent per annum to the debenture holder, over and above the agreed coupon rate, till the execution of the trust deed if our Company fails to execute the trust deed within such period as prescribed under applicable law
Tenor	As specified in the Prospectus.
Coupon payment frequency	As specified in the Prospectus.
Interest on Application Money	N.A.
Working Days convention/Day count convention / Effect of holidays on payment	Working Day means all days on which commercial banks in Mumbai are open for business. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day (the "Effective Date"), however the dates of the future interest payments would continue to be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Final Settlement Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.
Issue Closing Date	As specified in the Prospectus.
Issue Opening Date	As specified in the Prospectus.
Date of earliest closing of the issue, if any	As specified in the Prospectus.
Default Coupon date	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialised credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws.
Deemed Date of Allotment	The date on which the Board of Directors or Borrowing Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Borrowing Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Day count basis	Actual/Actual
Redemption Date	As specified in the Prospectus.
Redemption Amount	As specified in the Prospectus.
Redemption premium/ discount	As specified in the Prospectus.
Discount at which security is issued and the effective yield as a result of such discount	As specified in the Prospectus.
Transaction Documents	Transaction Documents shall mean this Draft Prospectus, the Prospectus, Abridged Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed, the Deed of Hypothecation and other documents, if applicable, the letters issued by the Rating Agency, the Debenture Trustee and/or the Registrar; and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Manager and/or other

Particulars	Terms and Conditions
	intermediaries for the purpose of the Issue including but not limited to the Issue Agreement, the Debenture Trustee Agreement, the Tripartite Agreements, the Public Issue Account and Sponsor Bank Agreement, the Registrar Agreement and the Consortium Agreement, and any other document that may be designated as a Transaction Document by the Debenture Trustee. For further details see, "*Material Contracts and Document for Inspection*" on page 321.
Conditions precedent and subsequent to the Issue	Other than the conditions set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations, there are no conditions precedent to the Issue.
Events of default (including manner of voting/ conditions of joining Inter Creditor Agreement)	Please refer to the chapter titled "*Terms of the Issue – Events of Default*" on page 218.
Creation of recovery expense fund	Our Company will create a recovery expense fund in the manner as specified by SEBI in circular no. chapter IV of the SEBI master circular bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 and as updated on July 6, 2023, as amended from time to time and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange and will inform the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in the Prospectus and the Debenture Trust Deed and, except where the Debenture Trustee certifies that such default is in its opinion incapable of remedy within the cure period, as set out in the Debenture Trust Deed (in which case no notice shall be required), it shall constitute an event of default. As per the Debenture Trustee Deed, the Debenture Trustee may, at any time, waive, on such terms and conditions as to it shall seem expedient, any breach by the Company of any of the covenants and provisions in these presents contained without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof. Please refer to the section titled "*Terms of the Issue – Events of Default*" on page 218.
Provisions related to Cross Default Clause	As per the Debenture Trust Deed to be executed in accordance with applicable law.
Roles and responsibilities of the Debenture Trustee	As per SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, SEBI Master Circular for Debenture Trustees, Companies Act, the simplified listing agreement(s), and the Debenture Trust Deed, each as amended from time to time. Please see section titled "*Terms of the Issue -Trustees for the NCD Holders*" on page 218.
Risk factors pertaining to the Issue	Please see section titled "*Risk Factors*" on page 14
Settlement Mode	As specified in the Prospectus.
Governing law and jurisdiction	Any dispute in relation to NCDs shall be governed by laws of India and courts and tribunals in Mumbai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the proposed issuance of NCDs.
Covenants	**Financial Covenants** Until the Final Settlement Date, the Company shall: (i) maintain a Capital Adequacy Ratio which is 2% (two percent) higher than the Capital Adequacy Ratio as may be prescribed by the RBI from time to time; (ii) ensure that its Net NPA does not exceed 3% (three percent) of the net advances as of the last day of the relevant period (iii) maintain a standalone debt equity ratio of A:B of not more than 4.5 (four point five) times, where A is the aggregate Debt of the Company, and B is the Equity of the Company (iv) ensure that, from the Effective Date until the Final Settlement Date, the cumulative mismatch/difference in the asset-liability management statement in all time buckets (determined in accordance with the NBFC Directions) is positive **Additional Covenants**

Particulars	Terms and Conditions
	Ensure and procure that Mr. Vineet Sukumar holds the office of the Managing Director of the Issuer until the Final Settlement Date

Notes:
This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period indicated above, except that this Issue may close on such earlier date or extended date ((subject to a minimum period of three Working Days and a maximum period of ten Working Days from the date of opening of the Issue and subject to not exceeding thirty days from filing the Prospectus with ROC) as may be decided by the Board of Directors of our Company or Borrowing Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Issue our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 216 of this Draft Prospectus.

While the NCDs are secured to the tune of 100% of the principal and interest thereon in favour of Debenture Trustee, it is it the duty of the Debenture Trustee to monitor the security cover is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

The specific terms of each instrument to be issued pursuant to an Issue shall be as set out in the Prospectus. Please see "*Issue Procedure*" on page 239 for details of category wise eligibility and allotment in the Issue.

Participation by any of the above-mentioned investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Issue.

For further details, see *"Issue Procedure"* beginning on page 239.

Specified Terms of the NCDs

As specified in the Prospectus.

Specified Terms of NCDs - Interest and Payment of Interest

As specified in the Prospectus.

Terms of Payment

The entire amount of face value of NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms as specified in "*Terms of the Issue*" on page 216.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the "Securities Act") or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Draft Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. In case of Application Form being submitted in joint names, the Applicants should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Application Form. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the

depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Day Count Convention

Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Master Circular.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to this Issue.

For further details, please see the chapter titled "*Issue Procedure*" on page 239.

ISSUE PROCEDURE

This section applies to all Applicants and the specific attention of all Applicants is invited to the SEBI Master Circular, which provides, inter-alia, that for all public issues of debt securities all Applicants are mandatorily required to apply for in the Issue through the ASBA process. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants Please note that all Applicants are required to pay the full Application Amount or to ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. An amount equivalent to the full Application Amount will be blocked by the SCSBs in the relevant ASBA Accounts maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. Applicants should note that they may submit their Applications to the Designated Intermediaries.

Applicants should note that they may submit their Applications to the Designated Intermediaries at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Draft Prospectus

Please note that this section has been prepared based on the SEBI Operation Circular, as amended from time to time and other related circulars including notifications issued by BSE, in relation to the UPI mechanism. Retail Individual Investors should note that they may use the UPI mechanism to block funds for application value up to UPI Application Limit (to participate in the public issue for an amount up to ₹ 5,00,000 for issue of debt securities pursuant to SEBI Master Circular, or any other investment limit, as applicable and prescribed by SEBI from time to time) submitted through the app/web interface of the Stock Exchange or through intermediaries (Syndicate Members, Registered Stockbrokers, Registrar and Transfer agent and Depository Participants).

ASBA Applicants must ensure that their respective ASBA Accounts can be blocked by the SCSBs, in the relevant ASBA accounts for the full Application Amount. Applicants should note that they may submit their Applications to the Designated Intermediaries at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Draft Prospectus.

Specific attention is drawn to the SEBI Master Circular that provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchange, as opposed to the date and time of upload of each such application

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Investors are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws.

Further, the Company and the Lead Manager are not liable for any adverse occurrences consequent to the UPI Mechanism for application in the Issue.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE WILL NEED TO APPROACH THE STOCK EXCHANGE(S) AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE STOCK EXCHANGE. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THE DRAFT PROSPECTUS / PROSPECTUS, THE ISSUE OPENING DATE AND THE ISSUE CLOSING DATE.

THE LEAD MANAGER, THE CONSORTIUM MEMBER AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE TRADING MEMBERS / DESIGNATED INTERMEDIARIES IN CONNECTION WITH THE RESPONSIBILITY OF SUCH TRADING MEMBERS / DESIGNATED INTERMEDIARIES IN RELATION TO COLLECTION AND UPLOAD OF APPLICATIONS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE. FURTHER, THE RELEVANT STOCK EXCHANGE SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS / DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGE.

Please note that for the purposes of this section, the term "Working Day" shall mean all days on which the commercial banks in Mumbai are open for business, except with reference to the Issue Period, where Working Days shall mean all

days, excluding Saturdays, Sundays and public holidays on which commercial banks in Mumbai are open for business. Furthermore, for the purpose the time period between the bid/ issue closing date and the listing of the NCDs, Working Days shall mean all trading days of the Stock Exchange excluding Saturdays, Sundays and bank holidays as specified by SEBI.

The information below is given for the benefit of Applicants. Our Company and the Members of the Consortium are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus.

PROCEDURE FOR APPLICATION

Who can apply?

The following categories of persons are eligible to apply in this Issue.

Category I (Institutional Investors)

- Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds each with a minimum corpus of ₹ 2,500 lakh, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 50,000 lakh as per the last audited financial statements;
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II (Non-Institutional Investors)

- Companies within the meaning of Section 2(20) of the Companies Act, 2013;
- Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners;
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009);
- Association of Persons; and
- Any other incorporated and/ or unincorporated body of persons.

Category III (High Net-worth Individual Investors)

Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1,000,000 across all options of NCDs in this Issue.

Category IV (Retail Individual Investors)

Resident Indian Individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all options of NCDs in this Issue and shall include retail Individual Investors, who have submitted bid for an amount not more than .₹5,00,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism

Please note that it is clarified that Persons Resident outside India shall not be entitled to participate in the Issue and any applications from such persons are liable to be rejected.

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Issue.

The Lead Manager, Members of Consortium and their respective associates and affiliates are permitted to subscribe in this Issue.

Application cannot be made by: The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

(a) Minors without a guardian name* (A guardian may apply on behalf of a minor. However, Applications by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);

(b) Foreign nationals NRI inter-alia including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;

(c) Persons resident outside India and other foreign entities;

(d) Foreign Institutional Investors;

(e) Foreign Portfolio Investors;

(f) Non Resident Indians;

(g) Qualified Foreign Investors;

(h) Overseas Corporate Bodies**;

(i) Foreign Venture Capital Funds; and

(j) Persons ineligible to contract under applicable statutory/ regulatory requirements.

* *Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange by the Designated Intermediaries.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange.

** *The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.*

The information below is given for the benefit of Applicants. Our Company and the Lead Manager are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus

How to apply?

Availability of this Draft Prospectus, the Prospectus, Abridged Prospectus and Application Forms.

Physical copies of the Abridged Prospectus containing the salient features of the Prospectus together with Application Forms may be obtained from our Registered Office and Corporate Office, offices of the Lead Manager, offices of the Consortium Members, the Registrar to the Issue, Designated RTA Locations for RTAs, Designated CDP Locations for CDPs and the Designated Branches of the SCSBs. Additionally, Electronic copies of this Draft Prospectus, the Prospectus and the Application Forms will be available

(i) for download on the website of BSE at www.bseindia.com, and the website of the Lead Manager at www.jmfl.com.

(ii) at the designated branches of the SCSBs and the Members of the Consortium at the Specified Locations.

Electronic copies of the Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Manager, the Stock Exchange, SEBI and SCSBs.

Electronic Application Forms will also be available on the website of the Stock Exchange and on the websites of the SCSBs that permit the submission of Applications electronically. A hyperlink to the website of the Stock Exchange for this facility will be provided on the website of the Lead Manager and the SCSBs. Further, Application Forms will also be provided to Designated Intermediaries at their request. A Unique Application number ("**UAN**") will be generated for every Application Form downloaded from the websites of Stock Exchange.

Our Company may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchange can download Application Forms from the websites of the Stock Exchange. Further, Application Forms will be provided to Trading Members of the Stock Exchange at their request.

Please note that there is a single Application Form for all Applicants who are Persons Resident in India.

Please note that only ASBA Applicants shall be permitted to make an application for the NCDs.

Method of Application

In terms of SEBI *Master* circular, an eligible investor desirous of applying in the Issue can make Applications only through the ASBA process only.

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries. Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a retail individual investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Applicants are requested to note that in terms of the SEBI Master Circular, SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("Direct Online Application Mechanism"). In this regard, SEBI has, through the SEBI Master Circular, directed recognized Stock Exchange in India to put in necessary systems and infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism. The Direct Online Application facility will be available for this Issue as per mechanism provided in the SEBI Master Circular

Applicants should submit the Application Form only at the bidding centres, *i.e*. to the respective Members of the Consortium at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at http://www.sebi.gov.in.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from ASBA Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchanges and submit these Application Forms with the SCSB (except Application Form from RIBs using the UPI Mechanism) with whom the relevant ASBA Accounts are maintained.

For RIBs using UPI Mechanism, the Stock Exchange shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. An Applicant

shall submit the Application Form, in physical form, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. Further, the Application may also be submitted through the app or web interface developed by Stock Exchange wherein the Application is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI mechanism, as applicable.

Designated Intermediaries (other than SCSBs) shall not accept any Application Form from a RIB who is not applying using the UPI Mechanism. For RIBs using UPI Mechanism, the Stock Exchange shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. An Applicant shall submit the Application Form, in physical form, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, our Directors, affiliates, associates and their respective directors and officers, Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Issue should be made by Applicants directly to the relevant Stock Exchange.

In terms of the SEBI Master Circular, an eligible investor desirous of applying in this Issue can make Applications through the following modes:

1. **Through Self-Certified Syndicate Bank (SCSB) or intermediaries** (viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)

    a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor's bank. For such applications, the existing process of uploading of bid on the Stock Exchange bidding platform and blocking of funds in investors account by the SCSB would continue.

    b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

    c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹ 5 lakh or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI mechanism in this case.

2. Through Stock Exchange

    a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchange (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism.

    b. The Stock Exchange have extended their web-based platforms i.e., 'BSEDirect' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value up to Rs. 5 Lakh. To place bid through 'BSEDirect' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct.

    c. An investor may use the following links to access the web-based interface developed by the Stock Exchange to bid using the UPI Mechanism: BSE: https://www.bsedirect.com.

    d. The BSE Direct mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' on Google Playstore for downloading mobile applications

e. To further clarify the submission of bids through the App or web interface, the BSE has issued operational guidelines and circulars dated December 28, 2020 available at https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60, and https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61. For further details, see "*Process for Retail Individual investor application submitted with UPI as mode of payment*" on page 256.

Application Size

Each Application should be for a minimum of 10 NCDs and in multiples of one NCD thereafter for all options of NCDs, as specified in the Prospectus.

Applicants can apply for any or all types of NCDs offered hereunder (any/all series) provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to the SEBI Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70, dated May 17, 2023 ("**SEBI RTA Master Circular**"), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 20 % of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 10 % of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. Further, the group level limits for debt schemes and the ceiling be fixed at 10 % of net assets value extendable to 15 % of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the asset management companies or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must also be accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (iii) a resolution authorising investment and containing operating instructions and (iv) specimen signatures of authorized signatories. **Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Application by Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks

Scheduled commercial banks, co-operative banks and regional rural banks can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; (iv) memorandum and articles of association/charter of constitution; (v) power of attorney; and (vi) a letter of authorisation. Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Pursuant to SEBI Master Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non-Banking Financial Companies can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) their memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (ii) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Application by Insurance Companies

Insurance companies registered with IRDAI can apply in this Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) certificate registered with the IRDAI; (ii) memorandum and articles of association/charter of

constitution; (iii) power of attorney; (iv) resolution authorising investments/containing operating instructions; and (v) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by alternative investments funds

Applications made by 'alternative investment funds' eligible to invest in accordance with the SEBI AIF Regulations for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The alternative investment funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by public financial institutions or statutory corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any Act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof. Applications made by companies, bodies corporate and societies registered under the applicable laws in India**

The Application must be accompanied by certified true copies of: (i) any Act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications made by Indian scientific and/ or industrial research organizations, which are authorized to invest in the NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications made by Partnership firms formed under applicable Indian laws in the name of the partners and limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants from Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by Applicants who are HNI Investors or Retail Individual Investors, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Manager may deem fit.

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his or her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) power of attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by the Income Tax authorities. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by National Investment Funds

Application made by a national investment fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by systemically important non-banking financial companies

Systemically important Non-banking financial companies can apply in this Issue based on their own investment limits and approvals. Applications made by Systemically important non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) board resolution authorising investments; and (iv) specimen signature of authorized person. **For each of the above applicant categories if the Application is not made in the form and along with the requirements set out above, the Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

APPLICATIONS FOR ALLOTMENT OF NCDs IN THE DEMATERIALISED FORM

This section is for the information of the Applicants proposing to subscribe to the Issue. The Lead Manager and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus and the Prospectus. Applicants are advised to make their independent investigations and to ensure that the Application Form is correctly filled up.

Our Company, our directors, affiliates, associates and their respective directors and officers, Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Member, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount payable on Application has been blocked in the relevant ASBA Account. The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Members of the Syndicate at Specified Locations, see the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the CRTAs at the Designated CRTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Submission of Applications

a. Applicants can apply for NCDs only using the ASBA facility pursuant to SEBI Master Circular. ASBA Applications can be submitted through either of the following modes: Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Applicant's bank records, as mentioned in the Application Form, prior to uploading such Application into the electronic system of the Stock Exchange. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such Application and shall not upload such Application in the electronic system of the Stock Exchange. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application being made in the electronic mode, the Applicant shall submit the Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Application.

b. Physically through the Members of Consortium, or Trading Members of the Stock Exchange only at the Specified Cities, i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Members of Consortium or Trading Members of the Stock Exchange at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

c. A UPI Investor making an Application in the Issue under the UPI Mechanism, where the Application Amount is up to the UPI Application Limit, can submit his Application Form physically to a SCSB or a Designated Intermediary. The Designated Intermediary shall upload the application details along with the UPI ID on the Stock Exchange's bidding platform using appropriate protocols. Kindly note that in this case, the Application Amount will be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

A UPI Investor may also submit the Application Form for the Issue through BSE Direct, wherein the Application will be automatically uploaded onto the Stock Exchange's bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by the relevant Designated Intermediary, giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchange and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Collection Center, named by such SCSB to accept such Applications from the Designated Intermediaries (a list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). Upon receipt of the Application Form, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form. If sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount

equivalent to the Application Amount mentioned in the Application Form. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of this Issue or until withdrawal/ rejection of the Application Form, as the case may be. In case of an Application not involving an Application by an RIB through UPI Mechanism, if sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.

In case of Application involving an Application by an RIB through UPI Mechanism, if an Applicant submits the Application Form with a Designated Intermediary and uses his/ her bank account linked UPI ID for the purpose of blocking of funds, where the application value is up to UPI Application Limit, the Application Amount will be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant and the Designated Intermediary shall upload the Application on the bidding platform developed by the Stock Exchange. If an Applicant submits the Application Form through the application or web interface developed by Stock Exchange, the bid will automatically be uploaded onto the Stock Exchange bidding platform and the amount will be blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Applicants must note that:

a. Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Designated Intermediaries at the respective Collection Centers; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchange at least one day prior to the Issue Opening Date. Physical Application Forms will also be provided to the Trading Members of the Stock Exchange at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the electronic version of the Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.

b. The Designated Branches of the SCSBs shall accept Applications directly from Applicants only during the Issue Period. The SCSB shall not accept any Application directly from Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of the SCSBs at Specified Cities can accept ASBA Applications from the Lead Manager or Trading Members of the Stock Exchange, as the case may be, after the closing time of acceptance of Applications on the Issue Closing Date. For further information on the Issue programme, please see section titled "*Issue Structure*" on page 232. However, the relevant branches of the SCSBs at Specified Locations can accept Application Forms from the Designated Intermediaries, after the closing time of acceptance of Applications on the Issue Closing Date, if the Applications have been uploaded. For further information on the Issue programme, please refer to "*Issue Structure*" on page 232 of this Draft Prospectus.

c. In case of Applications through Syndicate ASBA, the physical Application Form shall bear the stamp of the Lead Manager or Consortium Members or Trading Members of the Stock Exchange, as the case maybe, if not, the same shall be rejected. Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected. Physical Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that ASBA Applicants can make an Application for Allotment of NCDs in the dematerialized form only.

Submission of Direct Online Applications

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange.

In the event the Direct Online Application facility is implemented by the Stock Exchange, relevant "know your customer" details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number ("UAN") and an SMS or an email confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant's bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Issue.

As per the SEBI Master Circular, the availability of the Direct Online Applications facility is subject to the Stock Exchange putting in place the necessary systems and infrastructure, and accordingly the aforementioned disclosures

are subject to any further clarifications, notification, modification deletion, direction, instructions and/or correspondence that may be issued by the Stock Exchange and/or SEBI.

Payment instructions

Payment mechanism for Applicants

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form.

An Applicant may submit the completed Application Form to Designated Intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Designated Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds. An Applicant (belonging to Category IV) may also submit the Application Form with a SCSB, or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹5 lakh or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

ASBA Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the relevant Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, and upon receipt of intimation from the Registrar, the controlling branch of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalization of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 5 (five) Working Days of the relevant Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the relevant Issue or until rejection of the ASBA Application, as the case may be. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue. An applicant (belonging to Category IV) may also submit the Application Form with a SCSB or the Designated Intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is up to the UPI Application Limit. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchange wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account and Sponsor Bank Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within five Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application, as the case may be.

For ASBA Applications submitted to the Lead Manager or Consortium Members or Trading Members of the Stock Exchange at the Specified Cities, the ASBA Application will be uploaded onto the electronic system of the Stock Exchange and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such ASBA Applications from the Lead Manager or Trading Members of the Stock Exchange, as the case may be (a list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application.

For ASBA Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application, before entering the ASBA Application into the electronic system of the Stock Exchange. SCSBs may provide the electronic mode of application either through an internet enabled application

and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

Payment mechanism for Direct Online Applicants

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange. In the event the Direct Online Application facility is implemented by the Stock Exchange, relevant "know your customer" details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number ("UAN") and an SMS or an email confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant's bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Issue.

As per the SEBI Master Circular, the availability of the Direct Online Applications facility is subject to the Stock Exchange putting in place the necessary systems and infrastructure, and accordingly the aforementioned disclosures are subject to any further clarifications, notification, modification deletion, direction, instructions and/or correspondence that may be issued by the Stock Exchange and/or SEBI.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.

2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.

3. Applications should be submitted on the Application Form only. In the event that physical Application Forms do not bear the stamp of the Designated Intermediaries, or the relevant Designated Branch, as the case may be, they are liable to be rejected.

4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and May 19, 2022 before investing through the through the app/ web interface of Stock Exchange.

Kindly note, the Stock Exchange shall be responsible for addressing investor grievances arising from Applications submitted online through the App based/ web interface platform of Stock Exchange or through its Trading Members.

Further, the collecting bank shall be responsible for addressing any investor grievances arising from non-confirmation of funds to the Registrar despite successful realization/blocking of funds, or any delay or operational lapse by the collecting bank in sending the Application forms to the Registrar to the Issue.

Applicants are advised not to submit Application Forms to Public Issue Account Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of the Prospectus with ROC

A copy of the Prospectus shall be filed with the ROC in accordance with Section 26 of the Companies Act, 2013.

General Instructions for completing the Application Form

a. Applications must be made in prescribed Application Form only;

b. Applicants should ensure that their Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Members of the Syndicate or Trading Members of the stock exchange at the Specified Cities, and not directly to the escrow collecting banks (assuming that such bank is not a SCSB) or to the Company or the Registrar to the Issue.

c. Applications through Syndicate ASBA, before submitting the physical Application Form to the Members of the Syndicate or Trading Members of the stock exchange, ensure that the SCSB where the ASBA Account, as specified

in the ASBA Form, is maintained has named at-least one branch in that Specified City for the Members of the Syndicate or Trading Members of the stock exchange, as the case may be, to deposit ASBA Forms (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes)

d. Application Forms must be completed in block letters in English, as per the instructions contained in this Draft Prospectus, Prospectus and the Application Form. Applicants should note that the Designated Intermediaries will not be liable for errors in data entry due to incomplete or illegible Application Forms.

e. Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.

f. Applicants applying for Allotment in dematerialized form must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchange by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.

g. Applications must be for a minimum of 10 (Ten) NCDs and in multiples of 1 NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 (Ten) NCDs, an Applicant may choose to apply for 10 (Ten) NCDs or more in a single Application Form.

h. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

i. Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta.

j. Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution of India needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;

k. No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Members of Consortium, Trading Members of the Stock Exchange or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the Transaction Registration Slip ("TRS"). This TRS will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the Lead Manager, Trading Member of the Stock Exchange or the Designated Branch of the SCSBs, as the case may be.

l. The Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Designated Intermediaries or the Designated Branch of the SCSBs, as the case may be.

m. Every Applicant should hold a valid PAN and mention the same in the Application Form and submit the same. Applicant without PAN is liable to be rejected, irrespective of the amount

n. All Applicants are required to tick the relevant column of "Category of Investor" in the Application Form.

o. Applicants should correctly mention the ASBA Account number and UPI ID in case applying through UPI mechanism, and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and also ensure that the signature in the Application Form matches with the signature in Applicant's bank records, otherwise the Application is liable to be rejected

p. Applicants must provide details of valid and active DP ID, UPI ID (in case applying through UPI mechanism), Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, UPI ID (in case applying through UPI mechanism), Client ID and PAN provided in the Application Form, and as entered into the electronic Application

system of Stock Exchange by SCSBs, the Designated Intermediaries, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs. If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder, in accordance with the instructions provided in the Application Form. Not more than five Applications can be made from one single ASBA Account;

q. For Applicants, the Applications in physical mode should be submitted to the SCSBs or a member of the Syndicate or to the Trading Members of the Stock Exchange on the prescribed Application Form. SCSBs may provide the electronic mode for making Application either through an internet enabled banking facility or such other secured, electronically enabled mechanism for Application and blocking funds in the ASBA Account;

r. Application Forms should bear the stamp of the Member of the Syndicate, Trading Member of the Stock Exchange, Designated Intermediaries and/or Designated Branch of the SCSB. Application Forms which do not bear the stamp will be rejected.

s. Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Designated Intermediaries nor the SCSBs, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the NCDs, as specified in the Prospectus for the Issue to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM), CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, UPI ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, UPI ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

Applicants applying for Allotment in dematerialised form must mention their DP ID, Client ID, PAN and UPI ID (in case applying through UPI Mechanism) in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialised form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialised form and entered into the electronic system of the Stock Exchange do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialised form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialised form, whose beneficiary accounts are inactive, will be rejected

On the basis of the DP ID, UPI ID, Client ID and PAN provided by them in the Application Form and entered into the electronic system of the Stock Exchange, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN, address, bank account details and MICR code etc. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NACH, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Consortium nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same. On the basis of the DP ID, UPI ID, Client ID and PAN provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN, address, bank account details and MICR code, etc. These Demographic Details would be used for giving Allotment Advice and refunds, if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note

that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Consortium nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchange by the Members of the Consortium or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Consortium and the other Designated Intermediaries shall not be liable for losses, if any.

The Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and for refunds (if any) as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue.

By signing the Application Form, Applicants applying for the NCDs would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Issue.

Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Banker(s) to the Issue, Registrar to the Issue nor the Lead Manager shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Draft Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on and mailing of the Allotment Advice through speed post or registered post, the Demographic Details obtained from the Depository of the Applicant shall be used.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. **Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Applications are liable to be rejected.**

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for retail individual investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

Unified Payments Interface (UPI)

Pursuant to the SEBI Master Circular, the UPI Mechanism is an applicable payment mechanism for public debt issues (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. The Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchange and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

Permanent Account Number (PAN)

The Applicant should mention his or her PAN allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the central or state government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with SEBI RTA Master Circular issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. **Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the general index register number i.e. GIR number instead of the PAN as the Application is liable to be rejected on this ground**.

However, the exemption for the central or state government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e. either Sikkim category or exempt category.

Joint Applications

Applications can be made in joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to first named in the Application whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs, for the same or other Options of NCDs, as specified in the Prospectus, subject to a minimum Application size as specified in the Prospectus. **Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected. However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹1,000,000 shall deem such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant.** Any Application made by any person in his individual capacity and an Application made by such person in his capacity as a karta of a HUF and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under the Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Electronic registration of Applications

a. The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchange. Direct Online Applications will be registered by Applicants using the online platform offered by the Stock Exchange. The Lead Manager, our Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (v) Applications accepted and uploaded by Trading members of the Stock Exchange or (vi) the Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Member, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms.

   In case of apparent data entry error by the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for allotment/rejection of Application.

b. The Stock Exchange will offer an electronic facility for registering Applications for this Issue. This facility will be available on the terminals of the Designated Intermediaries and the SCSBs during the Issue Period. Designated Intermediaries can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Issue Closing Date. On the Issue Closing Date, the Designated Intermediaries and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Designated Intermediaries and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please refer to "*Issue Structure*" on page 232 of this Draft Prospectus.

c. Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchange, a graphical representation of consolidated demand for the NCDs, as available on the websites of the Stock Exchange, would be made available at the Application centres as provided in the Application Form during the Issue Period

d. At the time of registering each Application, the Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Option(s) of NCDs applied, Application Amounts and any other details that may be prescribed by the online uploading platform of the Stock Exchange.

e. With respect to Applications submitted directly to the SCSBs at the time of registering each Application, other than Direct Online Applications, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- UPI ID (if applicable)
- Number of NCDs applied for
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Application amount

f. With respect to Applications submitted to the Designated Intermediaries at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- UPI ID (if applicable)
- Number of NCDs applied for
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Location
- Application amount

g. A system generated acknowledgement will be given to the Applicant as a proof of the registration of each Application. **It is the Applicant's responsibility to obtain the acknowledgement from the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind**.

h. Applications can be rejected on the technical grounds listed on page 262 of this Draft Prospectus or if all required information is not provided or the Application Form is incomplete in any respect.

i. In case of apparent data entry error by the Designated Intermediaries, in entering the Application Form numbers in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid, or such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange

j. The permission given by the Stock Exchange to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchange.

k. Only Applications that are uploaded on the online system of the Stock Exchange shall be considered for allocation/ Allotment. The Lead Manager, Designated Intermediaries and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate the, Designated Intermediaries and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

Process for Retail Individual Investors application submitted with UPI as mode of payment

a. Before submission of the application with the intermediary, the Retail Individual Investors would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).

b. The Retail individual investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface, or any other methods as may be permitted.

c. The intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the stock exchange bidding platform using appropriate protocols.

d. Once the bid has been entered in the bidding platform, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of investor with the depository.

e. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.

f. Once the bid details are uploaded on the Stock Exchange platform, the Stock Exchange shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next working day.

g. Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the issuer.

h. The Sponsor Bank shall initiate a mandate request on the investor i.e., request the investor to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment

i. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.

j. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the public issue bid details submitted by investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the public issue.

k. An investor is required to accept the UPI mandate latest by 5:00 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5:00 pm the next working day.

l. An investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.

m. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Issue Closing Date) day till 1:00 PM.

n. The facility of re-initiation/ resending the UPI mandate shall be available only till 5:00 pm on the day of bidding.

o. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.

p. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the intermediary.

q. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.

r. Post closure of the offer, the Stock Exchange shall share the bid details with RTA. Further, the Stock Exchange shall also provide the RTA, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.

s. The allotment of debt securities shall be done as per SEBI Master Circular.

t. The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

u. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.

v. Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.

w. Thereafter, Stock Exchange will issue the listing and trading approval.

x. Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSEDirect issued by BSE on December 28, 2020 and May 19, 2022, the investor shall also be responsible for the following:

   i. Investor shall check the Issue details before placing desired bids;

   ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;

   iii. The receipt of the SMS for mandate acceptance is dependent upon the system response/ integration of UPI on Debt Public Issue System;

   iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;

   v. Investor shall note that the transaction will be treated as completed only after the acceptance of mandates by the investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;

   vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and

   vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.

The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and May 19, 2022, before investing through the through the app/ web interface of Stock Exchange.

Kindly note, the Stock Exchange shall be responsible for addressing investor grievances arising from Applications submitted online through the App based/ web interface platform of Stock Exchange or through their Trading Members

Further, the collecting bank shall be responsible for addressing any investor grievances arising from non-confirmation of funds to the Registrar despite successful realization/blocking of funds, or any delay or operational lapse by the collecting bank in sending the Application forms to the Registrar to the Issue.

General Instructions

Do's and Don'ts Applicants are advised to take note of the following while filling and submitting the Application Form

Do's

- Check if you are eligible to apply as per the terms of the Draft Prospectus, the Prospectus and applicable law;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Issue;
- Ensure that the DP ID and Client ID and PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID and Client ID are correct and beneficiary account is activated. The requirement for providing Depository Participant details shall be mandatory for all Applicants;
- Ensure that you have mentioned the correct ASBA Account number (i.e., bank account number/bank name and branch or UPI ID, as applicable) in the Application Form;
- Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder;
- Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be;
- Ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Bidding Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediaries/Designated branch of the SCSB as the case may be;
- Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Bidding Centre;
- Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
- In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchange as per the procedures and requirements prescribed by each relevant Stock Exchange, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, fields namely, quantity, series, application no., sub-category codes will not be allowed for modification during the Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes;
- Ensure that signatures other than in the languages specified in the 8th Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that you mention your PAN in the Application Form. In case of joint Applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;
- In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta;

- Ensure that the Applications are submitted to the Designated Intermediaries, or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Issue programme, please refer to "*Issue Structure*" on page 232 of this Draft Prospectus.

- Ensure that you have correctly signed the authorisation /undertaking box in the Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form, as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.

- **Permanent Account Number:** Except for Application (i) on behalf of the central or state government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the central or state government and officials appointed by the courts and for investors residing in the state of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;

- Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

- Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange, match with the DP ID, Client ID and PAN available in the Depository database;

- Tick the series of NCDs in the Application Form that you wish to apply for;

- Check if you are eligible to Apply under ASBA;

- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form.

- Retail individual investors using the UPI Mechanism to ensure that they submit bids up to the application value of up to the UPI Application Limit as applicable and prescribed by SEBI from time to time.

- Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form.

- Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchange App/ Web interface.

- Ensure that you have mentioned the correct details of ASBA Account (i.e., bank account number / bank name and branch or UPI ID, as applicable) in the Application Form;

- Ensure that the Demographic Details including PAN are updated, true and correct in all respects;

- In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.

- Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40

- Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

In terms of SEBI Master Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

SEBI Master Circular stipulates the time between closure of the Issue and listing at 6 (six) Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Don'ts

- Do not apply for lower than the minimum application size;
- Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post instead submit the same to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be;
- Do not submit the Application Form to any non-SCSB bank or our Company.
- Do not submit an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.
- Do not fill up the Application Form such that the NCDs applied for exceeds the Issue size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, Client ID, UPI ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
- Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
- Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;
- Do not submit Application Forms to a Designated Intermediary at a location other than Collection Centers**;**
- Do not submit an Application that does not comply with the securities law of your respective jurisdiction;
- Do not apply if you are a person ineligible to apply for NCDs under the Issue including Applications by persons resident outside India, NRI (*inter-alia* including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA);
- Do not make an application of the NCD on multiple copies taken of a single form.
- Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue;
- Do not send your physical Application Form by post. Instead submit the same to a Designated Branch or the Lead Manager or Trading Members of the Stock Exchanges, as the case may be, at the Specified Cities.
- Do not submit more than five Application Forms per ASBA Account.
- Do not submit an Application Form using UPI ID, if the Application is for an amount more than UPI Application Limit and if the Application is for an amount more than ₹ 5,00,000;
- Do not submit a bid using UPI ID, if you are not a Retail Individual Investor;
- Do not apply through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;

- Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;

- If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID.

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit such Application Forms. (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

Please refer to "*Rejection of Applications*" on page 262 of this Draft Prospectus for information on rejection of Applications.

Submission of completed Application Forms

For details in relation to the manner of submission of Application Forms, see "*Issue Procedure*" beginning on page 239.

OTHER INSTRUCTIONS

Depository Arrangements

We have made depository arrangements with NSDL and CDSL for issue and holding of the NCDs in dematerialised form. In this context:

(i) Tripartite Agreement dated August 27, 2018 entered into between our Company, Registrar to the Issue and NSDL and Tripartite Agreement dated September 30, 2020 entered into between our Company, Registrar to the Issue and CDSL for offering demat option to the NCD Holders. Our Company undertakes to execute tripartite agreements with the Depositories and the Registrar to the Issue prior to the Issue Opening Date. An Applicant must have at least one beneficiary account with any of the Depository Participants of NSDL or CDSL prior to making the Application.

(ii) An Applicant must have at least one beneficiary account with any of the Depository Participants of NSDL or CDSL prior to making the Application.

(iii) The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.

(iv) NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

(v) Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.

(vi) It may be noted that NCDs in electronic form can be traded only on Stock Exchange having electronic connectivity with NSDL or CDSL. The Stock Exchange have connectivity with NSDL and CDSL.

(vii) Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

(viii) The trading of the NCDs on the floor of the Stock Exchange shall be in dematerialized form in multiples of One NCD only.

Allottees will have the option to rematerialise the NCDs Allotted under this Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable premium and interest for such NCDs) prior to redemption of the NCDs

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGE SHALL BE IN DEMATERIALISED FORM ONLY IN MULTIPLE OF ONE NCD.

For further information relating to Applications for Allotment of the NCDs in dematerialised form, see "*Issue Procedure"* beginning on page 239.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre Issue related problems and/or post Issue related problems such as non-receipt of Allotment Advice non-credit of NCDs in depository's beneficiary account/ etc. Please note that Applicants who have applied for the NCDs through Designated Intermediaries should contact the Stock Exchange in case of any post Issue related problems, such as non-receipt of Allotment Advice / non-credit of NCDs in depository's beneficiary account/ etc.

Grievances relating to Direct Online Applications may be addressed to the Registrar to the Issue, with a copy to the relevant Stock Exchange.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, our Board of Directors and / or any committee reserves it's full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

i. Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

ii. Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Applicant's ASBA Account maintained with an SCSB;

iii. Applications not being signed by the sole/joint Applicant(s);

iv. Applications not made through the ASBA facility;

v. Number of NCDs applied for or Applications for an amount being less than the minimum Application size;

vi. Applications submitted without blocking of the entire Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;

vii. Investor Category in the Application Form not being ticked;

viii. Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;

ix. ASBA Bank account details to block Application Amount not provided in the Application Form;

x. Applications where a registered address in India is not provided for the Applicant;

xi. In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partner(s);

xii. Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;

xiii. PAN not mentioned in the Application Form, except for Applications by or on behalf of the central or state government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned;

xiv. DP ID and Client ID not mentioned in the Application Form;

xv. GIR number furnished instead of PAN;

xvi. Applications by OCBs;

xvii. Applications for an amount below the minimum application size;

xviii. Submission of more than five Application per ASBA Account;

xix. Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;

xx. Applications under power of attorney or by limited companies, corporate, trust etc., submitted without relevant documents;

xxi. Applications accompanied by Stock invest/ cheque/ money order/ postal order/ cash;

xxii. Signature of sole Applicant missing, or, in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);

xxiii. Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.

xxiv. Date of birth for first/sole Applicant for persons applying for allotment not mentioned in the Application Form.

xxv. Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant

xxvi. Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained;

xxvii. Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediaries, as the case may be;

xxviii. Applications not having details of the ASBA Account to be blocked;

xxix. In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID, UPI ID and PAN or if PAN is not available in the Depository database;

xxx. Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;

xxxi. SCSB making an Application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;

xxxii. Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;

xxxiii. Authorization to the SCSB for blocking funds in the ASBA Account not provided or acceptance of UPI Mandate Request raised has not been provided;

xxxiv. Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;

xxxv. Applications by any person outside India;

xxxvi. Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements;

xxxvii. Applications not uploaded on the online platform of the Stock Exchange;

xxxviii. Submission of more than five ASBA Forms per ASBA Account;

xxxix. If an authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;

xl. The UPI Mandate Request is not approved by the Retail Individual Investor;

xli. Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable;

xlii. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Prospectus and as per the instructions in the Application Form, the Draft Prospectus and the Prospectus;

xliii. Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;

xliv. Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchange, are not as per the records of the Depositories;

xlv. Applications providing an inoperative demat account number;

xlvi. Applications submitted to the Designated Intermediaries, at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained, and Applications submitted directly to the Public Issue Account Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;

xlvii. Category not ticked;

xlviii. Forms not uploaded on the electronic software of the Stock Exchange;

xlix. In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application;

l. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Prospectus and as per the instructions in the Application Form;

li. UPI Mandate Request is not approved by Retail Individual Investors.

Kindly note that Applications submitted to the Lead Manager, or Trading Members of the Stock Exchange, Members of the Syndicate, Designated Intermediaries at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Lead Manager, or Trading Members of the Stock Exchange, Members of the Syndicate, Designated Intermediaries, **as the case may be, to deposit Applications. a list of such branches is available at** https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34**).**

For information on certain procedures to be carried out by the Registrar to the Offer for finalization of the basis of allotment, please see below "*Issue Procedure - Information for Applicants*".

Mode of making refunds

The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

Our Company and the Registrar to the Issue shall credit the allotted NCDs to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret by registered post/speed post at the Applicant's sole risk, within six Working Days from the Issue Closing Date. We may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT/NACH.

Further,

(a) Allotment of NCDs in this Issue shall be made within the time period stipulated by SEBI;

(b) Credit to dematerialised accounts will be given within one Working Day from the Date of Allotment;

(c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund effected within five Working days from the Issue Closing Date, for the delay beyond five Working days; and

(d) Our Company will provide adequate funds to the Registrar to the Issue for this purpose.

Green Shoe Option

Our Company shall have a green shoe option up to ₹ 25,000 lakh.

Basis of Allotment for NCDs

The Registrar will aggregate the Applications, based on the applications received through an electronic book from the Stock Exchange and determine the valid Application for the purpose of drawing the basis of allocation.

Allocation Ratio

The registrar will aggregate the applications based on the applications received through an electronic book from the Stock Exchange and determine the valid applications for the purpose of drawing the basis of allocation. Grouping of the application received will be then done in the following manner:

For the purposes of the basis of allotment:

A. *Applications received from Category I Investors- Institutional Investors:* Applications received from Applicants belonging to Category I shall be grouped together, ("**Institutional Portion**");

B. *Applications received from Category II Investors- Non-Institutional Investors:* Applications received from Applicants belonging to Category II, shall be grouped together, ("**Non-Institutional Portion**").

C. *Applications received from Category III Investors- High Net-worth Individual Investors:* Applications received from Applicants belonging to Category III shall be grouped together, ("**High Net-worth Individual Category Portion**").

D. *Applications received from Category IV Applicants- Retail Individual Investors:* Applications received from Applicants belonging to Category IV shall be grouped together, ("**Retail Individual Category Portion**").

For removal of doubt, the terms "**Institutional Portion**", "**Non-Institutional Portion**", "**High Net-worth Individual Category Portion**" and "**Retail Individual Category Portion**" are individually referred to as "**Portion"** and collectively referred to as **"Portions"**.

For the purposes of determining the number of NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of NCDs to be allotted over and above the Base Issue, in case our Company opts the green shoe option in the Issue of up to ₹ 25,000 lakh. The aggregate value of NCDs decided to be allotted over and above the Base Issue, (in case our Company opts the green shoe option ₹25,000 lakh), and/or the aggregate value of NCDs up to the Base Issue Size shall be collectively termed as the "**Overall Issue Size**".

Allocation Ratio

Institutional Portion	Non – Institutional Portion	High - Net Worth Individual Category Portion	Retail Individual Category Portion
[●]	[●]	[●]	[●]

a) **Allotments in the first instance:**

i. Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 20% of Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;

ii. Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated NCDs up to 20% of the Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;

iii. Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated NCDs up to 30% of Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;

iv. Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 30% of Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges.

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with Stock Exchanges, in each Portion subject to the Allocation Ratio indicated herein above.

As per the SEBI Master Circular, the allotment in this Draft Prospectus is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

b) **Under Subscription :** If there is any under subscription in any Category, priority in Allotments will be given to the Retail Individual Investors Portion, High Net Worth Individual Investors Portion, and balance, if any, shall be first made to applicants of the Non Institutional Portion, followed by the Institutional Portion on a first come first serve basis. If there is under subscription in the Issue Size due to undersubscription in each Portion, all valid Applications received till the end of last day of the Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.

c) For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchanges would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the platform of the Stock Exchanges exceeds NCDs to be Allotted for each portion respectively from the date of oversubscription and thereafter.

d) Minimum Allotments of 10 Secured NCDs and in multiples of 1 Secured NCD thereafter would be made in case of each valid Application to all Applicants.

e) **Allotments in case of oversubscription:** In case of an oversubscription in any category, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the Secured NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of Secured NCDs to the applicants on the date of oversubscription and thereafter (based on the date of upload of each Application on the electronic platform of the Stock Exchanges, in each Portion).

For the purpose of clarity, in case of oversubscription please see the below indicative scenarios:

i. In case of an oversubscription in all Portions resulting in an oversubscription in Issue Size, Allotments to the maximum permissible limit, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first serve basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of NCDs to the Applicants from the date of oversubscription in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion).

ii. In case there is oversubscription in Issue Size, however there is under subscription in one or more Portion(s), Allotments will be made in the following order:

a) All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Issue Period, shall receive full and firm allotment.

b) In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net Worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchange during the Issue period. For the sake of clarity, once full and firm allotment has been made to all the valid Applications in the undersubscribed portion, the remaining balance in the undersubscribed Portion will be Allocated to the oversubscribed Portion(s) and proportionate allotments shall be made to all valid Applications in the oversubscribed Portion(s) uploaded on the date of oversubscription and thereafter on the remaining days of the Issue Period.

f) Proportionate **Allotments:**

For each Portion, from the date of oversubscription and thereafter:

i. Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.

iii. If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Issue size, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.

iv. In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.

Applicant applying for more than one Series of NCDs

If an Applicant has applied for more than one Series of NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of NCDs applied for, the Series-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Manager and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the five Series and in case such Applicant cannot be allotted all the five Series, then the Applicant would be allotted NCDs, at the discretion of the Company, the Registrar and the Lead Manager wherein the NCDs with the least tenor i.e. Allotment of NCDs with tenor of 18 months followed by Allotment of NCDs with tenor of 27 months and 36 months respectively.

All decisions pertaining to the Basis of Allotment of NCDs pursuant to the Issue shall be taken by our Company in consultation with the Lead Manager, and the Designated Stock Exchange and in compliance with the aforementioned provisions of this Draft Prospectus. Any other queries / issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Manager.

Our Company would allot Series I NCDs to all valid applications, wherein the applicants have not indicated their choice of the relevant series of the NCDs.

Information for Applicants

Unblocking of funds

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within the applicable regulatory timelines.

In case of ASBA Applications submitted to the SCSBs, in terms of the SEBI circular CIR/CFD/DIL/3/2010 dated April 22, 2010, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchange and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Manager and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such ASBA Applications or treat such ASBA Applications as rejected. In case of Applicants submitted to the Lead Managers, Consortium Members and Trading Members of the Stock Exchange at the Specified Cities, the basis of allotment will be based on the Registrar‘s validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Manager and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such ASBA Application as rejected. Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to the Issue Closing Date.

Withdrawal of Applications after the Issue Period: In case an Applicant wishes to withdraw the Application after the Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar prior to the finalization of the Basis of Allotment but not later than 2 (two) Working days from the Issue Closing Date or early closure date, as applicable.

Pre-closure/ Early Closure: Our Company, in consultation with the Lead Manager reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to Issue remaining open for minimum three Working Days, subject to receipt of minimum subscription which is 75% of the Base Issue Size being ₹ 18,750 lakh before the Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, the Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue Size being ₹18,750 lakh before the Issue Closing Date.

In the event of such early closure of this Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the relevant Issue Closing Date of the Issue, as applicable, through advertisement(s) in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of this issue have been given.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

If our Company does not receive the minimum subscription of 75% of Base Issue Size prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 8 (eight) Working Days from the Issue Closing Date, provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 (six) Working Days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Issuance of Allotment Advice

Our Company shall ensure dispatch/and/or mail the Allotment Advice within 5 (five) Working Days of the Issue Closing Date to the Applicants. The Allotment Advice for successful Applicants will be mailed to their addresses as per the Demographic Details received from the Depositories. Instructions for credit of NCDs to the beneficiary account with Depository Participants shall be made within 5 (five) Working Days of the Issue Closing Date.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchange where the NCDs are proposed to be listed are taken within 6 (six) Working Days from the Issue Closing Date.

Allotment Advices shall be issued, or Application Amount shall be unblocked within 15 (fifteen) days from the Issue Closing Date or such lesser time as may be specified by SEBI or else the Application Amount shall be unblocked in the ASBA Accounts of the Applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Our Company will provide adequate funds required for dispatch of Allotment Advice, as applicable, to the Registrar to the Issue.

Revision of Applications

As per the notice no: 20120831-22 dated August 31, 2012 issued by BSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchange, by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchange as per the procedures and requirements prescribed by each relevant Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day after the Issue Closing Date (till 1:00 pm) to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Early Closure

Our Company, in consultation with the Lead Manager reserves the right to close the Issue at any time prior to the Closing Date of respective Prospectus, subject to receipt of minimum subscription for NCDs aggregating to

75% of the Base Issue size i.e. ₹ 18,750 lakh and subject to the Issue being kept open for minimum period of three Working Days. Our Company shall allot NCDs with respect to the Applications received at the time of such early closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement have been given.

Utilisation of Application Amounts

The sum received in respect of the Issue will be kept in separate bank account(s) and we will have access to such funds only upon allotment of the NCDs, execution of Debenture Trust Deeds and on receipt of listing and trading approval from the Stock Exchange as per applicable provisions of law(s), regulations and approvals.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹0.10 crore or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10 lakh or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakh or with both.

Undertakings by our Company

We undertake that:

a) All monies received pursuant to the Issue of Secured NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.

b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised.

c) Details of all unutilised monies out of issue of Secured NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.

d) The details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested.

e) We shall utilize the Issue proceeds only upon allotment of the Secured NCDs, execution of the Debenture Trust Deed as stated in this Draft Prospectus and on receipt of the minimum subscription of 75% of the Base Issue i.e. ₹ 18,750 lakh and receipt of listing and trading approval from the Stock Exchange.

f) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property dealing of equity of listed companies or lending/investment in group companies.

g) The allotment letter shall be issued, or Application Amount shall be unblocked within 15 days from the closure of the Issue or such lesser time as may be specified by SEBI, or else the Application Amount shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

h) The Experts named in this Draft Prospectus are not, and has not been, engaged or interested in the formation or promotion or management, of the Company.

Other Undertakings by our Company

Our Company undertakes that:

a) Complaints received in respect of the Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) will be attended to by our Company expeditiously and satisfactorily;

b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the Secured NCDs are outstanding;

c) Our Company will take necessary steps for the purpose of getting the Secured NCDs listed within the specified time, i.e., within 6 Working Days from the Issue Closing Date;

d) Funds required for dispatch of Allotment Advice will be made available by our Company to the Registrar to the Issue;

e) Our Company will forward details of utilisation of the proceeds of the Issue, duly certified by the Statutory Auditor, to the Debenture Trustee as per applicable law;

f) We shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time;

g) We undertake that the assets / receivables on which charge is created, are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor, wherever applicable;

h) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Issue as contained in the Prospectus;

i) We shall make necessary disclosures/reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

j) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report;

k) We have created a recovery expense fund in the manner as specified by SEBI from time to time; and

l) Inform the Debenture Trustee about the same.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Except as stated in this section there are no outstanding: (i) criminal proceedings; (ii) actions by statutory / regulatory authorities; (iii) claims for any indirect and direct tax liability; and (iv) other litigations which are identified as material in terms of the Materiality Policy (as defined hereinafter below), each involving the Company, its Subsidiaries, its Directors, its Promoters and its Group Companies.

For the purpose of disclosures in this Draft Prospectus, our Company has considered the following litigation 'material' litigation:

a. all pending proceedings whether civil, arbitral, tax related litigations, or otherwise, of value exceeding more than 5% of our profit after tax on a standalone basis as on March 31, 2023 i.e. more than ₹ 646.00 lakh;

b. any other outstanding legal proceeding which is likely to have a material adverse effect on the financial position, profitability and cash flows of our Company which may affect the issue or the investor's decision to invest/continue to invest in the debt securities.

Save as disclosed below, there are no:

a. litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory body or regulatory body against the Promoters of the Company during the preceding three years immediately preceding the year of the issue of the Draft Prospectus and any direction issued by such Ministry or Department or statutory body or regulatory body upon conclusion of such litigation or legal action;

b. litigation involving the Company, Promoters, Directors, Subsidiaries, Group Companies or any other person, whose outcome could have material adverse effect on the financial position of the Company, which may affect the issue or the investor's decision to invest/continue to invest in the debt securities;

c. acts of material frauds committed against our Company in the preceding three financial years and current financial year and the action taken by the Company;

d. default and non-payment of statutory dues by the Company for preceding three financial years and current financial year;

e. pending proceedings initiated against the Company for economic offences and default; and

f. inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act or any previous companies law in the preceding three years immediately preceding the year of issue of offer document in the case of company and all of its subsidiaries; and if there were any prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the preceding three years immediately preceding the year of the prospectus for the Company and our Subsidiaries.

Litigation involving our Company

Litigation against our Company

Material Civil Litigations

Our Company had filed a civil suit no. 650 of 2019 against M/s. Bell Finvest India Ltd., Bhupen Mohanlal Rathod, Chiraj Bhupesh Rathod ("**Respondents**") before the High Court of Madras ("**Court**") for the recovery of loan amount. The Court passed a judgment and decree in favour our Company on January 27, 2022 ("**Order**") requiring the Respondents to make the payment. Since the Respondents were within the jurisdiction of the High Court of Bombay, our Company filed an execution petition no. 3 of 2023 before the Court for the transmission of the Order and praying for the payment of Rs. 118,751,374 along with further interest at 18% per annum on Rs. 6,965,257.93 from April 17, 2023. The Order has been transmitted to the High Court of Bombay vide order dated January 23, 2023. The matter is currently pending.

Actions Taken by Regulatory and Statutory Authorities

Nil

Economic Offences

Nil

Litigation by our Company

Criminal Proceedings

Our Company has filed 5 cases under Section 138 of the Negotiable Instruments Act, 1881 and Section 25 of the Payment and Settlement Act, 2007. The matters are currently pending.

Litigation involving our Directors

Litigation against our Directors

Material Civil Litigations

Nil

Criminal Proceedings

Nil

Actions Taken by Regulatory and Statutory Authorities

Vineet Sukumar

The Registrar of Companies, Chennai, in its adjudication order dated March 10, 2023 had imposed a monetary penalty of Rs. 10,000/- each against our Company, Vineet Sukumar, Gaurav Kumar, Company Secretary and CFO for alleged non-compliance with Section 62(1)(c) of the Companies Act and Rule 13(2)(g) of the Companies (Share Capital and Debentures) Rules, 2014. The Company, Vineet Sukumar, Gaurav Kumar, Company Secretary and CFO have duly paid the fine.

Gaurav Kumar

An adjudication order was passed against Gaurav Kumar. *For further details*, please see "- *Actions Taken by Regulatory and Statutory Authorities - Vineet Sukumar*" on page 272.

Litigation by our Directors

Material Civil Litigations

Nil

Other Non-Material Litigation involving our Directors

Nil

Litigation involving our Promoters

Nil

Legal action involving our Promoters

An adjudicated order was passed against Vineet Sukumar and Gaurav Kumar. *For further details*, please see "- *Actions Taken by Regulatory and Statutory Authorities - Vineet Sukumar*" on page 272.

Litigation involving our Subsidiaries

Litigation against our Subsidiaries

Nil

Litigation by our Subsidiaries

Material Civil Litigations

Nil

Criminal Proceedings

Nil

Litigation involving Group Companies

Litigation against our Group Companies

Actions Taken by Regulatory and Statutory Authorities

Sonata Finance Private Limited

1. The RBI had imposed a monetary penalty of Rs. 15,00,000 during Financial Year 2020-2021 against our company. The company has duly paid the fine.

2. The BSE had imposed penalties against our company for alleged non-compliance of various provisions of SEBI LODR Regulations. Based on the response submitted by our company the BSE has withdrawn all the fines except fine in one instance of Rs. 4,69,640 (inclusive of taxes) which has been duly paid by the company.

Civil Litigation

Nil

Tax Proceedings

Except as disclosed below, there are no claims related to direct and indirect taxes involving our Company, Subsidiaries, Directors and Promoters.

Nature of case	Number of cases	Amount involved (in ₹ lakh)*
Proceedings involving the Company		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Proceedings involving the Subsidiaries		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Proceedings involving the Directors		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Proceedings involving the Promoters		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

Details of inquiries, inspections or investigations initiated or conducted under the Securities laws, Companies Act, 1956 or the Companies Act, 2013 against our Company and its Subsidiaries in the preceding three years along with Section wise details of prosecutions filed (whether pending or not), fines imposed or compounding of offences against our Company and its Subsidiaries in the preceding three years.

1. The BSE vide its email dated August 20, 2021 had imposed a monetary penalty of Rs. 55,460 against our Company for alleged non-compliance of Regulation 54(2) of SEBI LODR Regulations in relation to extent and nature of security created and maintained. Based on the response submitted by our Company on August 27, 2021 denying the non-compliance, the BSE has withdrawn the fine.

2. The BSE vide its email dated September 14, 2022 had imposed a monetary penalty of Rs. 68,440 against our Company for alleged non-compliance of Regulation 52(4)and 54(2) of SEBI LODR Regulations in relation to non-submission and delay in intimation of certain documents. Based on the response submitted by our Company on September 30, 2022 denying the non-compliance, the BSE has withdrawn the fine.

3. The BSE vide its email dated September 28, 2022 had imposed a monetary penalty of Rs. 19.37 lakh against our Company for alleged non-compliance of Regulation 57(1) of SEBI LODR Regulations in relation to non-submission of information relating to payment obligation. Based on the response submitted by our Company on December 1, 2022, the BSE has withdrawn the fine.

4. The BSE vide its email dated September 28, 2022 had imposed a monetary penalty of Rs. 1,29,800 against our Company for alleged non-compliance of Regulation 60(2) of SEBI LODR Regulations in relation to the delay in submission of delay in record date. Based on the response submitted by our Company on October 12, 2022 denying the non-compliance, the BSE has withdrawn the fine.

5. The BSE vide its email dated November 30, 2022 had imposed a monetary penalty of Rs. 73,160 against our Company for alleged non-compliance of Regulation 57(1) of SEBI LODR Regulations in relation to non-submission of

information relating to payment obligation. Based on the response submitted by our Company on November 30, 2022 denying the non-compliance, the BSE has withdrawn the fine.

6. The BSE vide its email dated December 14, 2022 had imposed a monetary penalty of Rs. 5,900 against our Company for alleged non-compliance of Regulation 50(1) of SEBI LODR Regulations non-submission and delay in intimation of certain documents. Based on the response submitted by our Company on December 14, 2022, the BSE has withdrawn the fine.

7. The Registrar of Companies, Chennai, in its adjudication order dated March 10, 2023 had imposed a monetary penalty of Rs. 10,000 each against our Company, Promoters, Company Secretary and CFO for alleged non-compliance with Section 62(1)(c) of the Companies Act and Rule 13(2)(g) of the Companies (Share Capital and Debentures) Rules, 2014. The Company, Promoters, Company Secretary and CFO have duly paid the fine.

Details of litigation or legal action pending or taken by any ministry or government department or statutory authority against our Promoters during the preceding three years and any direction issued by any such ministry or department or statutory authority upon conclusion of such litigation or legal action, as on date of this Draft Prospectus.

Nil.

Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon.

Nil.

Summary of reservations, qualifications or adverse remarks of auditors in the preceding three Fiscals immediately preceding the year of circulation of this offer letter and of their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.

Financial Year	Auditors Remark/ Qualifications/Emphasis of Matter	Impact on Financial Position	Corrective steps Taken and proposed to be taken
2020-21	Emphasis of matter paragraph in the audit report in Standalone financial statements of the Company for Financial year ended March 31, 2021: *"We draw attention to Note 40.8 to the Standalone financial statements, which describe the potential impact of the COVID-19 pandemic on the Company's standalone financial. Our report is not modified in respect of this matter."*	None	Not Applicable as there is no impact on the financial position.
2020-21	Emphasis of matter paragraph in the audit report in Consolidated financial statements of the Company for Financial year ended March 31, 2021: *"We draw attention to Note 39.8 to the consolidated financial statements, which describe the potential impact of the COVID-19 pandemic on the Parent's financial statements and particularly the impairment provisions are dependent on future developments, which are highly uncertain. Our report is not modified in respect of this matter."*	None	Not Applicable as there is no impact on the financial position.
2021-22	Emphasis of matter paragraph in the audit report in Standalone financial statements of the Company for Financial year ended March 31, 2022: As more fully described in Note 79 to the standalone financial statements, the extent to which the COVID-19 pandemic will have impact on the Company's financial performance is dependent on future developments, which are highly uncertain. Our report is not modified in respect of this matter	None	Not Applicable as there is no impact on the financial position.
2021-22	Emphasis of matter paragraph in the audit report in Consolidated financial statements of the Company for Financial year ended March 31, 2022: *"As more fully described in Note 50 to the consolidated financial statements, the extent to which the COVID-19 pandemic will have impact on the Group's financial performance is dependent on future developments, which are highly uncertain. Our report is not modified in respect of the above matter."*	None	Not Applicable as there is no impact on the financial position.

Details of acts of material frauds committed against the Company in the preceding three financial years and current financial year, if any, and if so, the action taken by the Company in response:

S. No.	Year	Gross Amount (₹ in Lakh)	Modus Operandi	Recovery (₹ in Lakh)	Provisions (₹ in Lakh)	Action Taken by the Company
1	Financial Year 2020-21	2,123 (Across multiple products)	• Creation of fake customers in the MIS • Faking of loan books and operations. • Misrepresentation of field operations • Incorrect accounts / financial information being reported • Misrepresenting cash balances including forging of bank statements. • Reporting of non-existing employees in the system • Entire senior management of the borrower was involved in the falsification of data	-	2,123 (Fully written off) by the Company	Police complaint has been filed by the Company and RBI reporting in connection with the frauds have been completed. Currently, the Company is pursuing legal route to obtain recovery of such balances. Since these balances have been written off, these do not form part of the Asset Under Management in the financial statements.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Issuer's Absolute Responsibility

"*The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the Draft Prospectus is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.*"

Authority for this Issue

Our Board of Directors, through its resolution passed during the meeting held on June 20, 2023 have approved the issuance of NCDs of the face value ₹ 1,000 each, for an amount aggregating up to ₹ 25,000 lakhs ("**Base Issue Size**") with an option to retain oversubscription up to ₹ 25,000 lakh ("**Green Shoe Option**"), cumulatively aggregating up to 50,00,000 NCDs for an aggregate amount up to ₹ 50,000 lakh ("**Issue Size" or "Issue Limit**"). The Issue is within the borrowing limit approved by the shareholders.

Pursuant to a resolution passed by our Board dated April 28, 2023 and Shareholders at the EGM held on May 02, 2023, our Board has been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed a sum of ₹ 1,000,000 lakh.

Prohibition by SEBI/ Eligibility of our Company for the Issue

Our Company, persons in control of our Company and/or our Promoters and/or our Promoter Group and/or our Directors have not been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. None of our Directors and/or our Promoters, is a director or promoter of another company which has been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

Our Company is not in default of payment of interest or repayment of principal amount in respect of non-convertible securities, for a period of more than six-months as on the date of this Draft Prospectus.

Our Company has been levied fines or penalties by Stock Exchange in the past (as mentioned below). However, as on date there are no fines or penalties levied by SEBI or the Stock Exchange pending to be paid by our Company:

1. The BSE vide its email dated August 20, 2021 had imposed a monetary penalty of Rs. 55,460 against our Company for alleged non-compliance of Regulation 54(2) of SEBI LODR Regulations in relation to extent and nature of security created and maintained. Based on the response submitted by our Company on August 27, 2021 denying the non-compliance, the BSE has withdrawn the fine.

2. The BSE vide its email dated September 14, 2022 had imposed a monetary penalty of Rs. 68,440 against our Company for alleged non-compliance of Regulation 52(4) and 54(2) of SEBI LODR Regulations in relation to non-submission and delay in intimation of certain documents. Based on the response submitted by our Company on September 30, 2022 denying the non-compliance, the BSE has withdrawn the fine.

3. The BSE vide its email dated September 28, 2022 had imposed a monetary penalty of Rs. 19.37 lakh against our Company for alleged non-compliance of Regulation 57(1) of SEBI LODR Regulations in relation to non-submission of information relating to payment obligation. Based on the response submitted by our Company on December 1, 2022, the BSE has withdrawn the fine.

4. The BSE vide its email dated September 28, 2022 had imposed a monetary penalty of Rs. 1.29 lakh against our Company for alleged non-compliance of Regulation 60(2) of SEBI LODR Regulations in relation to the delay in submission of delay in record date. Based on the response submitted by our Company on October 12, 2022 denying the non-compliance, the BSE has withdrawn the fine.

5. The BSE vide its email dated November 30, 2022 had imposed a monetary penalty of Rs. 73,160 against our Company for alleged non-compliance of Regulation 57(1) of SEBI LODR Regulations in relation to non-submission of information relating to payment obligation. Based on the response submitted by our Company on November 30, 2022 denying the non-compliance, the BSE has withdrawn the fine.

6. The BSE vide its email dated December 14, 2022 had imposed a monetary penalty of Rs. 5,900 against our Company for alleged non-compliance of Regulation 50(1) of SEBI LODR Regulations non-submission and delay in intimation of certain documents. Based on the response submitted by our Company on December 14, 2022, the BSE has withdrawn the fine.

Categorisation as a Wilful Defaulter

Our Company or persons in control of our Company or any of our Directors or our Promoters have not been categorised as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, export credit guarantee corporation of India ("**ECGC**") or any other governmental / regulatory authority.

None of our Whole-time Directors and/or our Promoters, is a whole-time director or promoter of another company which has been categorised as a wilful defaulter.

Declaration as a Fugitive Economic Offender

None of our Directors and/or Promoters have been declared as Fugitive Economic Offender.

Other confirmations

None of our Company or our Directors or our Promoters, or person(s) in control of our Company was a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of this Draft Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, JM FINANCIAL LIMITED CONFIRMS THAT COMMENTS RECEIVED ON THE DRAFT PROSPECTUS WILL BE SUITABLY ADDRESSED BEFORE FILING THE PROSPECTUS, AND TO THIS EFFECT, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●], WHICH READS AS FOLLOWS:

[●]

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS LETTER NO [•] DATED [•] PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS THE STOCK EXCHANGE ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

a. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR

b. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR

c. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;

AND IT SHOULD NOT FOR ANY REASON BE DEEMED OR CONSTRUED THAT THIS OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE EXCHANGE. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRES ANY SECTURITIES OF THIS COMPANY MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON

CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR FOR ANY OTHER REASON WHATSOEVER.

Disclaimer Clause of RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION[(1)] DATED JANUARY 5, 2018ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45I-A OF THE RBI ACT, 1934. A COPY OF THIS DRAFT PROSPECTUS HAS NOT BEEN FILED WITH OR SUBMITTED TO THE RESERVE BANK OF INDIA ("RBI"). IT IS DISTINCTLY UNDERSTOOD THAT THIS DRAFT PROSPECTUS SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO BE APPROVED OR VETTED BY RBI. RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE ISSUER OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE ISSUER AND FOR DISCHARGE OF LIABILITY BY THE ISSUER. RBI NEITHER ACCEPTS ANY RESPONSIBILITY NOR GUARANTEE FOR THE PAYMENT OF ANY AMOUNT DUE TO ANY INVESTOR IN RESPECT OF THE PROPOSED NCDS.

[(1)] Our Company has made an application dated June 12, 2023 to the RBI to obtain a fresh certificate under Section 45IA of the RBI Act, 1934 pursuant to conversion upon change of name of our Company from a private limited to a public limited company to commence/ or carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.

Disclaimer statement from the Issuer

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS DRAFT PROSPECTUS OR IN ANY ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF OUR COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

Disclaimer statement from the Lead Manager

THE LEAD MANAGER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS DRAFT PROSPECTUS OR IN ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

Disclaimer in Respect of Jurisdiction

THE ISSUE IS BEING MADE IN INDIA, TO INVESTORS FROM CATEGORY I, CATEGORY II, CATEGORY III AND CATEGORY IV. THIS DRAFT PROSPECTUS AND THE PROSPECTUS WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE NCDS OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THIS DRAFT PROSPECTUS AND THE PROSPECTUS COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

Disclaimer Clause of ICRA Limited

ICRA RATINGS SHOULD NOT BE TREATED AS RECOMMENDATION TO BUY, SELL OR HOLD THE RATED DEBT INSTRUMENTS. ICRA RATINGS ARE SUBJECT TO A PROCESS OF SURVEILLANCE, WHICH MAY LEAD TO REVISION IN RATINGS. AN ICRA RATING IS A SYMBOLIC INDICATOR OF ICRA'S CURRENT OPINION ON THE RELATIVE CAPABILITY OF THE ISSUER CONCERNED TO TIMELY SERVICE DEBTS AND OBLIGATIONS, WITH REFERENCE TO THE INSTRUMENT RATED. PLEASE VISIT OUR WEBSITE WWW.ICRA.IN OR CONTACT ANY ICRA OFFICE FOR THE LATEST INFORMATION ON ICRA RATINGS OUTSTANDING. ALL INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED BY ICRA FROM SOURCES BELIEVED BY IT TO BE ACCURATE AND RELIABLE, INCLUDING THE RATED ISSUER. ICRA HOWEVER HAS NOT CONDUCTED ANY AUDIT OF THE RATED ISSUER OR OF THE INFORMATION PROVIDED BY IT. WHILE REASONABLE CARE HAS BEEN TAKEN TO ENSURE THAT THE INFORMATION HEREIN IS TRUE, SUCH INFORMATION IS PROVIDED 'AS IS' WITHOUT ANY WARRANTY OF ANY KIND, AND ICRA IN PARTICULAR, MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS OR COMPLETENESS OF ANY SUCH INFORMATION. ALSO, ICRA OR ANY OF ITS GROUP COMPANIES MAY HAVE PROVIDED SERVICES OTHER THAN RATING TO THE ISSUER RATED. ALL INFORMATION CONTAINED HEREIN MUST BE CONSTRUED SOLELY AS STATEMENTS OF OPINION, AND ICRA SHALL NOT BE LIABLE FOR ANY LOSSES INCURRED BY USERS FROM ANY USE OF THIS PUBLICATION OR ITS CONTENTS.

Disclaimer Clause of CARE Ratings Limited

THE RATINGS ISSUED BY CARE RATINGS ARE OPINIONS ON THE LIKELIHOOD OF TIMELY PAYMENT OF THE OBLIGATIONS UNDER THE RATED INSTRUMENT AND ARE NOT RECOMMENDATIONS TO SANCTION, RENEW, DISBURSE, OR RECALL THE CONCERNED BANK FACILITIES OR TO BUY, SELL, OR HOLD ANY SECURITY. THESE RATINGS DO NOT CONVEY SUITABILITY OR PRICE FOR THE INVESTOR. THE AGENCY DOES NOT CONSTITUTE AN AUDIT ON THE RATED ENTITY. CARE RATINGS HAS BASED ITS RATINGS/OUTLOOK BASED ON INFORMATION OBTAINED FROM RELIABLE AND CREDIBLE SOURCES. CARE RATINGS DOES NOT, HOWEVER, GUARANTEE THE ACCURACY, ADEQUACY, OR COMPLETENESS OF ANY INFORMATION AND IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS AND THE RESULTS OBTAINED FROM THE USE OF SUCH INFORMATION.

UNDERTAKING BY THE ISSUER

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE "RISK FACTORS" GIVEN ON PAGE 14 OF THIS DRAFT PROSPECTUS.

THE ISSUER, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS DRAFT PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS DRAFT PROSPECTUS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS DRAFT PROSPECTUS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

THE ISSUER HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THIS DRAFT PROSPECTUS. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGE'S WEBSITES WHERE THE DEBT IS LISTED.

Disclosures in accordance with the DT Circular

Appointment of Debenture Trustee

The Company has appointed the Debenture Trustee in accordance with the terms of the Debenture Trustee Agreement.

Separately, the Company and the Debenture Trustee have agreed the payment of an acceptance fees of 0.00500% of the subscribed amount plus applicable taxes and annual trusteeship fees of 0.00600 % of the subscribed amount on an annual basis, plus applicable taxes.

Debenture Trustee Agreement

Our Company has entered into a Debenture Trustee Agreement with the Debenture Trustee which provides for, inter alia, the following terms and conditions:

1. The Debenture Trustee, either through itself or its agents/ advisors/ consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Prospectus and the Applicable Laws, have been obtained. For the purpose of carrying out the due diligence as required in terms of the Applicable Laws, the Debenture Trustee, either through itself or its agents / advisors/ consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/ valuers/ consultants/ lawyers/ technical experts/ management consultants appointed by the Debenture Trustee. It is clarified that, while the Debenture Trustee may avail services of agents / advisors/ consultants or independent professionals, the responsibility shall rest with the Debenture Trustee.

2. The Company shall provide all assistance to the Debenture Trustee to enable verification from the registrar of companies, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets proposed to secure the NCDs, whether owned by the Company or any other person, are registered / disclosed.

3. Further, in the event that existing charge holders or the concerned trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

4. Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out requisite diligence in connection with the issuance and allotment of the NCDs, in accordance with the Applicable Laws.

5. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

Terms of carrying out due diligence

As per the SEBI master circular bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 titled "Master Circular for Debenture Trustees" dated March 31, 2023 and updated as on July 6, 2023, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times.

Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our Company has consented to.

(a) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Prospectus and the Applicable Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Applicable Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/ technical-experts/management consultants appointed by the Debenture Trustee.

(b) The Company shall provide all assistance to the Debenture Trustee to enable verification from the registrar of companies, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets proposed to secure the NCDs, whether owned by the Company or any other person, are registered / disclosed.

(c) Further, in the event that existing charge holders or the concerned trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

(d) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the NCDs, in accordance with the Applicable Laws.

(e) All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.]

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations, as amended and circulars issued by SEBI from time to time.

Other confirmations

The Debenture Trustee undertakes that the NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and Registrar of Companies or CERSAI or depository, etc., as applicable, or is independently verifiable by the Debenture Trustee.

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with applicable law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI master circular bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 titled "Master Circular for Debenture Trustees" dated March 31, 2023 and updated as on July 6, 2023.

CATALYST TRUSTEESHIP LIMITED HAVE FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED JULY 28, 2023, AS PER THE FORMAT SPECIFIED IN ANNEX-IIA OF MASTER CIRCULAR FOR DEBENTURE TRUSTEESAND SCHEDULE IV OF SEBI NCS REGULATIONS WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.

2. ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND ON INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS, WE CONFIRM THAT:

A. THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND / OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED.

B. THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).

C. THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ALSO ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.

D. ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS / PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT / PRIVATE PLACEMENT MEMORANDUM / INFORMATION MEMORANDUM AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM / INFORMATION MEMORANDUM WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.

E. ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), OFFER DOCUMENT / PRIVATE PLACEMENT MEMORANDUM / INFORMATION MEMORANDUM.

F. ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.

G. ALL DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT / PRIVATE PLACEMENT MEMORANDUM / INFORMATION MEMORANDUM WITH RESPECT TO THE DEBT SECURITIES ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE. WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

Our Company undertakes that it shall submit the due diligence certificate from Debenture Trustee to the Stock Exchange as per format specified in Annex-IIA of Master Circular for Debenture Trustees.

Our Company and the Debenture Trustee will execute a Debenture Trust Deed specifying, inter alia, the powers, authorities and obligations of the Debenture Trustee and the Company, as per SEBI NCS Regulations applicable for the proposed NCD Issue.

Track record of past public issues handled by the Lead Manager

The track record of past issues handled by the Lead Manager, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following website:

Name of Lead Manager	Website
JM Financial Limited	www.jmfl.com

Listing

The NCDs proposed to be offered through this Issue are proposed to be listed on BSE. An Application will be made to the BSE for permission to deal in and for official quotation of our NCDs. BSE has been appointed as the Designated Stock Exchange.

If permission to deal in and for an official quotation of our NCDs is not granted by the Stock Exchange, our Company will forthwith repay, without interest, all monies received from the applications in pursuance of the Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange mentioned above are taken within six Working Days from the date of closure of this Issue.

The Issue shall be kept open for a minimum period of three Working Days and a maximum of ten Working Days in compliance with Regulation 33A of SEBI NCS Regulations.

For the avoidance of doubt, it is hereby clarified that in the event of under subscription, NCDs shall not be listed.

Our Company shall pay interest at 15% per annum if Allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within 5 Working Days of the Issue Closing Date or date of refusal of the Stock Exchange, whichever is earlier. In case listing permission is not granted by the Stock Exchange to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of such date, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Consents

Consents in writing of: (a) our Directors, (b) Compliance Officer for the Issue and Company Secretary, (c) Chief Financial Officer, (d) Lead Manager, (e) the Registrar to the Issue, (f) the Debenture Trustee to the Issue, (g) Legal Advisor to the Issue, (h) Credit Rating Agency, (i) Banker to our Company, (j) CareEdge Research in relation to use of the contents of the industry report, (k) Consortium Member*, (l) Public Issue Account Bank, Refund Bank and Sponsor Bank*, (m) lenders, to act in their respective capacities, have been obtained and will be filed along with a copy of the Prospectus with the RoC as required under Section 26 of the Companies Act, 2013. Further, such consents have not been withdrawn up to the time of delivery of this Draft Prospectus with the Stock Exchange.

* *The consents from Consortium Member and Public Issue Account Bank, Refund Bank and Sponsor Bank will be procured at the Prospectus stage*

The consent of the Statutory Auditor and "Experts" of our Company, B S R & Co. LLP, Chartered Accountants, for (a) inclusion of their names as the Statutory Auditors, (b) the statement of possible tax benefits available to the debenture holders and (c) audited standalone and consolidated financial statements as at and for each of the years ended March 31, 2023 and 2022, in the form and context in which they appear in this Draft Prospectus, have been obtained and has not withdrawn such consent and the same will be filed along with a copy of this Draft Prospectus.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received written consent dated July 28, 2023 from B S R & Co. LLP, Chartered Accountants, to include their name as an "expert" for (a) inclusion of their names as the Statutory Auditors, (b) the statement of possible tax benefits available to the debenture holders and (c) audited standalone and consolidated financial statements as at and for each of the years ended March 31, 2023 and 2022, in the form and context in which they appear in this Draft Prospectus, and has not withdrawn such consent and the same will be filed along with a copy of this Draft Prospectus.

Our Company has received written consent dated July 28, 2023 from Deloitte Haskins & Sells LLP , Chartered Accountants, to include their name as an "expert" for (a) inclusion of their names as the Previous Statutory Auditor and (c) audited standalone and consolidated financial statements as at and for the year ended March 31, 2021, in the form and context in which they appear in this Draft Prospectus, and has not withdrawn such consent and the same will be filed along with a copy of this Draft Prospectus.

The above experts are not, and have not been, engaged or interested in the formation or promotion or management, of the Company and have given their written consent to the Company as stated in the paragraph above and has not withdrawn such consent before the filing of this Draft Prospectus with the Stock Exchange.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 applicable as on the date of this Draft Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of the Base Issue Size being ₹ 18,750 lakh, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Accounts of the Applicants within eight Working Days from the Issue Closing Date. In the event the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within eight Working Days from the Issue Closing Date. In the event there is delay in unblocking of funds/refunds, our Company shall be liable to repay the money, with interest at the rate of 15 % per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Filing of this Draft Prospectus

The Draft Prospectus has been filed with the Stock Exchange in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on its website prior to the opening of the Issue. The Draft Prospectus has also been displayed on the website of the Company and the Lead Manager.

Filing of the Prospectus with the RoC

The Prospectus shall be filed with the RoC in accordance with Section 26 of the Companies Act, 2013.

Debenture Redemption Reserve ("DRR")

In accordance with the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules 2014, any non-banking financial company that intends to issue debentures to the public is not required to create a DRR for the purpose of redemption of debentures.

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Draft Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with this Issue. The Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on March 31 of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at fifteen percent of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;

2. in unencumbered securities of the Central Government or any State Government;

3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882; and

4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882.

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Recovery Expense Fund

Our Company will create a recovery expense fund in the manner as specified by SEBI in circular bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 titled "Master Circular for Debenture Trustees" dated March 31, 2023 and as updated on July 6, 2023, as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and will inform the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s) of NCDs issued.

Issue related expenses

The expenses of this Issue include, *inter alia*, lead management fees and selling commission to the Lead Manager, Consortium Member, fees payable to the debenture trustee, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company. For details of Issue related expenses, see "*Objects of the Issue*" on page 58.

Underwriting

This Issue will not be underwritten.

Revaluation of Assets

Our Company has not revalued its loan assets in the preceding three Fiscal Years.

Group Refusal of listing of any security of the issuer during preceding three years by any of the Stock Exchanges in India or abroad

Except as disclosed in section titled "*Risk Factors*" on page 14, there has been no refusal of listing of any security of our Company during the preceding three years prior to the date of this Draft Prospectus by any Stock Exchanges in India.

Reservation

No portion of this Issue has been reserved.

Previous Issues

Public / Rights Issues of Equity Shares in the preceding three years from this Draft Prospectus

Public Issue:

Our Company, Subsidiaries or Group Companies have not undertaken any public issue of Equity Shares in preceding three years.

Rights Issue:

Our Company has not undertaken rights issue of equity shares in the preceding three years. For further details, see "*Capital Structure*" on page 41.

Previous Public Issues of Non - Convertible Debenture

Our Company or Group Companies have not made any previous public issues of non – convertible debentures.

Utilisation details of previous issues

Our Company have issued non-convertible debentures by way of various private placements, for which, our Company have utilised the proceeds from such issuances in accordance with the use of proceeds set out in the respective offer documents and/or information memorandums under which such non-convertible debentures were issued which include, among others, its various financing activities, to repay its existing loans and for its business operations and for general corporate purposes in accordance with the object clause of the Memorandum of Association of our Company, for further details of such non-convertible debentures, see "*Disclosures on Existing Financial Indebtedness*" beginning on page 153.

Our Group Companies have issued equity shares or debt securities by way of private placements during the last three years, where the funds were utilized for the purposes for which they were availed.

Benefit/ interest accruing to Promoter/ Directors out of the Object of the Issue

Neither the Promoters nor the Directors of our Company are interested in the Objects of the Issue.

Details regarding the Company and other listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, which made any capital issue during the preceding three years

There are no public or rights or composite issue of capital by listed companies under the same management within the meaning of Section 370(1) (B) of the Companies Act, 2013 during the preceding three years.

Utilisation of proceeds by our Group Companies

No proceeds of the Issue will be paid to our Group Companies.

Details regarding lending out of issue proceeds of previous issues of debt securities (whether public issue or private placement)

Lending Policy

Please refer to the paragraph titled "*Business process*" under the section "*Our Business*" at page 112 of this Draft Prospectus.

Loans given by our Company

The Company has not provided any loans/advances to associates, entities / persons related to the Board, Key Managerial Personnel, Senior Management or our Promoters out of the proceeds of previous private placements of debentures.

Types of loans

Classification of loans/advances given

The detailed breakup of the types of loans given by the Company (standalone basis) as on March 31, 2023 is as follows:

S. No.	Particulars	Gross AUM (In ₹)	Gross AUM (%)
1.	Secured	374,149.37	64.11%
2.	Unsecured	209,430.64	35.89%
Total assets under management (AUM)		**583,580.01**	**100%**

Denomination of loans outstanding by LTV as on March 31, 2023:

Note on LTV:

Disclosure of classification of outstanding loan balances in Loan-to-Value ('**LTV**') profile denomination is not applicable to our Company in light of the nature of its lending products, where LTV is not applicable. However, the details in relation to classification of outstanding loans based on original maturity at the time of sanction is set out below.

Classification of loan into several maturity profile denomination at the time of sanction (standalone basis) as at March 31, 2023

Particulars	Amount (₹ in lakh)	% of AUM
Less than 1 Year	86,246.93	14.78%
1 - 2 Years	102,205.49	17.51%
2 - 3 Years	194,030.15	33.25%
3 - 5 Years	161,671.88	27.70%
> 5 Years	22,749.01	3.90%
NA (Representing MLD and Loan Guarantees)	16,676.55	2.86%
Total	**5,83,580.01**	**100.00%**

Sectoral Exposure

The sectoral exposure of loans given by the Company (standalone basis) as on March 31, 2023 is as follows:

Sr. No	Segment Wise break up of AUM	Total Amount (₹ in lakh)	% of AUM
1	**Retail**		
A	Mortgages (Home Loan and Loan against Property)	-	0.00%
B	Gold Loans	-	0.00%
C	Vehicle Finance	18,822.96	3.23%
D	MFI	17,311.67	2.97%

Sr. No	Segment Wise break up of AUM	Total Amount (₹ in lakh)	% of AUM
E	MSME	69,261.10	11.87%
F	Capital Market funding (Loans against shares, margin funding)	-	0.00%
G	Others	89,676.53	15.37%
2	**Wholesale**		
A	Infrastructure	44,210.15	7.58%
B	Real Estate (including builder loans)	7,645.00	1.31%
C	Promoter funding	-	0.00%
D	Any other sector (as applicable)	-	0.00%
E	Others	3,36,652.60	57.69%
	Total	**5,83,580.01**	**100.00%**

Denomination of loans outstanding by ticket size (standalone basis) as on March 31, 2023:

S. No.	Ticket Size	AUM (In ₹ lakh)	% of AUM
1.	Upto 2 Lakh	103,461.71	17.73%
2.	2 - 5 lakh	32,655.91	5.60%
3.	5 - 10 lakh	34,769.67	5.96%
4.	10 - 25 Lakh	4,812.33	0.82%
5.	25 - 50 Lakh	6,920.69	1.19%
6.	50 - 100 Lakh	7,085.84	1.21%
7.	100 - 500 Lakh	33,571.78	5.75%
8.	500 - 2500 Lakh	233,607.31	40.03%
9.	2500 - 10,000 Lakh	126,694.77	21.71%
10.	> 10,000 Lakh	-	0.00%
Total		**583,580.01**	**100.00%**

Geographical classification of AUM (standalone basis) as on March 31, 2023:

S. No.	Top Five States	% of AUM
1.	Maharashtra	13.39%
2.	Delhi	12.39%
3.	Karnataka	10.64%
4.	Tamil Nadu	9.90%
5.	Haryana	4.87%
Total		**51.19%**

Aggregated exposure to top 20 borrowers (standalone basis) as on March 31, 2023

Particulars	Amount (₹ in lakh)
Total Exposure to twenty largest borrowers / customers (in ₹)*	90,389.51
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers (in %)	15.63%

* *Includes loans and advances and interest accrued thereon.*

Aggregated advances to top 20 borrowers with respect to concentration of advances (standalone basis) as on March 31, 2023

Particulars	Amount (₹ in lakh)
Total advances to twenty largest borrowers (in ₹)*	74,921.76
Percentage of advances to twenty largest borrowers to total advances (in %)	16.37%

* *Includes loans and advances and interest accrued thereon.*

Details of loans overdue and classified as non-performing assets (NPA) in accordance with the RBI guidelines (standalone basis) as on March 31, 2023

Movement of gross NPAs	Amount (in ₹ lakh)
(a) Opening gross NPA	1,091.69
(b) Additions during the year	2,444.34
(c) Reductions during the year	(1,732.06)
(d) Closing balance of gross NPA	1,803.97

Movement of net NPA	Amount (in ₹ lakh)
(a) Opening balance	249.59
(b) Additions during the year	1,917.49
(c) Reductions during the year	(1,713.51)
(d) Closing balance of the Net NPA	453.57

Movement of provisions for NPAs	Amount (in ₹ lakh)
(a) Opening balance	842.11
(b) Provisions made during the year	526.85
(c) Write-off / write -back of excess provisions	(18.55)
(d) Closing balance	1,350.41

Segment–wise gross NPA (standalone basis) as on March 31, 2023

(₹ in lakh)

S. No	Segment Wise break up of AUM	% of NPA (1)
1	**Retail**	
A	Mortgages (Home Loan and Loan against Property)	0.00%
B	Gold Loans	0.00%
C	Vehicle Finance	0.00%
D	MFI	0.00%
E	MSME	0.66%
F	Capital Market funding (Loans against shares, margin funding)	0.00%
G	Others	0.00%
2	**Wholesale**	
A	Infrastructure	0.00%
B	Real Estate (including builder loans)	0.00%
C	Promoter funding	0.00%
D	Any other sector (as applicable)	0.00%
E	Others	0.40%
	Total (2)	**0.31%**

(1) Gross NPA to AUM of respective sector
(2) Gross NPA to AUM

Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability (standalone basis)

(₹ in lakh)

Contingent liabilities	As of March 31, 2023
Guarantees issued to third party	1,139.18
Total	**1,139.18**

Promoters Shareholding

Please see "*Capital Structure*" beginning on page 41 for details with respect to Promoter shareholding in our Company as on the date of this Draft Prospectus.

Residual maturity profile of assets and liabilities on a standalone basis as on March 31, 2023 (in ₹ Lakh)

Particulars	Up to 30/31 days	More than 1 month to 2 months	More than 2 months to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years	Total
Liabilities									
Borrowings from banks and others	32,982.53	16,121.82	23,712.01	52,345.10	80,734.82	1,37,663.94	6,541.44	-	3,50,101.65
Debt Securities	12,020.96	1,916.58	12,892.82	27,516.59	12,960.96	84,579.28	-	-	1,51,887.19
Assets									
Advances	52,982.43	38,507.37	34,352.77	68,183.25	94,003.52	120,253.30	45,605.26	109.57	453,997.47
Investments	15,134.12	2,864.12	3,538.22	8,621.34	35,339.46	19,495.07	11,885.59	43,487.22	1,40,365.14

In case the issuer is a NBFC or PFI and the objects of the public issue entail loan to any entity which is a 'Group Company', then disclosures shall be made in the following format:

Sr No	Name of Borrower	Amount of Advance/ exposure to such borrower (Group Company) (A)	Percentage of Exposure = (A/ Total AUM)
1	NA	NA	NA

The disclosure above is not applicable to our Company as the objects of the public issue do not entail loan to any entity which is a 'Group Company'.

Dividend

Our Company has no stated dividend policy. Our Company has not declared any dividend in the preceding three years.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

Commission or Brokerage on Previous Issues

This is the maiden public issue of NCDs by the Company. Hence no commission has been paid in relation to any public issue of the NCDs. **Revaluation of assets**

Our Company has not revalued its assets in the preceding three years.

Mechanism for redressal of investor grievances

Integrated Registry Management Services Private Limited has been appointed as the Registrar to the Issue to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints.

Agreement dated July 28, 2023 between the Registrar to the Issue and our Company provides for settling of investor grievances in a timely manner and for retention of records with the Registrar to the Issue for a period of eight years from the last date of dispatch of the Allotment Advice, demat credit and refund through unblocking to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue and Compliance Officer for the Issue giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on Application and the details of Member of Syndicate or Trading Member of the Stock Exchange where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Application Locations, giving full details such as name, address of Applicant, Application Form number, option applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The Intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be three (3) Working Days from the date of receipt of the complaint. In case of non -routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible

Registrar to the Issue

Integrated
since1974
Investments Simplified

Integrated Registry Management Services Private Limited
Address: II Floor, "KencesTowers"
No.1 Ramakrishna Street, North Usman Road, T Nagar
Chennai 600 017
Tamil Nadu, India
Tel: 044-28140801/802/ 803
Fax: 044-28142479
Email: yuvraj@integratedindia.in
Investor Grievance Email: corpserv@integratedindia.in
Website: http://www.integratedindia.in
Contact Person: S Yuvaraj
Compliance Officer: Sriram S
SEBI Registration No.: INR000000544

CIN: U74900TN2015PTC101466

Compliance Officer for the Issue and Company Secretary of our Company

P S Amritha is the Compliance Officer for the Issue and Company Secretary of our Company for this Issue. The contact details of the Compliance Officer for the Issue and Company Secretary are as follows:

Address:

Prestige Zackria Metropolitan No. 200/1-8
2nd Floor, Block -1, Annasalai
Chennai 600 002
Tamil Nadu, India
Tel: +91 44 4007 4800
Email: cs@vivriticapital.com

Investors may contact the Registrar to the Issue or the Compliance Officer for the Issue and Company Secretary in case of any pre-Issue or post-Issue related issues such as non-receipt of Allotment Advice, demat credit or refund orders.

Change in Statutory Auditors for for preceding three financial years and current financial year as on date of this Draft Prospectus Except as disclosed below, there has been no changes in the statutory auditor of our Company:

Name of the Auditor	Address	Date of Appointment	Date of cessation if applicable	Date of Resignation if applicable
B S R & Co. LLP	KRM Tower, 1st and 2nd Floors, No.1, Harrington Road, Chetpet, Chennai 600031, Tamil Nadu, India.	August 17, 2021	NA	NA
Deloitte Haskins & Sells LLP	One International Centre,Tower 3,27th-32nd Floor,Indiabulls Finance Centre, Elphinstone Mill Compound, Senapati Bapat Marg, Prabhadevi (W), Mumbai 400 013, Maharashtra, India.	April 30, 2018	NA	August 6, 2021*

* *Pursuant to circular issued by RBI on Appointment of Statutory Auditors for NBFC's vide circular no. RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, Deloitte Haskins & Sells LLP had completed a term of three years and subsequently B S R & Co. LLP were appointed as the Statutory Auditors.*

Auditor's Remarks or Emphasis of Matter

Except as disclosed in "*Outstanding Litigations and Defaults*" on pages 271, there are no reservations or qualifications or adverse remarks in the financial statements and financial position of our Company in the preceding three Fiscals immediately preceding this Draft Prospectus.

Pre-Issue Advertisement

Subject to Regulation 30(1) of SEBI NCS Regulations, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed under Schedule V of the SEBI NCS Regulations in compliance with Section 30 of the Companies Act, 2013. Material updates, if any, between the date of filing of the Draft Prospectus and Prospectus with ROC and the date of release of the statutory advertisement will be included in the statutory advertisement information as prescribed under SEBI NCS Regulations.

Trading

Debt securities issued by our Company, which are listed on BSE's wholesale debt market is infrequently traded with limited or no volumes. Consequently, there has been no material fluctuation in prices or volumes of such listed debt securities.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of securities to him, or any other person in a fictitious name shall be liable for action under section 447."

Disclaimer statement from our Company, our Directors and the Lead Manager

Our Company, our Directors and the Lead Manager accept no responsibility for statements made other than in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance in connection with the Issue of the NCDs and anyone placing reliance on any other source of information including our Company's website, or any website of any affiliate of our Company would be doing so at their own risk. The Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement.

None among our Company or the Lead Manager or any Member of the Consortium is liable for any failure in uploading the Application due to faults in any software/ hardware system or otherwise; the blocking of Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who make an Application in the Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs and will not issue, sell, pledge, or transfer the NCDs to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs. Our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the NCDs being offered in the Issue.

Latest ALM statement

The following table describes the standalone ALM of our Company as on March 31, 2023 (Rs in Lakh):

Particulars	Over 1 Month	Over 2 Months	Over 3 Months	Over 3-6 Months	Over 6-12 Months	Over 1-3 Years	Over 3-5 Years	Over 5 Years	Total
Equity and Liabilities									
Equity	-	-	-	-	-	-	-	10,710.31	10,710.31
Other Equity	-	-	-	-	-	-	-	145,764.23	145,764.23
Borrowings and Debt Securities	43,148.49	18,133.80	35,248.77	78,104.02	93,713.28	219,289.27	6,468.93	-	494,106.56
Current Liabilities and Provisions	2,061.03	925.53	2,031.46	3,076.95	684.21	4,179.29	99.86	846.28	13,904.61
Statutory Dues	317.75	-	-	-	-	-	-	-	317.75
Other Liabilities	-	-	-	740.77	4,027.01	-	2,719.54	-	7,487.32
Total Equity and Liabilities	45,527.27	19,059.33	37,280.23	81,921.74	98,424.50	223,468.56	9,288.33	157,320.82	672,290.78
Assets									
Cash and Cash Equivalents and Balances with Banks	55,420.01	-	-	-	-	-	-	-	55,420.01
Investments	15,134.13	2,864.12	3,538.21	8,621.34	35,339.46	19,495.07	11,885.59	43,487.21	140,365.13
Loans	53,186.71	38,730.10	34,575.38	68,808.42	94,636.22	117,722.94	45,769.49	955.85	454,385.11
Right of Use	-	-	-	-	-	-	2,571.15	-	2,571.15
Property, Plant and Equipment and Intangibles (Including WIP)	-	-	-	-	-	-	-	2,866.15	2,866.15
Other Assets	-	258.00	258.00	1,303.76	4,123.14	4,476.48	5,331.01	932.84	16,683.23
Total Assets	123,740.85	41,852.22	38,371.59	78,733.52	134,098.82	141,694.49	65,557.24	48,242.05	672,290.78
Mismatch	78,213.58	22,792.89	1,091.36	(3,188.22)	35,674.32	(81,774.07)	56,268.91	(109,078.77)	
Cumulative Mismatch	78,213.58	101,006.47	102,097.83	98,909.61	134,583.93	52,809.86	109,078.77	-	

REGULATIONS AND POLICIES

The following description is a summary of the important laws, regulations and policies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory and statutory bodies, and the bye-laws of the respective local authorities which are available in the public domain. The description of the applicable regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The indicative summaries are based on the current provisions of applicable law, which are subject to change, modification, or amendment by subsequent legislative, regulatory, administrative, or judicial decisions.

In addition to the regulations and policies already specified herein, environmental laws, corporate laws and various labour laws, and other laws apply to us as they do to any other Indian Company. For the purposes of this section, references to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification are to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended from time to time.

Given below is a brief description of certain relevant legislations that are currently applicable to the business carried on by us.

I. Key Regulations applicable to our Company:

Reserve Bank of India Act, 1934 ("RBI Act")

The RBI is entrusted with the responsibility of regulating and supervising NBFCs by virtue of powers vested in Chapter IIIB of the RBI Act.

The RBI Act defines an NBFC as: (a) a financial institution which is a company; (b) a non-banking institution which is a company and which is in the principal business of receiving deposits, under any scheme or arrangement or in any other manner, or lending in any manner; or (c) such other non-banking institution or class of institutions as the RBI may, with the previous approval of the Central Government, and by notification in the Official Gazette, specify.

Any company which carries on the principal business of a non-banking financial institution is to be treated as an NBFC. Since the term "principal business" has not been defined in law, the RBI has clarified it through a press release (Ref. No. 1998-99/ 1269) in 1999, that in order to identify a particular company as an NBFC, it will consider both the assets and the income pattern as evidenced from the last audited balance sheet of the company to decide its principal business. A company would be categorized as an NBFC if its financial assets are more than 50% of its total assets (netted off by intangible assets) and if its income from such financial assets is more than 50% of the gross income. Both these tests are required to be satisfied as the determining factor for principal business of a company.

Further, NBFCs are required to obtain a Certificate of Registration (CoR) from the RBI prior to commencement of the business as a non-banking financial institution. Every NBFC is required to submit to the RBI a certificate, from its statutory auditor within one month from the date of finalization of balance sheet and in any case not later than 31st December of that year, stating that it is engaged in the business of non-banking financial institution requiring to hold a CoR.

Pursuant to Section 45-IC of the RBI Act, 1934, every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. Further, no appropriation can be made from such fund by the NBFC except for the purposes specified by the RBI from time to time and every such appropriation shall be reported to the RBI within 21 days from the date of such withdrawal.

Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016, as amended (the "Master Directions")

Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) are primarily governed by the RBI Act, 1934 ("**RBI Act**") and the Master Directions. In addition to these regulations, NBFCs are also governed by various circulars, notifications, guidelines and directions issued by RBI from time to time.

An NBFC-ND-SI has been defined under the Master Directions to mean an NBFC not accepting or holding public deposits and having total assets of ₹5,000 million and above as shown in the last audited balance sheet and a minimum net owned fund of ₹20 million.

Corporate Governance

<u>Constitution of Committees</u>

All applicable NBFCs are required to constitute the committees disclosed below:

a. Audit Committee: An NBFC is required to constitute an audit committee consisting of not less than three members of its board of directors. The audit committee constituted by an NBFC as required under Section 177 of the Companies Act, 2013 shall be the audit committee for the purposes of the Master Directions as well, and its powers and functions shall be as provided under Section 177 of the Companies Act.

b. Nomination Committee: NBFCs are required to constitute a nomination committee to ensure 'fit and proper' status of proposed or existing directors, which shall have the same powers and functions as the nomination and remuneration committee required to be constituted under Section 178 of the Companies Act.

c. Risk Management Committee: NBFCs are required to constitute a risk management committee to manage the integrated risk.

d. Asset Liability Management Committee: NBFCs are required to constitute an asset liability management committee. The asset liability management committee is required to be headed by the chief executive officer/ managing director or the executive director of such NBFC, as prescribed under the Master Directions.

Also, applicable NBFCs with asset size more than INR 5,000 Crore in categories like investment and credit companies, infrastructure finance companies, micro finance institutions, factors and infrastructure debt funds are required to appoint a Chief Risk Officer ("**CRO**") with clearly specified roles and responsibilities. The CRO is required to function independently so as to ensure highest standards of risk management.

Further, under the terms of the SBR Framework, following additional corporate governance compliances have been stipulated for NBFC-ML and NBFC-UL:

(a) Key Managerial Personnel: Except for directorship in subsidiary, a Key Managerial Personnel shall not hold any office (including directorships) in any other NBFC-ML or NBFC-UL. A timeline of two years is provided with effect from October 01, 2022, to ensure compliance with these norms. However, they can assume directorship in NBFC-BL.

(b) Independent Director: Within the permissible limits in terms of Companies Act, 2013, an independent director shall not be on the board of more than three NBFCs (NBFC-ML or NBFC-UL) at the same time. Further, the Board of the NBFC shall ensure that there is no conflict of interest arising out of their position on board of another NBFC at the same time. A timeline of two years is provided with effect from October 01, 2022, to ensure compliance with these norms. There shall be no restriction to directorship on the boards of NBFC-BLs, subject to applicable provisions of Companies Act, 2013.

(c) Disclosures – NBFCs shall in addition to the existing regulatory disclosures, disclose corporate governance reports containing composition and category of directors, shareholding of non-executive directors, breaches in terms of covenants in respect of loans availed by the NBFC or debt securities issued by the NBFC including incidences of default, divergence in asset classification and provisioning above a certain threshold as decided by RBI and few other disclosures in their annual financial statements with effect from March 31, 2023.

(d) Further, the NBFC-UL and NBFC-ML is required to institute an independent Compliance Function and a Chief Compliance Officer (CCO) latest by April 1, 2023 and October 1, 2023, respectively. The Board/Audit Committee (Board committee) is required to ensure that an appropriate Compliance Policy is put in place and implemented. The Senior Management shall carry out an exercise, at least once a year, to identify and assess the major compliance risks facing the NBFC and formulate plans to manage it.

(e) Compensation guidelines - In order to address issues arising out of excessive risk taking caused by misaligned compensation packages, NBFCs shall put in place a board approved compensation policy. The guidelines shall at the minimum include, a) constitution of a remuneration committee, b) principles for fixed/ variable pay structures, and c) malus/ claw back provisions. The nomination and remuneration committee shall ensure that there is no conflict of interest.

(f) Other Governance matters – NBFCs shall formulate a whistle blower mechanism for directors and employees to report genuine concerns. The Board shall ensure good corporate governance practices in the subsidiaries of NBFCs.

(g) Core banking solution - NBFCs with 10 or more branches are mandated to adopt core banking solutions in accordance with a glide path of 3 years with effect from October 01, 2022.

Disclosures and Transparency

Applicable NBFCs are required to place before the board of directors, at regular intervals, as may be prescribed by their respective boards of directors, the following:

a. progress made in putting in place a progressive risk management system and risk management policy and strategy followed by the concerned Applicable NBFC; and

b. conformity with corporate governance standards including composition of committees, their roles and functions, periodicity of the meetings and compliance with coverage and review functions and so on.

Applicable NBFCs are required to disclose the following in their annual financial statements:

a. registration/licence/authorization obtained from other financial sector regulators;

b. ratings assigned by credit rating agencies and migration of ratings during the year;

c. penalties, if any, levied by any regulator;

d. information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries; and

e. asset-liability profile, extent of financing of parent company products, non-performing assets and movement of non-performing assets, details of all off-balance sheet exposures, structured products issued by them as also securitization/ assignment transactions and other disclosures, as prescribed under the Master Directions.

Applicable NBFCs shall rotate the partners of the chartered accountant firm conducting the audit, every three years so that the same partner shall not conduct audit of such NBFC continuously for more than three years. Further, such NBFCs shall frame their internal guidelines on corporate governance with the approval of the board of directors which shall be published on their respective websites.

Fit and Proper Criteria

Applicable NBFCs are required to (a) maintain a policy approved by the board of directors for ascertaining the fit and proper criteria of the directors at the time of appointment, and on a continuing basis, in line with the guidelines prescribed under the Master Directions; (b) obtain a declaration and undertaking from directors giving additional information on the directors, in the format prescribed under the Master Directions; (c) obtain a deed of covenant signed by directors, in the format prescribed under the Master Directions; and (d) furnish to the RBI a quarterly statement on change of directors and a certificate from the managing director of the Applicable NBFCs that fit and proper criteria in selection of the directors has been followed. The statement must be submitted to the regional office of the Department of Non-Banking Supervision of the RBI where the Applicable NBFC is registered, within 15 days of the close of the respective quarter. The statement submitted for the quarter ending March 31, is required to be certified by the auditors.

Acquisition or Transfer of Control

Applicable NBFCs are required to obtain prior written permission of RBI for (a) any takeover or acquisition of control, which may or may not result in change in management, (b) any change in the shareholding, including progressive increases over time, which would result in acquisition or transfer of shareholding of 26% or more of the paid-up equity capital (no prior approval is required if the shareholding going beyond 26% is due to buy-back of shares or reduction in capital where it has approval of a competent court but must be reported to the RBI within one month of the occurrence), and (c) any change in the management of the Applicable NBFCs, which results in change in more than 30% of the directors, excluding independent directors, provided that no prior approval shall be required in case of directors who get re-elected on retirement by rotation.

Prudential Norms

All NBFCs are required to maintain capital adequacy ratio consisting of Tier I and Tier II capital which shall not be less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items. The Tier I capital in respect of Applicable NBFCs (other than NBFC-MFI and IDF-NBFC), at any point of time, shall not be less than 10%.

Liquidity Risk Management Framework and Liquidity Coverage Ratio

Liquidity Risk Management Framework

Applicable non-deposit taking NBFCs are required to adhere to the liquidity risk management guidelines prescribed under the Master Directions. The guidelines, *inter alia*, require the board of directors of the Applicable NBFC to formulate a liquidity risk management framework detailing entity-level liquidity risk tolerance, funding strategies, prudential limits, framework for stress testing, liquidity planning under alternative scenarios, nature and frequency of management reporting, and periodical review of assumptions used in liquidity projections.

Liquidity Coverage Ratio

Pursuant to the RBI circular dated November 4, 2019, on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies', all non-deposit taking NBFCs with asset size of ₹100 billion and above, and all deposit taking NBFCs irrespective of their asset size, are required to maintain a liquidity buffer in terms of liquidity coverage ratio which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient high quality liquid asset to survive any acute liquidity stress scenario lasting for 30 days. The stock of high-quality liquid asset to be maintained by the NBFCs is required to be a minimum of 100% of total net cash outflows over the next 30 calendar days. The liquidity coverage ratio requirement is binding on NBFCs from December 1, 2020 with the minimum high quality liquid assets to be held being 50% of the liquidity coverage ratio, progressively reaching up to the required level of 100% by December 1, 2024, in accordance with the time-line prescribed below:

From	December 1, 2020	December 1, 2021	December 1, 2022	December 1, 2023	December 1, 2024
Minimum Liquidity Coverage Ratio	50%	60%	70%	85%	100%

All non-deposit taking NBFCs with asset size of ₹50 billion and above but less than ₹100 billion are required to also maintain the required level of liquidity coverage ratio in accordance with the timeline given below:

From	December 1, 2020	December 1, 2021	December 1, 2022	December 1, 2023	December 1, 2024
Minimum Liquidity Coverage Ratio	30%	50%	60%	85%	100%

Asset Classification and Provisioning Norms

All NBFCs are required to adopt the asset classification and provisioning norms as set forth below:

Asset Classification:

The prudential regulations require that every applicable NBFC shall, after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes:

a. a "standard asset" means the asset in respect of which no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business; and

b. a "sub-standard asset" means (a) an asset which has been classified as non-performing asset for a period not exceeding 12 months; (b) an asset where the terms of the agreement regarding interest and/or principal have been renegotiated or rescheduled or restructured after commencement of operations, until the expiry of one year of satisfactory performance under the renegotiated or rescheduled or restructured terms. However, the classification of infrastructure loans as sub-standard assets is subject to the conditions stipulated in the Master Direction.

c. a "doubtful asset" means (a) a term loan, or (b) a lease asset, or (c) a hire purchase asset, or (d) any other asset, which remains a sub-standard asset for a period exceeding 12 months.

d. a "loss asset" means (a) an asset which has been identified as loss asset by an Applicable NBFC or its internal or external auditor or by the RBI during the inspection of the Applicable NBFC, to the extent it is not written off by the Applicable NBFC; and (b) an asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower.

e. a "non-performing asset" means (in accordance with Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated October 1, 2021): An asset, including a leased asset, becomes non-performing when it ceases to generate income for the bank. A non performing asset (NPA) is a loan or an advance where; interest and/ or instalment of principal remains overdue for a period of more than 90 days in respect of a term loan, the account remains 'out of order', in respect of an Overdraft/Cash Credit (OD/CC), the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted, the instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops, the instalment of principal or interest thereon remains overdue for one crop season for long duration crops, the amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of the Reserve Bank of India (Securitisation of

Standard Assets) Directions, 2021. in respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.

Provisioning Norms

In addition to provisioning norms under applicable accounting standards, and under the Master Directions, all Applicable NBFCs are required to, after taking into account the time lag between an account becoming nonperforming, its recognition as such, the realisation of the security and the erosion over time in the value of security charged, make provision against sub-standard assets, doubtful assets and loss assets as provided hereunder:

<table>
<tr><th>S. No.</th><th colspan="3">Provisioning Requirement</th></tr>
<tr><td>1.</td><td colspan="3">Loans, advances and other credit facilities including bills purchased and discounted</td></tr>
<tr><td></td><td>(i) Loss Assets</td><td colspan="2">The entire asset is to be written off. If the assets are permitted to remain in the books for any reason, 100% of the outstanding is to be provided for.</td></tr>
<tr><td></td><td>(ii) Doubtful Assets</td><td>(a)

(b)</td><td>100% provision to the extent to which the advance is not covered by the realizable value of the security to which the Applicable NBFC has a valid recourse is to be made. The realizable value is to be estimated on a realistic basis.

In addition to (a) above, depending upon the period for which the asset has remained doubtful, provision to the extent of 20% to 50% of the secured portion (i.e., estimated realizable value of the outstanding) is to be made on the following basis–
<table>
<tr><th>Period for which the asset has been considered as doubtful</th><th>Per cent of provision</th></tr>
<tr><td>Up to one year</td><td>20%</td></tr>
<tr><td>One to three years</td><td>30%</td></tr>
<tr><td>More than three years</td><td>50%</td></tr>
</table></td></tr>
<tr><td></td><td>(iii) Sub-standard Assets</td><td colspan="2">A general provision of 10% of total outstanding is to be made.</td></tr>
<tr><td>2.</td><td colspan="3">Lease and hire purchase assets -</td></tr>
<tr><td></td><td>(i) Hire purchase Assets</td><td>I.

S. No.	Provisioning Requirement		
		III.	On expiry of a period of 12 months after the due date of the last instalment of hire purchase/leased asset, the entire net book value is to be fully provided for

Standard Asset Provisioning

All Applicable NBFCs are required to make provisions for standard assets at 0.40% of the outstanding, which shall not be reckoned for arriving at the net NPAs. The provision towards standard assets shall not be netted from gross advances but are required to be shown separately as 'Contingent Provisions against Standard Assets' in the balance sheet of the Applicable NBFCs.

Balance Sheet Disclosures

a. Applicable NBFCs are required to separately disclose in their balance sheets the provisions made, as prescribed under the Master Directions, without netting them from income or against the value of assets.

b. The provisions are to be distinctly indicated under separate heads of account as:

- Provisions for bad and doubtful debts; and
- Provisions for depreciation in investments.

c. Such provisions shall not be appropriated from the general provisions and loss reserves held, if any, by the Applicable NBFC.

d. Such provisions for each year are required to be debited to the profit and loss account. The excess of provisions, if any, held under the heads general provisions and loss reserves are required to be written back without making adjustment against them.

e. Additionally, Applicable NBFCs are required to disclose: (a) Capital to risk assets ratio; (b) exposure to real estate sector, both direct and indirect; and (iii) maturity pattern of assets and liabilities.

Regulation of Excessive Interest Charged by NBFCs:

a. The board of directors of each Applicable NBFC is required to adopt an interest rate model taking into account relevant factors such as cost of funds, margin and risk premium and determine the rate of interest to be charged for loans and advances. The rate of interest, the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers are required to be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.

b. The rates of interest and the approach for gradation of risks are also required to be made available on the website of the Applicable NBFCs or published in the relevant newspapers. The information published in the website or otherwise published is required to be updated whenever there is a change in the rates of interest.

c. The rate of interest must be annualized rate so that the borrower is aware of the exact rates that would be charged to the account.

Although rates of interest charged by NBFCs are not regulated by the RBI, rates of interest beyond a certain level may be seen to be excessive. The board of directors of Applicable NBFCs are required to layout appropriate internal principles and procedures in determining interest rates and processing and other charges.

Accounting Standards

Accounting Standards and guidance notes issued by the Institute of Chartered Accountants of India are required to be followed by NBFCs insofar as they are not inconsistent with any of the provisions of the Master Directions.

Fair Practices Code

All Applicable NBFCs having customer interface are required to adopt a fair practices code in line with the guidelines prescribed under the Master Directions. The Master Directions stipulate that such fair practices code should cover, inter alia, the form and manner of processing of loan applications; loan appraisal and terms and conditions thereof; and disbursement of loans and changes in terms and conditions of loans. The Master Directions also prescribe general conditions to be observed by Applicable NBFCs in respect of loans and requires the board of directors of Applicable

NBFCs to lay down a grievance redressal mechanism. Such fair practices code should preferably be in vernacular language or language understood by borrowers of the Applicable NBFCs.

Further, all Applicable NBFCs are to frame internal guidelines on corporate governance, enhancing the scope of the guidelines without sacrificing the underlying spirit of the guidelines stipulated in the Master Directions. The guidelines framed are required to be published on the NBFC's website for the information of various stakeholders.

Scale based regulation (SBR) - Revised Regulatory Framework for NBFCs by the RBI, 2021, dated October 22, 2021, as amended ("SBR Framework") read with RBI notification - Compliance Function and Role of Chief Compliance Officer (CCO) - NBFCs dated April 11, 2022, as amended ("Notification")

On October 22, 2021, the RBI issued a Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs ("**SBR Framework**"), whereby NBFCs have been categorised into following four layers based on their size, activity, and perceived riskiness by the RBI:

a. **Base Layer:** The Base Layer comprises of (a) non-deposit taking NBFCs below the asset size of ₹1000 crore and (b) NBFCs undertaking the following activities- (i) NBFC-Peer to Peer Lending Platform (NBFC-P2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non-Operative Financial Holding Company (NOFHC) and (iv) NBFCs not availing public funds and not having any customer interface. NBFC-BLs largely continue to be subject to regulations earlier applicable to non-deposit taking NBFCs. The Regulation introduces a few changes for better governance of NBFC-BLs viz. requirement for Board policy on loans to directors, senior officers and relatives; constitution of a Risk Management Committee; and disclosure of types of exposure, related party transactions, loans to Directors/ Senior Officers and customer complaints.

b. **Middle Layer:** The Middle Layer consists of (a) all deposit taking NBFCs (NBFC-Ds), irrespective of asset size, (b) non-deposit taking NBFCs with asset size of ₹1000 crore and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealers (SPDs), (ii) Infrastructure Debt Fund - Non-Banking Financial Companies (IDF-NBFCs), (iii) Core Investment Companies (CICs), (iv) Housing Finance Companies (HFCs) and (v) Infrastructure Finance Companies (NBFC-IFCs).

   Certain measures under the regulatory framework in relation to NBFC-MLs include: (a) aligning credit concentration norms for NBFCs with those applicable to banks, by merging the currently applicable lending and investment concentration limits into a single exposure limit of 25% for single borrower and 40% for group of borrowers anchored to the NBFC's Tier - I capital; (b) introducing a requirement for NBFCs to have a policy approved by their respective boards of directors on internal capital adequacy assessment process; (c) prescribing limit on initial public offer financing of ₹ 10 million per individual; (d) regulatory restrictions on lending by NBFCs; (e) detailed disclosures of certain items in annual financial statements; (f) limits on exposure to commercial real estate and capital market sector; and (g) mandatory requirement for appointment of a functionally independent chief compliance officer and independent director.

c. **Upper Layer:** The Upper Layer shall comprise of those NBFCs which are specifically identified by the Reserve Bank as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology. The top ten eligible NBFCs in terms of their asset size shall always reside in the upper layer, irrespective of any other factor.

d. **Top Layer**: The Top Layer will ideally remain empty. This layer can get populated if the Reserve Bank is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFCs in the Upper Layer.

Pursuant to the SBR Framework the criteria of asset size of non-deposit NBFCs for classification as non-systemically important for the purpose of regulatory structure of NBFCs have been increased from ₹ 50,000 lakh to ₹ 1,00,000 lakh ("**NBFC-ND**"). Therefore, non-deposit NBFCs with asset size of over ₹ 1,00,000 lakh will be considered as systemically Important by the RBI ("**NBFC-ND-SI**"). The SBR Framework provides that from October 1, 2022, references to NBFC-ND shall mean NBFC-BL and all references to NBFC-D and NBFC-ND-SI shall mean NBFC-ML or NBFC-UL, as the case may be. SBR Framework clarified that existing NBFC-ND-SIs having asset size of ₹ 50,000 lakh and above but below ₹ 1,00,000 lakh (except those necessarily featuring in NBFC-Middle Layer) will be known as NBFC-BL.

The Revised Regulatory Framework for NBFCs also prescribes specific regulatory changes for each of the different layers in the regulatory structure, that is, capital guidelines, prudential guidelines, governance guidelines and the transition path, as elucidated on above.

As on the date of filing of this Draft Prospectus, our Company falls under the category of NBFC ML, as its assets size is above ₹ 1,000 crore, as per the last audited balance sheet. SBR Framework provide that NBFCs in the middle layer

(NBFC-ML) shall continue to follow regulations as currently applicable for NBFC-ND-SIs, NBFC-Ds, CICs, SPDs and HFCs, as the case may be, except for the regulatory changes under SBR Framework applicable on NBFC-ML.

Reserve Bank of India's Guidelines on Digital Lending dated September 2, 2022 ("Digital Lending Guidelines")

The RBI released the Digital Lending Guidelines requiring regulated entities to adhere to the customer protection and conduct requirements, technology and data requirements along with the prescribed regulatory framework.

a. Customer Protection and Conduct: The regulated entities are required to ensure that all loan servicing, repayment and related services are executed directly by the borrower without the involvement of a third-party pool account. Further, all collection of fees and charges shall be paid directly by such regulated entity. Further, all penal interest and charges levied shall be calculated on the outstanding amount of the loan and shall be disclosed upfront on an annualized basis. All regulated entities shall provide the borrower with a standardized Key Fact Statement as prescribed in the Digital Lending Guidelines, populated with the prescribed details. In addition to the above, regulated entities shall appoint a suitable grievance redressal officer to address issues raised by borrowers including digital lending and fin tech-related complaints. Each borrower's creditworthiness is required to be ascertained in an auditable way, ahead of extending any loan.

b. Technology and Data Requirement: All information collated by the regulated entities shall be on a need-based principle with prior and explicit consent of the borrower. No personal data of any of the borrowers shall be stored except as required for the purpose of carrying out their operations, as necessary. To this effect, regulated entities shall also formulate guidelines to govern data storage, privacy and usage in line with the Digital Lending Guidelines.

c. Regulatory Framework: Regulated entities are required to comply with reporting requirements to credit information companies along with other prescribed rules and regulations as laid down in the Digital Lending Guidelines.

Reserve Bank of India's Guidelines on Default Loss Guarantee in Digital Lending dated June 8, 2023 ("DLG in Digital Lending Guidelines")

The RBI released the Guidelines on Default Loss Guarantee (DLG) which are applicable to DLG arrangements in digital lending operations undertaken by the regulated entities including Non- Banking Financial Companies. The guidelines lay down the eligibility conditions for DLG provider and provide for the structure of DLG arrangements. Further, the guidelines provide for the due diligence requirements in respect of the DLG provider. The guidelines further clarify that the customer protection measures and grievance redressal issues pertaining to DLG arrangements shall be guided by RBI's instructions contained in 'Guidelines on Digital Lending' dated September 02, 2022, along with other applicable norms.

Reserve Bank of India (Know Your Customer (KYC)) Master Directions, 2016 dated February 25, 2016, as amended ("RBI KYC Directions")

The RBI KYC Directions are applicable to every entity regulated by the RBI, specifically, scheduled commercial banks, regional rural banks, local area banks, primary (urban) co-operative banks, state and central co-operative banks, all India financial institutions, NBFCs, miscellaneous non-banking companies and residuary non-banking companies, amongst others.

In terms of the RBI KYC Directions, every entity regulated thereunder is required to formulate a KYC policy which is duly approved by the board of directors of such entity or a duly constituted committee thereof. The KYC policy formulated in terms of the RBI KYC Directions is required to include four key elements, being customer acceptance policy, risk management, customer identification procedures and monitoring of transactions. It is advised that all NBFCs' adopt the same with suitable modifications depending upon the activity undertaken by them and ensure that a proper policy framework of anti-money laundering measures is put in place. The RBI KYC Directions provide for a simplified procedure for opening accounts by NBFCs. It also provides for an enhanced and simplified due diligence procedure. It has prescribed detailed instructions in relation to, inter alia, the due diligence of customers, record management, and reporting requirements to Financial Intelligence Unit – India.

The RBI KYC Directions have also issued instructions on sharing of information while ensuring secrecy and confidentiality of information held by Banks and NBFCs. The regulated entities must also adhere to the reporting requirements under Foreign Account Tax Compliance Act and Common Reporting Standards. The RBI KYC Directions also require the regulated entities to ensure compliance with the requirements/obligations under international agreements. The regulated entities must also pay adequate attention to any money-laundering and financing of terrorism threats that may arise from new or developing technologies and ensure that appropriate KYC procedures issued from time to time are duly applied before introducing new products/services/technologies.

The RBI KYC Directions were updated on April 20, 2018, to enhance the disclosure requirements under the Prevention of Money-Laundering Act, 2002 and in accordance with the Prevention of Money-Laundering Rules vide Gazette Notification GSR 538 (E) dated June 1, 2017 and the final judgment of the Supreme Court in the case of Justice K.S. Puttaswamy (Retd.) & Another v. Union of India (Writ Petition (Civil) 494/2012). The Directions were updated to accommodate authentication as per the AADHAR (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 and use of an Indian resident's Aadhar number as a document for the purposes of fulfilling KYC requirement.

The RBI KYC Directions were further updated on January 9, 2020 with a view to leveraging the digital channels for customer identification process by regulated entities, whereby the RBI has decided to permit video based customer identification process as a consent based alternate method of establishing the customer's identity, for customer onboarding.

Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021

The circular puts in place ownership-neutral regulations, ensuring independence of auditors, avoiding conflict of interest in auditor's appointments and to improve the quality and standards of audit in RBI Regulated Entities. These guidelines shall streamline the procedure for appointment of Statutory Auditors across all the Regulated Entities and ensure that appointments are made in a timely, transparent and effective manner.

Master Direction dated September 29, 2016 on Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016

All NBFC-MLs shall put in place a reporting system for frauds and fix staff accountability in respect of delays in reporting of fraud cases to the RBI. An NBFC-ML is required to report all cases of fraud of ₹ 1 lakh and above, and if the fraud is of ₹100 lakh or above, the report should be sent in the prescribed format within three weeks from the date of detection thereof. The NBFC-ML shall also report cases of fraud by unscrupulous borrowers and cases of attempted fraud.

Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 dated September 29, 2016

In addition to the report made by the auditor under Section 143 of the Companies Act, 2013 on the accounts of an NBFC-ND-SI (NBFC-ML), the auditor shall make a separate report to the Board of Directors of the company on inter alia examination of validity of certificate of registration obtained from the RBI, whether the NBFC is entitled to continue to hold such certificate of registration in terms of its Principal Business Criteria (financial asset / income pattern) as on 31st March of the applicable year, whether the NBFC is meeting the required net owned fund requirement, whether the board of directors has passed a resolution for non-acceptance of public deposits, whether the company has accepted any public deposits during the applicable year, whether the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it, whether the capital adequacy ratio as disclosed in the return submitted to the Bank in form NBS- 7, has been correctly arrived at and whether such ratio is in compliance with the minimum CRAR prescribed by the Bank, whether the company has furnished to the Bank the annual statement of capital funds, risk assets/exposures and risk asset ratio (NBS-7) within the stipulated period.

Master Direction - Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016 dated September 29, 2016

All NBFCs are required to put in place a reporting system for filing various returns with the RBI. An NBFC-ND-SI (NBFC-ML) is required to file on a quarterly basis a return on important financial parameters, including components of assets and liabilities, profit and loss account, exposure to sensitive sectors etc., NBS-7 on prudential norms on a quarterly basis, multiple returns on asset-liability management to address concerns regarding inter alia asset liability mismatches and interest rate risk, quarterly report on branch information, and Central Repository of Information on Large Credits ("**CRILC**") on a quarterly basis as well as all Special Mention Accounts-2 ("**SMA-2**") status on a weekly basis to facilitate early recognition of financial distress, prompt steps for resolution and fair recovery for lenders.

Master Direction on Information Technology Framework for the NBFC Sector, 2017 dated June 8, 2017

All systemically important NBFCs must implement the security enhancement requirements under the Master Direction with respect to enhancing security of its Information Technology/Information Security Framework ("IT") business continuity planning, disaster recovery and management. NBFCs must constitute an IT Strategy Committee and IT Steering Committee and formulate an IT and Information Security Policy in furtherance of the same. Further, a Cyber Crisis Management Plan must be formulated to address cyber intrusions and attacks. It has to be implemented by applicable NBFCs by June 2018.

Ombudsman Scheme for Non-Banking Financial Companies, 2018 dated February 23, 2018

The RBI has on February 23, 2018, introduced the Ombudsman Scheme for Non-Banking Financial Companies, 2018 (the "Scheme"). The stated objective of the Scheme is to enable the resolution of complaints free of cost, relating to certain aspects of services rendered by certain categories of NBFCs registered with the RBI to facilitate the satisfaction or settlement of such complaints, and matters connected therewith.

The Scheme provides for the appointment by RBI of one or more officers not below the rank of general manager as ombudsmen (the "Ombudsmen") for a period not exceeding three years at a time, to carry out the functions entrusted to Ombudsmen under the Scheme. The Scheme describes the nature of complaints which any person could file with an Ombudsman alleging deficiency in services by an covered NBFC, which include inter alia failure to convey in writing the amount of loan sanctioned along with the terms and conditions including annualised rate of interest and method of application thereof, failure or refusal to provide adequate notice on proposed changes being made in the sanctioned terms in vernacular or a language understood by the borrower, levying of charges without adequate prior notice to the borrower/customer and failure or inordinate delay in releasing the securities documents to the borrower on repayment of all dues. The complaints may be settled by the covered NBFC within a specified period or may be decided by an award passed by Ombudsman after affording the parties a reasonable opportunity to present their case, either in writing or in a meeting. Where the Ombudsman decides to allow the complaint, the award passed is required to contain the direction/s, if any, to the covered NBFC for specific performance of its obligations and in addition to or otherwise, the amount, if any, to be paid by the covered NBFC to the complainant by way of compensation for any loss suffered by the complainant, arising directly out of the act or omission of the covered NBFC. The covered NBFC is required to implement the settlement arrived at with the complainant or the award passed by the Ombudsman when it becomes final and send a report in this regard to the RBI within 15 days of the award becoming final.

The Ombudsman is required to send a report to the RBI governor annually (as on June 30 every year) containing general review of the activities of his office during the preceding financial year and provide such other information as may be required by the RBI. On November 15, 2021 RBI issued circular on appointment of Internal Ombudsman for all deposit taking NBFC with 10 or more branches and for Non-deposit taking NBFCs with asset size of ₹ 500000 lakh and above and having public customer interface.

Risk-Based Internal Audit (RBIA)

An independent and effective internal audit function in a financial entity provides vital assurance to the board of directors and its senior management of NBFC regarding the quality and effectiveness of the entity's internal control, risk management and governance framework. The essential requirements for a robust internal audit function include, inter alia, sufficient authority, proper stature, independence, adequate resources and professional competence. RBI vide its circular dated February 03, 2021, inter-alia mandated all non-deposit taking NBFCs (including Core Investment Companies) with asset size of ₹ 5,000 crore and above to implement the RBIA framework by March 31, 2022.

Prevention of Money Laundering Act, 2002 ("PMLA")

The PMLA was enacted to prevent money laundering and to provide for confiscation of property derived from, or involved, in money laundering, and for incidental matters connected therewith. Section 12 of the PMLA inter alia casts certain obligations on reporting entities (as defined under the PMLA) in relation to preservation of records and reporting of transactions.

In addition to the above, the following directions and circulars issued by the RBI are also relevant to our business:

a. Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, 2017 dated November 9, 2017;

b. Circular dated June 24, 2021 on Declaration of Dividends by NBFCs;

c. RBI's Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications dated November 12, 2021;

d. RBI's Prompt Corrective Action Framework for NBFCs dated December 14, 2021;

e. Master Direction on External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019;

f. Loans and Advances – regulatory restrictions – NBFCs, dated April 19, 2022 as amended;

g. Registration of Factors (Reserve Bank) Regulations, 2022

Aadhar (Targeted Delivery of Financial and other Subsidies, Benefits and Services) Act (the "Aadhaar Act"), 2016 and the rules and regulations made thereunder

The Aadhaar Act, aims to provide for, as good governance, efficient, transparent and targeted delivery of subsidies, benefits and services, the expenditure for which is incurred from the Consolidated Fund of India, to individuals residing in India, through assigning of unique identity numbers to such individuals and for matters connected herewith. The Aadhar Act establishes Unique Identification Authority of India ("**UIDAI**"), which is responsible for authentication and enrolment of individuals under the Aadhaar programme. The Aadhar Act also provides for the appointment of Enrolling Agency, which would be responsible for the enrolment of individuals. The Aadhar Act, to authenticate the Aadhar Numbers, appoints a requesting entity, that would submit the Aadhar Number along with demographic information or biometric information to the Central Identities Data Repository. Lastly, the Aadhar Act also provides for the protection and confidentiality of identity information and authentication records of individuals.

The Aadhaar (Data Security) Regulations, 2016 ("**Data Security Regulations**") provides for measures to ensure that the information of individuals is secured. Data Security Regulations also enumerates the obligation of service provides to keep the information secure and confidential.

The Aadhaar (Sharing of Information) Regulations, 2016 ("**SI Regulations**") provides for restriction on sharing of biometric information by UIDAI. SI Regulations also restricts the sharing, circulating, or publishing of the aadhar number.

The Aadhaar (Authentication) Regulations, 2016 ("**Authentication Regulations**") provides an Aadhaar Authentication Framework, which has two kinds and four modes of authentication. Authentication Regulations also makes it mandatory for the requesting entity to obtain the consent of the aadhar number holder. Authentication Regulations list provisions and the entire process for the appointment of Requesting Entities and Authentication Service Agencies along with their roles and responsibilities and code of conduct.

Information Technology Act, 2000 and the rules made thereunder ("IT Act")

The IT Act has been enacted with the intention of providing legal recognition to transactions that are undertaken electronically. The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information made available to or hosted by them and creates liability for failure to protect sensitive personal data. The IT Act has created a mechanism for authenticating electronic documentation by means of digital signatures and provides for civil and criminal liability including fines and imprisonment for various offences. By means of an amendment in 2008, the IT Act legalized the validity of contracts formed through electronic means. The IT Act prescribes various offences, including those offences relating to unauthorized access of computer systems, unauthorized disclosure of confidential information and frauds emanating from computer applications. The IT Act also empowers the Government of India to intercept, monitor or decrypt any information in the furtherance of sovereignty, integrity, defence and security of India. The IT Act empowers the Government of India to formulate rules with respect to electronic signatures, reasonable security practices and procedures and sensitive personal data.

In exercise of this power, the Department of Electronics and Information Technology under the Ministry of Communications & Information Technology, Government of India, promulgated the Use of Electronic Records and Digital Signatures Rules, 2004, Digital Signature (End Entity) Rules, 2015, and Information Technology (Certifying Authorities) Rules, 2000. These rules govern the issuance and creation of digital and electronic signatures, their verification, and issuance of license to issue digital signature certificates.

The Digital Personal Data Protection Bill, 2022 (the "DPDP Bill" or the "Bill")

The Ministry of Electronics and Information Technology released the new DPDP Bill on November 18, 2022. Once passed and codified, the DPDP Bill will replace the existing data protection provision (Section 43A) of the IT Act. The Bill seeks to balance the rights of individuals to protect their personal data with the need to process personal data for lawful and other incidental purposes. All data fiduciaries, determining the purpose and means of processing personal data, are mandated to provide an itemised notice in plain and clear language containing a description of the personal data sought to be collected along with the purpose of processing such data. The DPDP Bill further provides that where consent is the basis of processing personal data, the data principal providing the consent, may withdraw such consent at any time. Data principals will have the right to demand the erasure and correction of data collected by the data fiduciary. Any data processed prior to such withdrawal shall be considered lawful.

The Bill introduces the concept of 'deemed consent' in instances where the data principal provides personal data (i) to the data fiduciary voluntarily, (ii) for performance of function under any law, or service or benefit to the data principal, (iii) in compliance with a judgment or order, (iv) responding to medical emergency involving threat to life or immediate threat to health of the data principal, (v) for provision of medical treatment or health services during an epidemic, outbreak of diseases or any other public threat to public health, (vi) for taking measures to ensure safety during any

disaster or any breakdown of public order, (vii) for purposes related to employment including prevention of corporate espionage, maintenance of confidentiality of trade secrets, intellectual property, classified information, recruitment, termination of employee, or (viii) in public interest as defined in the Bill.

It further imposes certain obligations on data fiduciaries including (i) implementation of technical and organisational measures to ensure compliance, (ii) adopting reasonable security safeguards to prevent personal data breach, (iii) ensuring that personal data processed is accurate and complete, (iv) informing the Data Protection Board of India (the "**Data Protection Board**") regarding any personal data breach, (v) deleting or removing personal data no longer in use or necessary for legal or business purposes, (vi) publishing the business contact information of the data protection officer, (vii) implementing a grievance redressal mechanism to redress grievances of data principals, and (viii) processing of data under a valid contract. The Bill provides for the rights and duties to be complied with the data principals. The Bill provides for exclusive jurisdiction of grievances to the Data Protection Board, with a recourse to alternative dispute resolution mechanisms. Any form of non-compliance shall attract financial penalty as prescribed in Schedule I of the Bill.

II. COVID-19 Regulatory Framework

In view of the outbreak of the COVID-19 pandemic, the RBI issued various circulars and prescribed other regulatory frameworks and relaxations governing NBFCs to deal with the disruptions caused by the COVID-19 pandemic.

Circular dated March 16, 2020

Pursuant to its circular dated March 16, 2020 (Reference No. RBI/2019-20/172 DoS.CO.PPG.BC.01/1L0T005/2019-20), the RBI provided an indicative list of actions to be taken by NBFCs as part of their operations and business continuity plans. Among others, the actions included taking steps to share important instructions/strategy with the staff members at all levels and sensitizing the staff members about preventive measures/steps to be taken in suspected cases, based on the instructions received from health authorities from time-to-time, taking stock of critical processes and revisiting business continuity plan in the emerging situations/scenarios with the aim of continuity in critical interfaces and preventing any disruption of services, due to absenteeism either driven by the individual cases of infections or preventive measures.

Circulars dated March 27, 2020 and April 17, 2020

The RBI, pursuant to its circular dated March 27, 2020 (Reference No. RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20), announced certain regulatory measures, including, inter alia, to mitigate the burden of debt servicing brought about by disruptions on account of the COVID-19 pandemic and to ensure the continuity of viable businesses. In furtherance of such circular, lending institutions were permitted to grant a moratorium of three months on payment of all instalments (including all (i) principal and/or interest components; (ii) bullet repayments; (iii) equated monthly instalments; and (iv) credit card dues) falling due between March 1, 2020 and May 31, 2020 in respect of all term loans (including agricultural term loans, retail and crop loans) ("**Moratorium Period**"). Additional relaxations were granted in relation to the calculation of 'drawing power' in respect of working capital facilities sanctioned in the form of cash credit/overdraft ("**CC/OD**") to borrowers. Under the circular, such measures were not to be treated as a concession or change in terms and conditions of loan agreements due to financial difficulty of the borrower under paragraph 2 of the Annexure to the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 ("**Prudential Framework**") and availing of such measures, by itself, was not to result in asset classification downgrade. The rescheduling of payments, including interest, did not qualify as a default for the purposes of supervisory reporting and reporting to credit information companies ("**CICs**") by the lending institutions. CICs were instructed to ensure that the actions taken by lending institutions pursuant to the above announcements do not adversely impact the credit history of the beneficiaries. The circular also stated that wherever the exposure of a lending institution to a borrower is ₹50 million or above as on March 1, 2020, the lending institution was required to develop an MIS on the reliefs provided to its borrowers which was required to, inter alia, include borrower-wise and credit-facility wise information regarding the nature and amount of relief granted. Further, pursuant to its circular dated April 17, 2020 (Reference No. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20), the RBI provided detailed instructions in relation to (i) asset classification under the prudential norms on income recognition, asset classification and (ii) provisioning requirements.

Circular dated May 23, 2020

Pursuant to its circular dated May 23, 2020 (Reference No. RBI/2019-20/244 DOR.No.BP.BC.71/21.04.048/2019-20), the RBI further permitted lending institutions (including NBFCs) to extend the Moratorium Period on payment of all instalments in respect of term loans (including agricultural term loans, retail and crop loans) by another three months, i.e., from June 1, 2020 to August 31, 2020. Such circular also permitted certain relaxations in respect of working capital facilities sanctioned in the form of cash credit/overdraft, lending institutions, subject to certain conditions.

The measures in relation to working capital facilities under the RBI circular dated May 23, 2020, were contingent on the lending institutions satisfying themselves that such measures are necessitated on account of the economic fallout from COVID-19. Further, accounts provided relief under this relaxation were subject to subsequent supervisory review with regard to their justifiability on account of the economic fallout from COVID-19. Lending institutions, accordingly, could put in place a board approved policy to implement the above measures.

Special Liquidity Scheme for NBFCs/HFCs dated July 1, 2020 and the Partial Credit Guarantee Scheme

The Government of India approved the Special Liquidity Scheme for NBFCs and HFCs to improve the liquidity position of NBFCs through a special purpose vehicle to avoid potential systemic risks to the financial sector. In order to avail the scheme, NBFCs are required to, inter alia, (a) have made a net profit in one of the two preceding financial years; and (b) be rated investment grade by a SEBI registered rating agency. In accordance with the circular, the scheme is managed by a special purpose vehicle set up by a subsidiary of the State Bank of India, SBI Capital Markets Limited

The Partial Credit Guarantee Scheme ("**PCGS**") was introduced on December 11, 2019 to offer a sovereign guarantee for "first loss" to public sector banks for the purchase of pooled assets, from financially sound NBFCs, subject to certain conditions. Pursuant to a press release dated May 20, 2020, the PCGS was amended to increase the coverage offered by the scheme and the window under the PCGS was extended up to March 31, 2021.

Statement on Development and Regulatory Policies dated August 6, 2020

The RBI, through its 'Statement on Developmental and Regulatory Policies' dated August 6, 2020, stated that with the intent to facilitate revival of real sector activities and mitigate the impact on the ultimate borrowers, provided a window under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible corporate exposures without change in ownership, and personal loans, while classifying such exposures as standard (as set out under the Prudential Framework) subject to specified conditions.

Resolution Framework for COVID-19-related Stress dated August 6, 2020

The RBI has also issued a notification on August 6, 2020 titled 'Resolution Framework for COVID-19-related Stress' ("**COVID-19 Resolution Framework**"), Reference No. RBI/2020-21/16 DOR.No.BP. BC/3/21.04.048/2020-21). Under the COVID-19 Resolution Framework, lending institutions were required to frame policies, as approved by their board of directors, for implementation of viable resolution plans for eligible borrowers pursuant to the COVID-19 Resolution Framework and ensure that the resolution plans under this facility were extended only to borrowers bearing stress on account of the COVID-19 pandemic. The resolution plan extended to eligible borrowers could be invoked anytime till December 31, 2020 and was to be implemented within 180 days from the date of invocation (within 90 days in case of personal loans.).

Circular dated September 7, 2020 on resolution framework for COVID-19 related Stress - Financial Parameters

The RBI, pursuant to its circular dated September 7, 2020 (Reference No. RBI/2020-21/34 DOR.No.BP. BC/13/21.04.048/2020-21) on "Resolution Framework for COVID-19-related Stress - Financial Parameters", set out key ratios to be mandatorily considered while finalizing the resolution plans in respect of COVID-19 Resolution Framework. Further, it also prescribed sector specific thresholds to be considered by the lending institutions, intended as floors or ceilings. The resolution plans were required to take into account the pre- COVID-19 operating and financial performance of the borrower and impact of COVID-19 on its operating and financial performance at the time of finalizing the resolution plan, to assess the cash flows in subsequent years, while stipulating appropriate ratios in each case. Lending institutions were free to consider other financial parameters as well while finalizing the resolution assumptions in respect of eligible borrowers apart from the above mandatory key ratios and the sector-specific thresholds that have been prescribed.

TLTRO on Tap Scheme

The targeted long-term repo operations on tap scheme of the RBI ("**TLTRO on Tap Scheme**"), announced on October 9, 2020 focuses on liquidity measures and revival of activity in specific sectors and, allows banks to avail liquidity to be deployed in corporate bonds, commercial paper and non-convertible debentures issued by entities in such specified sectors. The liquidity availed by banks could also be used to extend bank loans and advances to these sectors. The RBI through its 'Statement on Developmental and Regulatory Policies' and its press release dated February 5, 2021 stated that NBFCs are well recognised conduits for reaching out last mile credit and act as a force multiplier in expanding credit to various sectors and accordingly, permitted funds from banks under the TLTRO on Tap Scheme to be provided to NBFCs for incremental lending to these sectors until March 31, 2021. The TLTRO on Tap Scheme has further been extended by a period of nine months i.e., up to December 31, 2021 with a view to increasing the focus of liquidity measures on revival of activity in specified sectors.

Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts

On October 23, 2020, the Ministry of Finance, Government of India announced a scheme for grant of ex-gratia payment of difference between compound interest and simple interest by way of reliefs for the six months period from March 1, 2020 to August 31, 2020, to borrowers in specified loan accounts ("**October 2020 Scheme**"), benefits of which would be routed through lending institutions. The October 2020 Scheme was applicable to all lending institutions, including, inter alia, banking companies, NBFCs and housing finance companies. Borrowers who had loan accounts with sanctioned limits and outstanding amounts not exceeding ₹20 million as on February 29, 2020 were eligible under the October 2020 Scheme, subject to certain conditions. Borrowers of the following classes of loans were eligible, namely (i) MSME loans; (ii) education loans; (iii) housing loans; (iv) consumer durable loans; (v) credit card dues; (vi) automobile loans; (vii) personal loans to professionals; and (viii) consumption loans.

Circular dated April 7, 2021 on Asset Classification and Income Recognition

The RBI, pursuant to the decision of the Supreme Court of India in Small Scale Industrial Manufactures Association v. Union of India, dated March 23, 2021, has issued a circular dated April 7, 2021 (the "**April 2021 Circular**", Reference No. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22). The April 2021 Circular stipulates that all lending institutions (including NBFCs) are required to implement a board-approved policy to refund/adjust the "interest on interest" charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020 in conformity with the above judgement. In order to ensure that the above judgement is implemented uniformly in letter and spirit by all lending institutions, the methodology for calculation of the amount to be refunded/adjusted for different facilities is required to be finalised by the Indian Banks Association in consultation with other industry participants/bodies, which shall be adopted by all lending institutions. The above reliefs shall be applicable to all borrowers, including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed, in terms of the circulars dated March 27, 2020 and May 23, 2020.

Further, in relation to asset classification, the April 2021 Circular stipulates that, (i) in respect of accounts which were not granted any moratorium in terms of the COVID-19 regulatory relief provided, asset classification is to be undertaken in terms of the criteria laid out in the Master Circular - Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated July 1, 2015 (Reference No. RBI/2015-16/101 DBR.No.BP.BC.2/21.04.048/2015-16) or other relevant instructions as applicable to the specific categories of lending institutions; and (ii) in respect of accounts in relation to which a moratorium was granted in terms of the COVID-19 regulatory relief, the asset classification for the period from March 1, 2020 to August 31, 2020 shall be governed in terms of the circular dated April 17, 2020 (Reference No. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20), read with circular dated May 23, 2020 (Reference No. RBI/2019-20/244 DOR.No.BP.BC.71/21.04.048/2019-20). For the period commencing September 1, 2020, asset classification for all such accounts shall be as per the applicable income recognition and asset classification norms.

Circular dated May 5, 2021 on Resolution Framework for Advances to Individuals and Small Businesses

Through its circular dated May 5, 2021 titled 'Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses' (Reference No. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021- 22), the RBI has permitted lending institutions to offer a limited window to individual borrowers and small businesses to implement resolution plans in respect of their credit exposures while classifying such credit exposures as 'standard' upon implementation of the resolution plan, subject to certain conditions specified under the circular. The lending institutions are required to frame policies, approved by the board of directors, pertaining to the implementation of viable resolution plans for eligible borrowers ensuring that the resolution under this facility is provided only to the borrowers having stress on account of COVID-19. The last date for invocation of resolutions under the window provided was September 30, 2021. The resolution plans implemented under this window may, inter alia, include rescheduling of payments, conversion of any interest accrued or to be accrued into another credit facility, revisions in working capital sanctions, and granting of moratorium, based on income streams of the borrower. The moratorium period, if granted, may be for a maximum of two years, and shall come into force immediately upon implementation of the resolution plan. The extension of the residual tenor of the loan facilities may also be granted to borrowers, with or without payment moratorium. The overall cap on extension of residual tenor, inclusive of moratorium period if any permitted, shall be two years.

III. Foreign Exchange Laws

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time. The Foreign Exchange Management (Debt Instruments) Regulations, 2019 notified by RBI on October 17, 2019, regulate investments in India by a person resident outside India.

As per the sector specific guidelines of the Government of India, 100 per cent FDI/ Non-Resident Indian ("**NRI**") investments are allowed under the automatic route in certain NBFC activities subject to compliance with guidelines of the RBI in this regard.

IV. Laws Relating to Taxation

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

a. Central Goods and Service Tax Act, 2017 and various state-wise legislations made thereunder;

b. Integrated Goods and Services Tax Act, 2017;

c. Income Tax Act 1961, as amended by the Finance Act in respective years; and

d. State-wise legislations in relation to professional tax.

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, various SEBI regulations, banking and insolvency laws, intellectual property laws, labour laws, taxation statutes, environmental laws, shops and establishment legislations in various states, and other applicable statutes for its day-to-day operations like any other company.

V. Other Regulations applicable to our Subsidiaries

Our Subsidiaries are engaged in, *inter alia*, asset management, financial, data and software services. They are regulated by, *inter alia*, the following laws: (i) Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; (ii) Special Economic Zones Act, 2005; (iii) The International Financial Services Centres Authority Act, 2019; (iv) Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015; (v) Securities and Exchange Board of India (Stockbrokers and Sub-brokers) Regulations, 1992; (vi) Securities and Exchange Board of India (Investment Advisers) Regulations, 2013; (vii) Securities and Exchange Board of India (Research Analysts) Regulations, 2014; (viii) Limited Liability Partnership Act, 2008. Further, we have one foreign subsidiary governed by the local laws and regulations.

PROVISIONS OF ARTICLES OF ASSOCIATION

Our Board of Directors and Shareholders, through their resolution dated June 20, 2023 and June 26, 2023, respectively, have approved to the adoption of restated Articles of Association of our Company pursuant to its conversion.

PRELIMINARY

1. The Company is a public limited company as defined under the Act. Regulations contained in Table 'F' in the First Schedule to the Act as amended from time to time, shall apply to the Company so far as they are applicable to a public company limited by shares and not contradictory or inconsistent with any of the provisions contained in these Articles. It is hereby clarified that the provisions of Regulations 27, 76, and 79 of Table F in First Schedule to the Act shall not be applicable to the Company.

2. These Articles consist of two parts, Part A and Part B. The provisions of Part A shall apply to all the matters to which they pertain, to the extent, and only in so far, as they are not inconsistent with the provisions of Part B. As long as Part B remains a part of these Articles, in the event of any conflict or inconsistency, the provisions of Part B shall prevail over the provisions of Part A to the maximum extent permitted under the Act.

PART A

DEFINITIONS AND INTERPRETATION

3. In these Articles, unless the context otherwise requires:

   (a) **Act** shall mean the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force as amended from time to time;

   (b) **Articles** means these articles of association of the Company;

   (c) **Applicable Law** means all laws, ordinance, statutes, rules, orders, decrees, judgments, injunctions, licenses, permits, approvals, authorizations, consents, waivers, privileges, agreements and regulations of any governmental authority having jurisdiction over the relevant matter as such, and as may be amended, modified, enacted or revoked from time to time hereafter. It is hereby clarified that Applicable Laws for the purpose of the Company and the subsidiaries means the laws of India, and where the context so requires, the applicable laws of any other jurisdiction;

   (d) **Board** shall mean the board of directors of the Company duly called and constituted;

   (e) **Director** shall mean a director of the Company in office at the applicable time;

   (f) **Equity Shares** or **Shares** shall mean all classes of equity shares of the Company having the face value set out in the memorandum of association;

   (g) **Company** shall mean Vivriti Capital Limited;

   (h) **Meeting** or **General Meeting** means a general meeting of the members held in accordance with provisions of Section 96 and Section 100 of the Act;

   (i) **Person** means any natural person, limited or unlimited liability company, body corporate, corporation, partnership (whether limited or unlimited), proprietorship, trust, union, association, whether incorporated or not, government, any relevant authority or any agency or political subdivision thereof (as maybe contextually applicable) or any other entity that may be treated as a person under Applicable Law;

   (j) **Relative** shall mean a relative as defined under the Act;

   (k) **Shareholders** or **Members** shall mean the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the memorandum of association and in case of shares held by a depository, the beneficial owners whose names are recorded as such with the depository; and

   (l) **Subsidiary** shall mean a subsidiary of the Company and have the meaning assigned to such term in section 2(87) of the Act.

   Except as provided above and unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act.

SHARE CAPITAL AND VARIATION OF RIGHTS

4. The authorised capital of the Company shall be such amount and be divided into such shares as may, from time to time, be provided in clause 5 of memorandum of association payable in the manner as may be determined by the Board, from time to time, with power to increase, reduce, sub-divide or to repay the same or to divide the same into several classes and to attach thereto such preferential, qualified or special rights, privileges and conditions as may be determined by or in accordance with the Act and these Articles. Further, subject to the Act and these Articles, the Company may consolidate or sub-divide or re-organise the shares subject to the provisions of the Act, to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be determined by the Board in accordance with the Act and these Articles. The rights of the Shareholders shall be determined at the time of issue thereof, in accordance with the Act and these Articles.

5. Any shares of the original or increased capital may, from time to time, be issued with any such guarantee or any right of preference, whether in respect of dividend or of repayment of capital or both or any such other special privilege or advantage over any shares previously issued or then about to be issued or with such deferred or qualified rights as compared with any shares previously issued or subject to any such approvals or conditions and with any special right or limited right or without any right of voting and generally on such terms as the Company may, from time to time, determine.

6. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot, or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such time as they may from time to time think fit and with the sanction of the Company in a General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board deems fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold or transferred or for any services rendered by the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call shares shall not be given to the person or persons without the sanction of the Company in the General Meeting.

7. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future, or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

8. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound up, be varied with consent in writing of the holders of 3/4th (three-fourth) of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

   (ii) To every such separate Meeting, the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least 1/3rd (one-third) of the issued shares of the class in question.

9. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

10. Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital, then:

    (a) such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on these shares at that date;

    (b) Such offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

    (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice as aforesaid shall contain a statement of this right; provided that the directors may decline, giving reasons for refusal to allot any shares to any person in whose favour any Member may renounce the shares offered to him.

(d) After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company;

(e) employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable laws; or

(f) any persons, whether or not those persons include the persons referred to above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed, if a special resolution to this effect is passed by the Company in a general meeting. Notwithstanding anything contained in the preceding sub Article, the Company may by an ordinary or a special resolution (as may be prescribed under the Act) make a preferential issue of securities (including debentures) to any person, whether such person is a Member of the Company or not.

11. Subject to the provisions of the Act, the Company shall have the power, by means of a special resolution to be passed at a General Meeting of the Company, to issue sweat equity shares of a class of shares already issued.

12. Subject to the provisions of Section 55 of the Act, any preference shares may be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

13. Except so far as otherwise provided by the condition of issue or by these Articles, any share capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject of the provisions contained in these Articles, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

14. Subject to the provisions and requirements set out in these Articles, and confirmation by the Act, the Company may from time to time by special resolution reduce its capital in any manner for the time being authorized by Applicable Law and in particular may:

a. extinguish or reduce the liability on any of its Securities in respect of share capital not paid up; or

b. either with or without extinguishing or reducing liability on any of its Securities:

c. cancel any paid up share capital which is lost or is unrepresented by its available assets; or

d. pay off any paid up share capital which is in excess of the wants of the Company, alter its memorandum by reducing the amount of its share capital and of its Securities accordingly.

Provided that no such reduction shall be made if the Company is in arrears in the repayment of any deposits accepted by it, or the interest payable thereon.

15. If any Securities stand in the name of two or more persons, the persons first named in the register or to such person and to such address as the holder or joint holders may in writing direct shall be intimated, as regards payment of dividend or bonus or service of notice and all other matters connected with the Company, except voting at meeting, the vote of the senior (shall be determined by the order in which the names stand in the register of Members) who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, but the joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and call due in respect of such Securities and for all the other incidence thereof according to the Articles.

DEMATERIALIZATION OF SHARES

16. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its shares and to offer shares in a dematerialized form pursuant to the Depositories Act, 1996.

17. Every person subscribing to the shares offered by the Company shall have the option to receive share certificates or to hold the shares with a depository. Such a person who is the beneficial owner of the shares can at any time opt out of a depository, if permitted by the law, in respect of any shares in the manner provided by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of shares. If a person opts to hold his shares with a depository, the Company shall intimate such depository the details of allotment of the share, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the share.

18. All shares held by a depository shall be dematerialized and shall be in a fungible form.

19. (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of shares on behalf of the beneficial owners.

(ii) Save as otherwise provided in Article 19 (i) above, the depository as the registered owner of the shares shall not have any voting rights or any other rights in respect of shares held by it.

(iii) Every person holding shares of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be the owner of such shares and shall also be deemed to be the Member of the Company. The beneficial owner of the shares shall be entitled to all the rights and liabilities in respect of his shares which are held by a depository.

20. The Company shall cause to be kept a register and index of Members with details of securities held in materialised and dematerialised forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of Members for the purposes of the Act. The Company shall have the power to keep in any state or country outside India, a register of Members, resident in that state or country. Notwithstanding anything in the Act or these Articles to the contrary, where shares are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or disks or any other mode as prescribed by law from time to time.

21. Nothing contained in these Articles (pertaining to production of instrument of transfer for transfer of securities and related matters) shall apply to a transfer of securities effected by a transferor and transferee both of who are entered as beneficial owners in the records of a depository.

22. Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

23. Nothing contained in the Act or these Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

24. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a duplicate certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a duplicate certificate in lieu thereof shall be given. Every certificate under this Article shall be issued without payment of such fees, or on payment of such fees for each certificate in accordance with the law applicable at that time and as the Directors shall prescribe. Provided that no fee shall be charged for issue of duplicate certificates in replacement of those which are old, defaced or worn out or where there is not further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of shares. Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under any other act or rules applicable in this behalf. The provisions of this Article 24 shall *mutatis mutandis* apply to debentures of the Company.

TERMS OF ISSUE OF DEBENTURES

25. Any debentures, debenture stock or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment/conversion of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise.

26. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a special resolution.

TRANSFER AND TRANSMISSION OF SHARES

27. Transfer of shares

(i) The Members of the Company shall transfer securities only in a dematerialized form;

(ii) No fee shall be charged for registration of transfer or transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other documents.

(iii) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

(iv) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the registrar of Members in respect thereof.

(v) The transferor and the transferee of the securities shall comply with the requirements under the applicable laws.

(vi) Subject to the provisions of Part B of these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may, subject to the right of appeal conferred by the Act, and by giving reason, decline to register or acknowledge (a) the transfer of a share, whether fully paid share or not, to a Person; or (b) any transfer of shares on which the Company has a lien, after providing sufficient cause, within a period of fifteen days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company.

(vii) The Board may decline to recognise any instrument of transfer unless— (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of shares.

(viii) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

(ix) Such right to refusal shall not be affected by the circumstances that the proposed transferee is already a Member of the Company but in such cases, the Directors shall within thirty days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer giving reasons for such refusal provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on shares.

(x) The transfer of shares/ debentures shall be in compliance with applicable laws including the Act and the rules made thereunder and applicable regulations issued by Securities and Exchange Board of India.

28. Transmission of shares

(i) On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.

(ii) Nothing in Article 28(i) above, shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

(iii) Any person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent Member could have made. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the share before his death or insolvency.

(iv) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(v) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

(vi) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in

respect of it to exercise any right conferred by Membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

LIEN

29. (i) The Company shall have a first and paramount lien:

(a) on all shares/debentures (other than fully paid shares/debentures) standing registered in the name of a Member, and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this article.

(ii) The Company's lien, if any, on a share/ debenture shall extend to all dividends payable and bonuses declared from time to time in respect of such shares/ debentures.

(iii) Fully paid shares/ debentures shall be free from all lien and in the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares/ debentures.

30. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

31. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

32. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

33. (i) The Board may, from time to time, make calls upon the Members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

(ii) Each Member shall, pay to the Company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

34. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

35. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

36. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 10 (ten) percent, per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

37. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

38. The Board:

(i) may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him beyond the sums actually called for; and

(ii) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, 12 (twelve) percent per annum, as may be agreed upon between the Board and the Member paying the sum in advance provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The Member shall not be entitled to any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable. Save as aforesaid, Regulations 13 to 18 of Table 'F' shall apply.

(iii) The provisions of these Articles shall *mutatis mutandis* apply to any calls on debentures.

FORFEITURE OF SHARES

39. If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

The notice aforesaid shall:

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

40. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

41. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

42. (a) A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(b) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares. Provided that such liability shall cease if the Company has re-issued/sold such forfeited shares and received monies thereon.

43. (a) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(b) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(c) The transferee shall thereupon be registered as the holder of the share; and

(d) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

44. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

45. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

46. Subject to the provisions of Section 61 of the Act, the Company in a General Meeting may, from time to time, alter its memorandum for all or any of the following purposes:

a. To increase or reclassify its authorised share capital by such amount as it thinks expedient;

b. To consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

c. To convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid up shares of any denomination;

d. To sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division, the proportion between the amount paid and the amount, if any unpaid, on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

e. To cancel any shares which at the date of the passing of the resolution, have not been taken or agreed to be taken by any persons and diminish the amount of its share capital by the amount of the shares so cancelled. The cancellation of shares in pursuance of this sub-Article shall not be deemed to be a reduction of the capital of the Company within the meaning of the Act.

47. Where shares are converted into stock:

(i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit.

Provided that, the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

(ii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage; and

(iii) such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those articles shall include “stock” and “stock-holder” respectively.

48. Subject to the Act, and after obtaining the sanction of the Company in a General Meeting by special resolution, the shares in the capital of the Company may be allotted or otherwise disposed of by the Board by way of a preferential offer of shares on a private placement basis.

49. The Company may, by special resolution, create/modify/alter/reduce in any manner, and subject to, any incident authorized and consent required by law:

(i) its share capital;

(ii) any capital redemption reserve account; or

(iii) any share premium account.

FURTHER ISSUE OF SHARE CAPITAL

50. (i) Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital, then such shares shall be offered, subject to the provisions of Section 62 of the Act, and the rules made thereunder:

a. to persons who, at the date of the offer, are holders of equity shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—

1) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

2) unless the Articles of the Company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in sub-Article (i)(a)(1) shall contain a statement of this right;

3) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not dis-advantageous to the shareholders and the Company;

b. to employees under a scheme of employees' stock option, subject to special resolution passed by Company and subject to such conditions as may be prescribed; or

c. to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in sub-Article (i)(a) or clause (i)(b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of the Act and any other conditions as may be prescribed.

(ii) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the Company. Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.

Notwithstanding anything contained in (ii) above, where any debentures have been issued, or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.

The Company may as per the applicable provisions of the Act, issue shares under preferential basis and private placement.

CAPITALISATION OF PROFITS

51. (i) The Company in General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in sub-Article (ii) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(a) paying up any amounts for the time being unpaid on any shares held by such Members respectively;

(b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid; and

(c) partly in the way specified in sub-Article (ii)(a) and partly in that specified in sub-Article (ii)(b).

(iii) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares;

(iv) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

52. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power:

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fraction; and

(b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such Members.

BUY-BACK OF SHARES

53. Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 of the Act and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

GENERAL MEETINGS

54. An annual general meeting shall be held in each calendar year within 6 (six) months following the end of the previous financial year of the Company or such extended time in accordance with the Act. The Board of Directors shall issue the notice of the annual general meeting together with the annual financial statement, auditors report and other annexures as required under the Act to all Members and others entitled to receive such notice in accordance with the provisions of the Act to approve and adopt the audited financial statements.

55. All General Meetings other than the annual general meeting shall be called extraordinary general meetings.

56. The Board may, whenever it thinks fit, call an extraordinary general meeting. If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any director of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board. The Board shall, on the requisition of Members of the Company, convene an extraordinary general meeting of the Company in the circumstances and in the manner provided under the Act. The annual general meeting and extraordinary general meeting may be called after giving shorter notice as per the Act.

57. General Meetings, other than the annual general meeting (which shall be held at any place within the city, town or village in which the registered office of the Company is situated) may be held at any place, and subject to the Act for any general meeting where the Company makes arrangements, the shareholders may attend by way of, video conference or through any other medium as may be permitted under the Act.

58. No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

59. At any general meeting, a resolution put to the vote of the meeting shall be decided through a poll. Subject to the terms of issue of any other class of shares by the Company, the voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of Members.

60. Any Member of a company entitled to attend and vote at a Meeting of the Company shall be entitled to appoint another person as a proxy to attend and vote at the Meeting on his behalf. Such proxy shall have the right to speak at such Meeting and shall be entitled to vote. Further a person appointed as proxy is permitted to act on behalf of any number of Members and/or any number of shares, without any limit.

61. The instrument appointing a proxy shall be in such form as the Company may deem fit, shall be in writing and shall be signed by the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, by an officer or an attorney duly authorised by it.

62. On a poll taken at a Meeting of a Company, a Member entitled to more than 1 (one) vote, or his proxy or other person entitled to vote for him, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

    (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

    (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

    (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

    (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

BOARD OF DIRECTORS

63. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

64. The directors shall not be required to hold any qualification share(s) in the Company.

65. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

    (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them:

        (a) in attending and returning from meetings of the Board or any committee thereof or General Meetings of the Company; or

        (b) in connection with the business of the Company.

66. The number of directors shall not be less than 3 (three) at any time, and may exceed 15 (fifteen) only on receipt of sanction from the Members by way of a special resolution in this regard.

67. Notwithstanding anything to the contrary contained in these Articles, debenture trustees (acting on behalf of the debenture holders of the Company) shall have the right to appoint nominee director(s) on the Board of the Company in respect of debentures issued by the Company, if such right is provided to the debenture trustee under contract or is available under applicable law. The debenture trustees shall have the right to replace the nominee director from time to time and such nominee director will not be required to hold any qualifying shares in the Company. Each nominee director shall be entitled to attend all general meetings, board meetings and meetings of the committees of the Board. The Board shall take all necessary action to ensure appointment of such nominee directors on such terms as may be stipulated by the debenture trustees.

68. The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those sections of the Act) make and vary such Articles as it may think fit with respect to keeping of any such register.

69. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

70. All cheques, promissory notes, drafts, hands, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine,

71. (i) Subject to the provisions of Section 149 of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board in Article 66.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the Company or the last date on which the annual general meeting should have been held, whichever is earlier but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

(iii) The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the **Original Director**") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provision of the Act. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he so returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

72. Intentionally left blank

73. At the annual general meeting of the Company to be held every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided that the Board at its discretion may designate any class or category of directors as permanent directors including executive/ promoter directors, subject to applicable law.

74. A retiring Director shall be eligible for re-election and the Company, at the annual general meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.

75. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lots.

PROCEEDINGS OF THE BOARD

76. (i) The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit subject to such minimum number of meetings as prescribed under applicable law.

(ii) A director may, and the manager or secretary or any person authorized by the Board on this behalf, shall, at any time, summon a meeting of the Board including at a shorter notice.

77. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

78. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.

79. (i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such chairperson is elected, or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the directors present may choose 1 (one) of their members to be chairperson of the meeting.

80. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such Member or Members of its body as it thinks fit or to any individual person.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

81. (i) A committee may elect a chairperson of its meetings.

(ii) If no such chairperson is elected, or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Members present may choose 1 (one) of their Members to be chairperson of the meeting.

82. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

83. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the Members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

BORROWING POWERS

84. Subject to the Articles and in accordance with the Act, the Directors may, from time to time, at their discretion, raise or borrow monies or secure the payment of any sum or sum of money for the purpose of the Company's business and may secure the payment or repayment of such money by mortgage or charge upon the whole or any part of the assets and property of the Company (present and future), including its uncalled and unpaid capital.

85. Subject to the Articles and in accordance with the Act, any bonds, debentures/ stock or other securities issued by the Company shall be under the control of the Directors who may issue them upon terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

MANAGING DIRECTOR / WHOLE-TIME DIRECTOR

86. The Board may from time to time appoint 1 (one) or more directors to be managing directors or whole time directors for such terms, and at such remuneration (whether by way of salary or commission or participation in profits or partly in 1 (one) way and partly in another) as it may think fit, in accordance with the Act. But his appointment shall be subject to determination *ipso facto* if he ceases from any case to be a director of the Company or General Meeting resolves that his tenure of office of managing director / whole time director be determined subject to applicable law.

CHIEF EXECUTIVE OFFICER, MANAGER,
COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

87. Subject to the provisions of the Act:

(i) chief executive officer(s), manager, company secretary and/or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer(s), manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board subject to opportunity of being heard and such other provisions as may be applicable under the Act;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

88. A provision of the Act or these Articles requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

DIVIDENDS AND RESERVE

89. The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Further, no dividend shall be declared unless carried over previous losses and depreciation not provided in previous year or years are set off against profit of the Company for the current year.

90. Subject to the provisions of Section 123 of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company:

91. (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be deployed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

92. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

93. The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

94. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who, is first named on the register of Members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

95. Any 1 (one) of 2 (two) or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

96. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

97. No dividend shall bear interest against the Company.

98. Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the unpaid dividend account ("**Unpaid Dividend Account**").

99. Any money transferred to the Unpaid Dividend Account of the Company in pursuance of this Article which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued, if any, thereon to the fund established the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.

100. No unclaimed or unpaid dividend shall be forfeited by the Board before it becomes barred by law.

ACCOUNTS

101. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of Members not being directors.

(ii) No Member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in General Meeting.

SECRECY

102. Every director, manager, auditor, trustee, Member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall observe strict secrecy in respect of all transaction of the Company with the customers and the state of accounts with individuals and in matters relating thereto and shall not reveal in the discharge of his duties except when required to do so by the directors as such or by any meeting or by court of law or by the person to whom such matters relate and except so for as may be necessary in order to comply with any of the provisions in these presents contained.

WINDING UP

103. If the Company shall be wound up and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets, shall be distributed so that as nearly as may be the losses shall be borne by the Members in proportion to the capital paid up or which ought to have been paid up as at the commencement of the winding up, on the shares held by them respectively. If in a winding up the assets available for distribution among the Member is more than sufficient to repay the whole of the capital at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holder of shares issued upon special terms and conditions.

104. (i) If the Company shall be wound up whether voluntary, or otherwise, the liquidators may with the sanction of a special resolution and with such other consents required under the Act and other applicable law, divide amongst the Members in specie or kind any part of the assets of the Company as the liquidators, with the like sanction, shall think fit.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

105. Subject to the provisions of the Act every director of the Company, officer (whether managing director, manager, secretary or other officer) or employee or any person employed by the Company as auditor shall be indemnified by the Company against liability in respect of matters which arise from acts or omissions of the relevant person in the ordinary course of discharging his or her authorized duties other than liability which arises as a result of that persons dishonesty, fraud or negligence.

PART B

Part B of the Articles of Association provides for, amongst other things, the rights of certain shareholders pursuant to the SHA. For more details in relation to the SHA, see "*History and Certain Corporate Matters – Material Agreements*" on page 118.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at Prestige Zackria Metropolitan No. 200/1-8, 2nd Floor, Block -1, Annasalai, Chennai 600 002, Tamil Nadu, India, from 10:00 a.m. to 5:00 p.m. on any Working Day from the date of Draft Prospectus until the Issue Closing Date.

A. ***Material Contracts***

1. Issue Agreement dated July 28, 2023 executed between our Company and the Lead Manager.
2. Registrar Agreement dated July 28, 2023 executed between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated July 28, 2023 executed between our Company and the Debenture Trustee.
4. Agreed form of Debenture Trust Deed to be executed between our Company and the Debenture Trustee.
5. Tripartite Agreement dated August 27, 2018 entered into between our Company, Registrar to the Issue and NSDL and Tripartite Agreement dated September 30, 2020 entered into between our Company, Registrar to the Issue and CDSL.

B. ***Material Documents***

1. Memorandum of Association and Articles of Association of our Company.
2. Certificate of incorporation dated June 22, 2017 issued to our Company, under the name 'Vivriti Capital Private Limited' by the Central Registration Centre on behalf of the RoC.
3. Fresh certificate of incorporation dated June 9, 2023 pursuant to change of name of our Company from 'Vivriti Capital Private Limited' to 'Vivriti Capital Limited' issued by the RoC.
4. The certificate of registration bearing number N-07.00836 dated January 5, 2018 issued by the RBI to commence or carry on the business of non-banking financial institution without accepting public deposits*.

   **Our Company has made an application dated June 12, 2023 to the RBI to obtain a revised certificate under Section 45IA of the RBI Act, 1934 pursuant to conversion of our Company from a private limited to a public limited company to commence/ or carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.*

5. Credit rating letter and credit rating rationale dated June 7, 2023 (and revalidation letter dated July 12, 2023) from ICRA Limited assigning a rating of "[ICRA] A (Stable)" to the NCDs.
6. Credit rating letter and credit rating rationale dated June 12, 2023 (and revalidation letter dated July 11, 2023) from CARE Ratings assigning a rating of "CARE A; Positive" to the NCDs.
7. Copy of the resolution passed at a meeting of Board of Directors held on June 20, 2023 authorising this Issue for an amount aggregating up to ₹ 50,000 lakh.
8. Copy of the resolution passed by our Shareholders, pursuant to Section 180 (1)(c) of the Companies Act, 2013, at the EGM held on May 2, 2023 approving the overall borrowing limit and security creation limits of our Company.
9. Copy of the resolution passed by our Board approving the overall borrowing limit and security creation limits at the meeting held on April 28, 2023.
10. Copy of the resolution of our Borrowing Committee dated July 28, 2023 for approval of this Draft Prospectus.
11. Copy of the resolution designating our Company Secretary as our Compliance Officer passed by our Board at its meeting dated June 20, 2023 and Borrowing Committee at its meeting dated July 28, 2023.
12. Shareholders' Agreement dated August 4, 2018, entered into amongst out Company, Vineet Sukumar, Gaurav Kumar and Creation Investments India III, LLC.
13. Amended and Restated Shareholders' Agreement dated March 27, 2019, entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and Creation Investments India III, LLC.

14. Shareholders' Agreement dated March 13, 2020, entered into amongst our Company, Vineet Sukumar, Gaurav Kumar, Creation Investments India III, LLC and Lightstone Fund S.A.

15. Amended and Restated Shareholders' Agreement dated September 15, 2020, entered into amongst our Company, Vineet Sukumar, Gaurav Kumar, Creation Investments India III, LLC and Lightstone Fund S.A.

16. Amended and Restated Shareholders' Agreement dated April 27, 2022 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar, Creation Investments India III, LLC, Lightrock Growth Fund I S.A., SICAV-RAIF, LR India Holdings Limited, Financial Investments SPC, and TVS Shriram Growth Fund 3 .

17. Amended and Restated Shareholders' Agreement dated February 4, 2023 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar, Creation Investments India III, LLC, Lightrock Growth Fund I S.A., SICAV-RAIF (formerly known as Lightstone S.A), LR India Fund I S.A.R.L, SICAV-RAIF (formerly known as LR India Holdings Limited), Financial Investments SPC and TVS Shriram Growth Fund 3

18. Share Subscription Agreement dated August 4, 2018 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and Creation Investments India III, LLC.

19. Share Subscription Agreement dated March 27, 2019 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and Creation Investments India III, LLC.

20. Share Subscription Agreement dated March 13, 2020 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and Lightstone Fund S.A.

21. Share Subscription Agreement dated September 15, 2020 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and Creation Investments India III, LLC.

22. Share Subscription Agreement dated April 27, 2022 entered into amongst our Company, Vineet Sukumar, Gaurav Kumar and TVS Shriram Growth Fund 3.

23. Consents of our Directors, Lead Manager to the Issue, Chief Financial Officer, Compliance Officer and Company Secretary for the issue, Debenture Trustee for the NCDs, Credit Rating Agency for this Issue, Legal Advisor to the Issue, banker to the Company, the Registrar to the Issue, CARE Advisory Research and Training Limited in relation to use of the contents of the industry report, to include their names in this Draft Prospectus in their respective capacity.

24. The consent dated July 28, 2023 from the Statutory Auditor of our Company, namely B S R & Co. LLP, for inclusion of: (a) their names as the Statutory Auditor and as "experts" as defined under Section 2(38) of the Companies Act, (b) the Statement of Possible Tax Benefit available in the form and context in which they appear in this Draft Prospectus and (c) audited standalone and consolidated financial statements as at and for each of the years ended March 31, 2023 and 2022.

25. The consent dated July 28, 2023 from the Previous Statutory Auditor of our Company, namely M/s. Deloitte Haskins & Sells LLP for inclusion of: (a) their names in Draft Prospectus, and (b) audited standalone and consolidated financial statements as at and for the year ended March 31, 2021.

26. Consent letter from CARE Advisory Research and Training Limited dated July 21, 2023 in respect of permission to use and disclose the contents (along with the extracts of the content) of the industry report titled 'Industry Research Report on NBFC Sector' for the section on '*Industry Overview'* in this Draft Prospectus.

27. Statement of possible tax benefits dated July 28, 2023 issued by B S R & Co. LLP, Chartered Accountants.

28. Annual reports of our Company for the last three financial years.

29. Due diligence certificate dated [●] filed by the Lead Manager with SEBI.

30. Due diligence certificate dated July 28, 2023 filed by the Debenture Trustee to the Issue.

31. In-principle approval dated [●] for the Issue issued by BSE.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, National Housing Bank and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable , as the case may be have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

We further certify that all the disclosures and statements made in this Draft Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material information which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Draft Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus thereto is true, correct, and complete and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

Signed by the Directors of our Company

Vineet Sukumar	***Gaurav Kumar***
Managing Director	*Non-Executive Director*
DIN: 06848801	*DIN: 07767248*
Place: Chennai	*Place: Chennai*
Date: July 28, 2023	*Date: July 28, 2023*

DECLARATION

I, John Tyler Day, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, National Housing Bank and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable , as the case may be have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. I hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

I further certify that all the disclosures and statements made in this Draft Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material information which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Draft Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus thereto is true, correct, and complete and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

Signed by the Director of our Company

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John Tyler Day
Nominee Director
DIN: 07298703

Place: Dallas, Tx USA

Date: July 28, 2023

DECLARATION

I, Kartik Srivatsa, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, National Housing Bank and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable , as the case may be have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. I hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

I further certify that all the disclosures and statements made in this Draft Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material information which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Draft Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus thereto is true, correct, and complete and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

Signed by the Director of our Company

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Kartik Srivatsa
Nominee Director
DIN: 03559152

Place: Bangalore

Date: July 28, 2023

DECLARATION

I, Gopal Srinivasan, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, National Housing Bank and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable , as the case may be have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. I hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

I further certify that all the disclosures and statements made in this Draft Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material information which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Draft Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus thereto is true, correct, and complete and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

Signed by the Director of our Company

Gopal Srinivasan
Nominee Director
DIN: 00177699

Place: Chennai

Date: July 28, 2023

DECLARATION

I, Lazar Zdravkovic, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, National Housing Bank and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable , as the case may be have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. I hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

I further certify that all the disclosures and statements made in this Draft Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material information which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Draft Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus thereto is true, correct, and complete and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

Signed by the Director of our Company

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Lazar Zdravkovic
Nominee Director
DIN: 10052432

Place: Chicago, USA

Date: July 28, 2023

DECLARATION

I, Namrata Kaul, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, National Housing Bank and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable , as the case may be have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. I hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

I further certify that all the disclosures and statements made in this Draft Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material information which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Draft Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus thereto is true, correct, and complete and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

Signed by the Director of our Company

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Namrata Kaul
Independent Director
DIN: 00994532

Place: London, UK

Date: July 28, 2023

DECLARATION

I, Anita Belani, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, National Housing Bank and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable , as the case may be have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. I hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

I further certify that all the disclosures and statements made in this Draft Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material information which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Draft Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus thereto is true, correct, and complete and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

Signed by the Director of our Company

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Anita Belani
Independent Director
DIN: 01532511

Place: Mumbai

Date: July 28, 2023

DECLARATION

I, Santanu Paul, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, National Housing Bank and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable , as the case may be have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. I hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

I further certify that all the disclosures and statements made in this Draft Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material information which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Draft Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus thereto is true, correct, and complete and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

Signed by the Directors of our Company

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Santanu Paul
Independent Director
DIN: 02039043

Place: Hyderabad

Date: July 28, 2023

ANNEXURE A

FINANCIAL STATEMENTS

Financial Statements
Audited Standalone Financial Statements as at and for the year ended March 31, 2023
Audited Consolidated Financial Statements as at and for the year ended March 31, 2023
Audited Standalone Financial Statements as at and for the year ended March 31, 2022
Audited Consolidated Financial Statements as at and for the year ended March 31, 2022
Audited Standalone Financial Statements as at and for the year ended March 31, 2021
Audited Consolidated Financial Statements as at and for the year ended March 31, 2021

B S R & Co. LLP
Chartered Accountants

KRM Tower, 1st & 2nd Floors,
No. 1, Harrington Road, Chetpet,
Chennai – 600 031, India.
Tel: +91 44 4608 3100
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Independent Auditor's Report

To the Members of Vivriti Capital Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Vivriti Capital Private Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the* Standalone *Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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 is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of loans and advances including off balance sheet elements
Charge: INR 917.00 lakhs for year ended 31 March 2023, Provision: INR 3,915.50 lakhs as at 31 March 2023 *Refer Notes* 3.6, 6, 7, 19 and 28 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Under Ind AS 109 - Financial Instruments, credit loss assessment is based on expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. The determination of impairment loss allowance is inherently judgmental and relies on managements' best estimate due to the following: Segmentation of loans given to the customer. Criteria selected to identify significant increase in credit risk. Increased level of data inputs for capturing the historical data to calculate the Probability of Default ('PDs') and Loss Given Default ("LGD") and the completeness and accuracy of that data. Use of management judgement for considering the forward looking macro-economic factors, economic environment and timing of cash flows. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment loss allowance on the standalone financial statements, we have considered this as a key audit matter.	In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence: Performed process walkthroughs to identify the controls used in the impairment allowance processes. Assessed the design and implementation of controls in respect of the Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance. Obtained understanding of management's processes, compliance with the RBI circulars pertaining to impairment loss allowance, systems and controls implemented in relation to impairment allowance process including management rationale for determination of criteria of significant increase in credit risk. Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings. Tested the periods considered for capturing underlying data as base to PD and LGD calculations are in line with Company's recent experience of past observed periods. Tested the accuracy of the key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made. Challenged completeness and validity of impairment allowance including the management overlays, particularly in response to the pandemic with assistance of our financial risk modelling experts by critically evaluating the risks that have been addressed by management.

	Performed test of details, on a sample basis, on underlying data relating to segmentation, staging as at 31 March 2023 and other key inputs for computation of ECL. Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the standalone financial statements are appropriate and sufficient.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and 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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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.
- 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 expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 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.

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books ofaccount.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Notes 7, 14 and 19 to the standalone financial statements.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the Note 45 (v) to the standalone financial statements, 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 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 Note 45 (vi) to the standalone financial statements, 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 directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

S Sethuraman

Partner

Membership No.: 203491

ICAI UDIN:23203491BGYXWM6245

Place: Chennai

Date: 04 May 2023

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is a Non- Banking Financial Company without accepting deposits (NBFC-ND), primarily engaged in lending activities. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the principal business of the Company is to give loans. Accordingly, Clause 3(iii)(a) of the order is not applicable.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023 *(Continued)*

principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amounts, due date for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause) in this Annexure A, in respect of loans and advances which were not repaid/ paid when they were due or were repaid/ paid with a delay, in the normal course of lending business. Further, except for those instances where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, in respect of which the Company has disclosed asset classification in note 42.3 (and summarised below) to the standalone financial statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

Number of customers/ borrowers	Amount (INR Lakhs)	Due Date	Extent of delay
8	2,995.42	Various due dates	Up to 30 days
4	48.38	Various due dates	31 to 89 days
11	1,803.97	Various due dates	more than 90 days

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans (and advance in the nature of loan) given except an amount of INR 1,803.97 lakhs (principal amount) as at 31 March 2023. In our opinion, reasonable steps have been taken by the Company for recovery of the principal and interest. Further, the Company has not given any advance in the nature of loan to any party during the year

(e) Based on the audit procedures carried on by us and as per the information and explanations given to us, the principal business of the Company is to give loans. Accordingly, Clause 3(iii)(e) of the order is not applicable.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the provisions of Section 185 of the Companies Act, 2013 ("the Act") is not applicable to the Company. In relation to investments made by the Company, the Company has complied with the provisions of section 186 of the Act, to the extent applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023 *(Continued)*

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Provident Fund.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment of shares or fully or partly convertible debentures during the year. In respect of private placement of equity and preference shares made during the year, the Company has duly complied with the requirements of section 42 and section 62 of the Companies Act, 2013. The proceeds from issue of equity and preference shares have been used for the purposes for which the funds were raised.

(xi) (a) Based on examination of the books and records of the Company and according to the

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023 *(Continued)*

information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) In our opinion and according to the information and explanation provided to us, the Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained the registration.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without 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. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023 *(Continued)*

guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

S Sethuraman

Partner

Membership No.: 203491

ICAI UDIN:23203491BGYXWM6245

Place: Chennai

Date: 04 May 2023

Annexure B to the Independent Auditor's Report on the standalone financial statements of Vivriti Capital Private Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Vivriti Capital Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to

Annexure B to the Independent Auditor's Report on the standalone financial statements of Vivriti Capital Private Limited for the year ended 31 March 2023 *(Continued)*

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

S Sethuraman

Partner

Membership No.: 203491

ICAI UDIN:23203491BGYXWM6245

Place: Chennai

Date: 04 May 2023

Vivriti Capital Private Limited
Standalone Balance Sheet as at 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Financial assets			
Cash and cash equivalents	4	29,454.89	43,391.04
Bank balances other than cash and cash equivalents	5	25,965.12	31,894.68
Derivative financial instruments	14	384.32	-
Receivables	6	773.99	423.41
Loans	7	453,997.47	296,048.09
Investments	8	140,365.14	98,544.16
Other financial assets	9	4,100.15	1,821.22
Total financial assets		**655,041.08**	**472,122.60**
Non-financial assets			
Current tax assets (net)	10	3,245.90	1,859.81
Deferred tax assets (net)	32	980.12	590.76
Investment property	11	932.84	948.61
Property, plant and equipment	12.1	2,466.07	719.41
Capital work-in-progress	12.2	400.08	-
Right of use assets	12.3	2,571.15	602.98
Intangible assets under development	12.4	238.71	14.06
Other intangible assets	12.5	267.95	317.99
Other non-financial assets	13	2,446.22	1,108.13
Total non-financial assets		**13,549.04**	**6,161.75**
Total assets		**668,590.12**	**478,284.35**
EQUITY AND LIABILITIES			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	14	-	382.00
Trade payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		14.17	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,955.81	954.58
Debt securities	16	151,887.19	107,051.35
Borrowings (other than debt securities)	17	350,101.65	247,962.03
Other financial liabilities	18	7,487.56	1,756.13
Total financial liabilities		**511,446.38**	**358,106.09**
Non-financial liabilities			
Provisions	19	351.44	191.49
Other non-financial liabilities	20	317.75	372.11
Total non-financial liabilities		**669.19**	**563.60**
Total liabilities		**512,115.57**	**358,669.69**
EQUITY			
Equity share capital	21	1,708.12	1,252.24
Convertible preference share capital	21A	9,002.20	8,739.15
Other equity	22	145,764.23	109,623.27
Total equity		**156,474.55**	**119,614.66**
Total equity and liabilities		**668,590.12**	**478,284.35**

Significant accounting policies 2 and 3

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 4 May 2023

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 4 May 2023

Vivriti Capital Private Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations			
Interest income	23	59,927.01	32,344.09
Fees and commission income	24	2,033.55	1,359.31
Net gain on fair value change on financial instruments	25	3,249.87	739.71
Net gain on derecognition of financial instruments		104.70	44.08
Total revenue from operations		**65,315.13**	**34,487.19**
Other income	26	1,806.24	679.72
Total income		**67,121.37**	**35,166.91**
Expenses			
Finance costs	27	39,041.75	19,905.55
Impairment on financial instruments	28	917.00	1,462.38
Employee benefits expenses	29	5,513.38	2,309.07
Depreciation and amortisation	30	769.20	487.07
Other expenses	31	3,595.57	1,938.79
Total expenses		**49,836.90**	**26,102.86**
Profit before tax		**17,284.47**	**9,064.05**
Tax expense	32		
- Current tax		4,572.81	1,882.70
- Deferred tax charge / (benefit)		(218.09)	444.37
Total tax expense		**4,354.72**	**2,327.07**
Net profit after tax		**12,929.75**	**6,736.98**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit asset/ (liability)		(34.04)	(2.48)
Income tax relating to items that will not be reclassified to profit or loss		8.57	0.62
Sub-total (A)		**(25.47)**	**(1.86)**
Items that will be reclassified to profit or loss			
Fair valuation of financial instruments through other comprehensive income (net)		(634.75)	232.31
Changes in cash flow hedge reserve		(11.70)	(324.77)
Income tax relating to items that will be reclassified to profit or loss		162.70	23.27
Sub-total (B)		**(483.75)**	**(69.19)**
Other comprehensive income (A + B)		**(509.22)**	**(71.05)**
Total comprehensive income for the year, net of income tax		**12,420.53**	**6,665.93**
Earnings per equity share (Face value INR 10 per share)	33		
Basic (₹)		77.09	53.96
Diluted (₹)		13.49	7.76

Significant accounting policies 2 and 3
The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 4 May 2023

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 4 May 2023

Vivriti Capital Private Limited
Standalone Statement of Cash flows for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities		
Profit before tax	17,284.47	9,064.05
Adjustments for:		
Depreciation and amortisation	769.20	487.07
Gain on sale of fixed assets	(6.49)	(222.44)
Gain on termination of finance leases	-	(220.65)
Impairment on financial instruments (net)	917.00	1,462.38
Fair valuation gain on derivative contract	(766.32)	382.00
Unrealised change in fair value of financial instruments	543.82	252.41
Net gain on derecognition of financial instruments	(104.70)	44.08
Employee share based payment expenses	1,202.32	78.49
Finance costs	39,041.75	19,905.55
Interest income on bank balances other than cash and cash equivalents	(1,286.02)	(445.98)
Stock compensation expenses	-	407.50
Gain on sale of shares in associate company	(1,622.05)	-
Operating Profit before working capital changes	**55,972.98**	**31,194.46**
Changes in working capital and other changes		
Increase in loans	(158,761.68)	(136,458.24)
(Increase)/Decrease in trade receivables	(350.58)	0.15
Increase in other financial assets	(2,220.55)	(1,185.52)
(Increase)/Decrease in other non-financial assets	(1,338.09)	(586.03)
Increase in trade payables	1,015.40	131.75
(Increase) / Decrease in other financial liability	3,632.51	647.41
Increase / (Decrease) in other non-financial liability	(54.36)	158.18
Increase / (Decrease) in provisions	125.91	(280.83)
Cash used in operating activities	**(101,978.46)**	**(106,378.67)**
Finance cost paid	(31,398.30)	(15,346.83)
Income tax paid (net)	(5,958.90)	(2,799.28)
Net cash flows used in operating activities (A)	**(139,335.66)**	**(124,524.78)**
Cash flows from investing activities		
Investment in bank balances other than cash and cash equivalents (net)	6,438.47	(22,382.88)
Interest received on bank balances other than cash and cash equivalents	777.11	342.58
Purchase of property plant and equipment	(2,657.53)	(1,016.36)
Sale of property plant and equipment	173.58	644.77
Intangible assets under development (net)	(224.65)	34.90
Purchase of investments other than alternative investment funds (net)	(27,590.22)	(58,115.52)
Investment in alternative investment funds (net)	(14,789.74)	(11,375.66)
Proceeds from sale of shares in associate	1,637.20	-
Net cash flows used in investing activities (B)	**(36,235.77)**	**(91,868.18)**
Financing activities		
Proceeds from issue of share capital including securities premium	23,242.21	32,554.59
Proceeds from issue of debt securities	117,343.21	84,473.03
Repayment of debt securities	(78,663.46)	(20,832.83)
Proceeds from borrowings (other than debt securities issued)	266,327.85	219,786.08
Repayment of borrowings (other than debt securities issued)	(166,194.82)	(69,619.41)
Payment of lease liabilities	(419.70)	(395.10)
Net cash flows generated from financing activities (C)	**161,635.29**	**245,966.35**
Net increase / (decrease) in cash and cash equivalents (A) + (B) + (C)	**(13,936.15)**	**29,573.39**
Cash and cash equivalents at the beginning of the year	43,391.04	13,817.64
Cash and cash equivalents at the end of the year	**29,454.89**	**43,391.04**

VIVRITI CAPITAL PRIVATE LIMITED
CHENNAI
600 002

Vivriti Capital Private Limited
Standalone Statement of Cash flows for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Components of cash and cash equivalents			
Balances with banks			
In current accounts	4	29,454.89	43,391.04
Total cash and cash equivalents		**29,454.89**	**43,391.04**

Significant accounting policies 2 and 3
The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 4 May 2023

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 4 May 2023

Vivriti Capital Private Limited
Standalone Statement of changes in equity for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

A. Equity share capital

Particulars	Note	Equity Share capital
Balance as at 1 April 2021		**1,146.39**
Changes in equity share capital during the year	21	105.85
Balance as at 31 March 2022		**1,252.24**
Changes in equity share capital during the year	21	455.88
Balance as at 31 March 2023		**1,708.12**

B. Convertible preference share capital

Particulars	Note	Compulsorily Convertible Preference Shares (CCPS)	Optionally Convertible Redeemable Preference Shares (OCRPS)	Total
Balance as at 1 April 2021		**8,342.06**	**8.11**	**8,350.17**
Changes in convertible preference share capital during the year	21A	388.98	-	388.98
Balance as at 31 March 2022		**8,731.04**	**8.11**	**8,739.15**
Changes in convertible preference share capital during the year	21A	271.16	(8.11)	263.05
Balance as at 31 March 2023		**9,002.20**	**-**	**9,002.20**

C. Other Equity

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Statutory Reserve	Securities Premium	Employee Stock Option outstanding	Retained Earnings	Financial Instruments through OCI	Cash flow hedge reserve	
Balance as at 1 April 2021	**842.48**	**66,097.26**	**399.71**	**2,742.71**	**135.47**	-	**70,217.63**
Changes in equity for the year ended 31 March 2022 (also refer note 8.1)							
Shares issued during the year	-	32,434.19	-	-	-	-	32,434.19
Share issue expenses	-	(7.68)	-	-	-	-	(7.68)
Stock Compensation expense during the year	-	-	78.49	-	-	-	78.49
Stock compensation expense - recoverable from related parties	-	-	234.71	-	-	-	234.71
Remeasurement of defined benefit liability	-	-	-	(1.86)	-	-	(1.86)
Fair valuation of financial instruments (net)	-	-	-	-	173.84	-	173.84
Cash flow hedge reserve	-	-	-	-	-	(243.03)	(243.03)
Profit for the year	-	-	-	6,736.98	-	-	6,736.98
Transfer to statutory reserve	1,347.40	-	-	(1,347.40)	-	-	-
Balance as at 31 March 2022	**2,189.88**	**98,523.77**	**712.91**	**8,130.43**	**309.31**	**(243.03)**	**109,623.27**
Changes in equity for the year ended 31 March 2023							
Shares issued during the year	-	22,211.61	-	-	-	-	22,211.61
Receipt of balance subscription price of OCRPS	-	922.23	-	-	-	-	922.23
Conversion of OCRPS in to equity shares	-	64.06	-	-	-	-	64.06
Share issue expenses	-	(738.16)	-	-	-	-	(738.16)
Stock Compensation expense during the year	-	-	1,202.32	-	-	-	1,202.32
Stock compensation expense - recoverable from related parties	-	-	58.38	-	-	-	58.38
Remeasurement of defined benefit liability	-	-	-	(25.47)	-	-	(25.47)
Fair valuation of financial instruments (net)	-	-	-	-	(475.00)	-	(475.00)
Cash flow hedge reserve	-	-	-	-	-	(8.76)	(8.76)
Profit for the year	-	-	-	12,929.75	-	-	12,929.75
Transfer to statutory reserve	2,585.95	-	-	(2,585.95)	-	-	-
Balance as at 31 March 2023	**4,775.83**	**120,983.51**	**1,973.61**	**18,448.76**	**(165.69)**	**(251.79)**	**145,764.23**

Significant accounting policies 2 and 3

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No 101248W/W-100022

S Seshuraman
Partner
Membership No 203491

Place Chennai
Date: 4 May 2023

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No A49121

Place Chennai
Date 4 May 2023

1 Corporate Information

Vivriti Capital Private Limited (the Company) is a private limited Company domiciled in India and incorporated on June 22, 2017 under the provisions of the Companies Act, 2013 ("the Act"). The Company is registered with the Reserve Bank Of India ('RBI') under Section 45 IA of the RBI Act, 1934 as Non-Banking Financial Company (Non Deposit Accepting or Holding) (NBFC-ND) with effect from January 5, 2018.The Company is a systematically important Non Banking Finance Company - Investment & Credit Company (ICC) pursuant to circular dated February 22, 2019, issued by the RBI, which is engaged in financing to various corporates through enterprise financing and retail financing through co-lending and supply chain financing. The Company's registered office is at No. 200/1-8, Block-1, Prestige Zackria Metropolitan, Annasalai, Chennai - 600002.

2 Basis of preparation

2.1 Statement of compliance

These Standalone Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of the Act, other relevant provisions of the Act and in compliance with RBI requirements in this regard.

These standalone financial statements were authorised for issue by the Company's Board of Directors on 4 May 2023.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Details of the Company's accounting policies are disclosed in note 3.

2.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity, are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non-Banking Financial Company ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows. The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented separately in the notes to these financial statements.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis.

2.3 Functional and presentational currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs (two decimals), unless otherwise indicated.

2.4 Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Investments in Mutual Funds, Alternative Investment funds and Market Linked Debentures (At FVTPL)	Fair value
Investments in Non-convertible debentures and pass through certificates (At FVOCI)	Fair value
Derivative Financial instruments	Fair value
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

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2.5 Use of estimates and judgements (continued)

Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model test and the solely payments of principal and interest ('SPPI') test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income or fair value through profit and loss that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii) Effective Interest Rate ('EIR') method

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iv) Impairment of financial assets

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

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

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.
b) Development of ECL models, including the various formulas and the choice of inputs.
c) Determination of associations between macroeconomic scenarios and economic inputs, such as consumer spending, lending interest rates and collateral values, and the effect on probability of default ('PD'), exposure at default ('EAD') and loss given default ('LGD').
d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

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v) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in litigation, arbitration and regulatory inspections in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable.

vi) Other assumptions and estimation uncertainities

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:
a) Measurement of defined benefit obligations: key actuarial assumptions;
b) Estimated useful life of property, plant and equipment and intangible assets;
c) Recognition of deferred taxes;
d) Upfront recognition of Excess Interest Spread (EIS) in relation to assignment transactions.

3 Significant accounting policies

3.1 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration, if any. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 :

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

A. Recognition of interest income on financial instruments

Under Ind AS 109, interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost, financial instrument measured at Fair value through other comprehensive income ('FVOCI') and financial instrument measured at Fair Value Through Profit and Loss ('FVTPL'). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

In case of the penal interest relating to the loans are accounted on the collection basis.

B. Interest income on deposits

Interest income on deposits is recognised on a time proportionate basis.

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3.1 Revenue Recognition (continued)

C. Fees and commission income

Arranger fees and advisory fees are recognised after the performance obligation in the contract is fulfilled and commission income such as guarantee commission, service income etc. are recognised on point in time or over the period basis, as applicable.

D. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

E. Other income

All items of other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

F. Foreign Currency Transactions

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Income and expenses in foreign currencies are initially recorded by the Company at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.2 Financial instruments - Initial recognition

A. Date of recognition

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the company becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of loans and advances, investments, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Recognised financial assets and financial liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in statement of profit or loss.

C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

i) Amortised cost

ii) Fair value through other comprehensive income ('FVOCI')

iii) Fair value through profit and loss ('FVTPL')

3.3 Financial assets and liabilities

A. Financial assets

Business model assessment

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

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

a) The performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

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

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3.3 Financial assets and liabilities (continued)

Sole Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of a financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since the financial assets are held to sale and collect contractual cash flows, they are measured at FVOCI.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL. The Company records investments in Alternative investment funds (AIF), mutual funds and market linked debentures at FVTPL.

iv) Investment in subsidiaries and associate

The Company has accounted for its investments in subsidiaries and associates at cost.

B. Financial liability

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair valued through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the Effective Interest Rate Method.

3.4 Reclassification of financial assets and liabilities

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, to the extent that an impairment loss has not already been recorded.

B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss. Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

ii) Financial Liability

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

3.6 Impairment of financial assets

A. Overview of Expected Credit Loss ('ECL') principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:
i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Lifetime expected credit losses (LTECL) (expected credit losses that result from all possible default events over the life of the financial instrument)
Both LTECLs and 12 months ECLs are calculated on collective basis.

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

Stage 1:
When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed.

Stage 2:
When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL.

Stage 3:
Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

B. Calculation of ECLs

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

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

EAD:
Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise expected drawdowns on committed facilities and accrued interest from missed payments. In case of stage 3 loans, EAD represents exposure when the default occurred.

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

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

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

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

Stage 3:
For financial assets considered credit-impaired, the Company recognises the lifetime expected credit losses for these financial assets.

C. Financial Assets measured at FVOCI

The ECLs for financial assets measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Loan Commitment

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

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3.6 Impairment of financial assets (continued)

E. Forward looking information

The Company considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macroeconomic factors on the Company's ECL estimates. The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

3.7 Write-offs

The gross carrying amount of a financial asset is written off when there is no reasonable expectation of recovering the asset. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

3.8 Determination of fair value

The Company measures financial instruments such as derivatives, investments etc at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole.

3.9 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight Line method, and is generally recognised in the statement of profit and loss.

The Company follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Estimated Useful life
Computers and accessories	3 years
Servers	6 years
Office equipment	5 years
Furniture and fixtures	10 years

Leasehold improvements are depreciated on a straight line basis over the remaining period of lease or estimated useful life of the assets, whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

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3.10 Intangible assets

i. Intangible assets

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit or loss as incurred.

iii. Internally generated:

Expenditure on research activities is recognised in profit or loss as incurred

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

The Company generally uses the Agile method for platform development activities which is based on iterative/repetition of feature requirements and solutions based on customer expectations/business needs which is carried out through 'sprints'. Research, development, testing, upgrade, minor/major enhancements, etc. are all carried out simultaneously during software development.

Activities associated with research, product planning etc. are expensed. All efforts during the sprints development are considered for capitalisation except for efforts towards defect fix, knowledge acquisition, technical feasibility etc. which are expensed. Efforts towards training, application monitoring etc. are also expensed.

iv. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in statement of profit and loss.

Asset category	Estimated Useful life
Computer softwares	4 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.11 Investment property

Investment property represents property held to earn rentals or for capital appreciation or both. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Company's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Sch II to the Companies Act 2013.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

3.12 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses of continuing operations, are recognised in the statement of profit and loss.

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3.12 Impairment of non-financial assets (continued)

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.13 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Company's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit or loss.

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

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

iv. Share Based Payments

The Company operates an Employee Stock Option Scheme for its employees through a trust (ESOP Trust) formed for the purpose. Equity shares are issued to the trust on the basis of the Company's expectation of the number of options that may be exercised by employees. 'Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) is determined by the fair value at the date when the grant is made using Black-Scholes option pricing valuation model. For each stock option, the measurement of fair value is performed on the grant date.

The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees. This cost is recognised, together with a corresponding increase in Employee Stock Option outstanding reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

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3.13 Employee benefits (continued)

The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each installment has a different vesting period.

The balance equity shares not exercised and held by the ESOP Trust are disclosed as a reduction from the share capital and securities premium account with an equivalent adjustment to the subscription loan advanced to the Trust.

3.14 Income tax

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

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.
Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

ii. Deferred tax

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.15 Leases

The Company as lessee:
The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration to assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.
Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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3.15 Leases (continued)

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay for its borrowings.

3.16 Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward looking estimates.

3.17 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the Effective Interest Rate Method.

3.18 Hedge Accounting policy

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve).
The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognized in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognized in OCI at that time remains in OCI and is recognized when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.19 Cash and cash equivalents

Cash and cash equivalents comprises current account balances and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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3.20 Segment reporting- Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

All activities of the Company revolve around the main business of financing. The Company does not have any separate geographic segment other than India. Therefore, there are no separate reportable segments as per Ind AS 108 on "Operating Segments".

3.21 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

3.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

3.23 Securities Premium Account

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

3.24 Goods and Services Input Tax Credit

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted to the extent permitted as per the applicable regulatory laws and when there is no uncertainty in availing / utilising the same. The ineligible input credit is charged off to the respective expense or capitalised as part of asset cost as applicable.

3.25 Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised only when:
(i) The Company has a present obligation (legal or constructive) as a result of a past event;
(ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
(iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.2

Contingent liability is disclosed in case of:
(i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
(ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

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3.26 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for;

b) Uncalled liability on shares and other investments partly paid; and

c) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

3.27 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

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Particulars	As at 31 March 2023	As at 31 March 2022
4 Cash and cash equivalents		
Balances with banks		
In current accounts	29,454.89	43,391.04
	29,454.89	**43,391.04**
5 Bank balances other than cash and cash equivalents		
Bank balances other than cash and cash equivalents		
- In deposit accounts - under lien*	25,965.12	31,894.68
	25,965.12	**31,894.68**

*These deposits are earmarked against the bank overdraft and borrowings availed by the Company stated in Note 17 and earns interest at fixed rate ranging from 2.50% p.a to 8.3% p.a.

6 Receivables		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	773.99	423.41
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit impaired	200.24	196.24
	974.23	**619.65**
Loss allowance		
Less: Impairment loss allowance	(200.24)	(196.24)
Net trade receivables	**773.99**	**423.41**
Note:		
Of the above, receivable from related parties are as below		
Total receivables from related parties (refer note 36)	685.80	172.40
Less: Impairment loss allowance	-	-
Net receivables from related parties	**685.80**	**172.40**

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6.1 The ageing schedule of Trade receivables is as follows

i) As at 31 March 2023

Particulars	Outstanding for following periods from date of invoice						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	773.99	-	-	-	-	773.99
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	4.00	28.98	167.26	200.24
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	**773.99**	-	**4.00**	**28.98**	**167.26**	**974.23**
Impairment loss allowance							(200.24)
Total Receivables							**773.99**

ii) As at 31 March 2022

Particulars	Outstanding for following periods from date of invoice						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	423.41	-	-	-	-	423.41
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	28.98	167.26	-	196.24
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	**423.41**	-	**28.98**	**167.26**	-	**619.65**
Impairment loss allowance							(196.24)
Total Receivables							**423.41**

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7 Loans (at Amortised cost)

A Based on nature		
Term loans	430,784.45	280,887.85
Supply chain finance	26,675.89	17,809.14
Others	238.04	234.65
Total - Gross	**457,698.38**	**298,931.64**
Less: Impairment loss allowance	(3,700.91)	(2,883.55)
	453,997.47	**296,048.09**
B Based on security		
(i) Secured*	273,943.87	212,147.41
(ii) Unsecured	183,754.51	86,784.23
Total - Gross	**457,698.38**	**298,931.64**
Less: Impairment loss allowance	(3,700.91)	(2,883.55)
	453,997.47	**296,048.09**
C Based on region		
(i) Loans in India		
(a) Public Sector	-	-
(b) Others	457,698.38	298,931.64
(ii) Loans outside India	-	-
Total - Gross	**457,698.38**	**298,931.64**
Less: Impairment loss allowance	(3,700.91)	(2,883.55)
	453,997.47	**296,048.09**

*These loans are secured by way of hypothecation of underlying loan/book debtsreceivables, mortgage of immovable property and pledge of securities etc

Note : The Company has not granted any loans or advances in the nature of loans to promoters, directors, Key managerial personnels (KMPs), and the related parties, either serverally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

Details of loans to related parties (Also refer note 36)		
Loans to related parties	14,583.01	6,316.06
Less: Impairment loss allowance	(58.33)	(25.26)
Net loans to related parties	**14,524.68**	**6,290.80**

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Particulars	As at 31 March 2023	As at 31 March 2022
8 Investments		
Investment in subsidiaries at cost (Unquoted)		
- Vivriti Asset Management Private Limited 16,892,746 Equity shares of INR 10 each fully paid up (As at 31 March 2022: 16,892,746 shares of INR 10 each)	2,751.00	2,751.00
- Vivriti Asset Management Private Limited 4,672,897 Compulsorily convertible preference shares shares of INR 10 each fully paid up (As at 31 March 2022: 2,803,738 shares of Rs.10 each)	5,000.00	3,000.00
Investment in associate at cost (Unquoted)		
Credavenue Private Limited 49,858,474 Equity shares of INR 10 each fully paid up (As at 31 March 2022: 50,010,000 Equity shares of INR 10 each) (Credavenue Private Limited was a subsidiary till 20 September 2021) (Also refer note 8.1 below)	4,985.85	5,001.00
	12,736.85	**10,752.00**
Investments in Alternate investment fund at FVTPL (Unquoted)		
- Vivriti Samarth Bond Fund - Nil Class A units (31 March 2022 :2,500 units)	-	342.73
- Vivriti Short Term Bond Fund - 3,188.69 units (31 March 2022 : Nil)	326.48	-
- Vivriti India Impact Bond Fund - 7,999.25 units (31 March 2022: 12,686.08 units)	890.40	1,421.84
- Vivriti Emerging Corporate Bond Fund - 42,500 Class A1 units (31 March 2022: 34,054.32 units)	4,461.43	3,472.82
- Vivriti Emerging Corporate Bond Fund - 76,371.62 Class XA1 units (31 March 2022: 44,320.30)	14,253.86	4,491.18
- Vivriti Alpha debt fund - Nil Class B1 units (31 March 2022: 3,930.83 units)	-	391.51
- Vivriti Alpha debt fund enhanced - Nil Class B1 units (31 March 2022 : 1,472.97 units)	-	146.71
- Vivriti Promising lenders fund - 524,708.33 Class B units (31 March 2022: 203,000 units)	5,356.84	2,021.88
- Vivriti Promising lenders fund - 174,902.78 Class C1 units (31 March 2022: Nil)	1,789.40	-
	27,078.41	**12,288.67**
Investments in Mutual Funds at FVTPL (Quoted)		
Bandhan Ultra Short term Fund Direct plan - Growth (erstwhile IDFC Overnight Fund Direct plan - Growth) - 9,172,450.719 units (31 March 2022: 88,461.68 units)	1,200.00	1,002.96
Axis Overnight Fund Direct Plan - Growth - 84,361.363 units (As at 31 March 2022: 89,508.18 units)	1,000.00	1,005.93
Nippon India Overnight Fund Direct Plan - Growth Nil units (As at 31 March 2022: 877,472.17 units)	-	1,001.95
Nippon India Liquid Fund Direct Plan - Growth 14,536.253 units (As at 31 March 2022: Nil)	800.50	-
Canara Robeco Liquid Fund - Direct Growth - 1,869.822 units (As at 31 March 2022: Nil)	50.43	-
HSBC Liquid Fund - Direct Growth - 35,698.96 units (As at 31 March 2022: Nil)	800.42	-
Invesvo India Overnight Fund - Direct Plan Growth - 1,86,822.345 units (As at 31 March 2022: Nil)	2,116.28	-
UTI Liquid cash plan - Direct Plan Growth - 5,424.535 units (As at 31 March 2022: Nil)	200.00	-
Sundaram Overnight Fund - Direct Growth - 83,953.607 units (As at 31 March 2022: Nil)	999.95	-
	7,167.58	**3,010.85**
Investments in Commercial Papers at amortised cost (Unquoted)	3,974.40	-
Investments in Market Linked Debentures at FVTPL (Unquoted)	15,740.98	20,155.04
Other investments at FVOCI (Unquoted)		
- Non convertible debentures	40,730.34	22,496.10
- Pass through certificates	32,936.58	29,841.50
	140,365.14	**98,544.16**

All investments disclosed above represents investments made in India.

Aggregate cost value of quoted investments	7,166.00	3,005.29
Aggregate market value of quoted investments	7,167.58	3,010.85
Aggregate amount of fair value changes in investments	1.58	5.56

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8.1 Change in ownership interests in Credavenue Private Limited (CAPL)

A. Shareholder related transactions

On 12 August 2021, the Company had received an offer for subscribing to the rights issue of 13,336,000 equity shares of its then wholly owned subsidiary "Credavenue Private Limited" ("CAPL") at an issue price of INR 15 per share. The management of CAPL had obtained a fair valuation report from a registered valuer with value of INR 15 per share and a fairness opinion from another independent chartered accountant firm on the aforesaid report.

In view of its strategic outlook and regulatory aspects, the Company did not seek to subscribe to such rights and renounced the rights entitlement on the aforesaid date in favor of Vineet Sukumar and Gaurav Kumar, in their capacity as founder shareholders of the Company ("Founder shareholders") without any consideration (to be received by VCPL) for the rights renunciation. This has been approved / ratified subsequently by the Board of directors including the investor shareholders of the Company.

Subsequently, on 13 August 2021, the founder shareholders subscribed to the rights issue of equity shares of CAPL and consequently, the holding in CAPL reduced from 100% to 80%.

During the same time, CAPL was also in discussion with various external investors for its first round of fund raising and subsequently, during September 2021, concluded the fund raise through issue of Series A CCPS at an issue price of INR 351 per share (also refer note B below).

The Company has evaluated the aforesaid shareholder transactions forming part of equity and believes that there are no material financial reporting / tax implications arising therefrom.

Loss / Dilution of control

CAPL did its first round of fund raise of INR 66,100 lakhs in September 2021 through issue of 19,115,999 number of Series A CCPS shares to various external investors at an issue price of INR 351 (including a premium of INR 301 per share). Consequent to the Series A funding in CAPL, VCPL's shareholding on a fully diluted basis, reduced to 58% and on the basis of the shareholders' agreement dated 20 September 2021, VCPL did not retain control over CAPL. As a consequence, CAPL became an associate of VCPL with effect from such date. Accordingly, the Company has elected to continue measuring its investment in CAPL at cost.

On 6 March 2022, CAPL did another round of fund raise of INR 102,800 lakhs, through issue of 10,590,170 number of Series B CCPS to various external investors at an issue price per of INR 971 (including a premium of INR 921 per share).

Further, during the current year, pursuant to further issuance of shares by CAPL and sale of 151,526 CAPL shares by VCPL, the shareholding of VCPL in CAPL stands at 50.30% as at 31 March 2023.

		As at 31 March 2023	As at 31 March 2022
9	**Other financial assets**		
	Security deposits	451.30	257.74
	Dues from related parties (also refer note 36)	1,549.22	1,303.34
	Receivable from assigned loans	250.46	9.86
	Other receivables	1,849.17	250.28
		4,100.15	**1,821.22**
10	**Current tax assets (net)**		
	Advance income tax (net of provisions)	3,245.90	1,859.81
		3,245.90	**1,859.81**
11	**Investment property**		
	Investment property	932.84	948.61
		932.84	**948.61**

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11.1 Investment Property

A. Reconciliation of carrying amount

Particulars	Building	Total
Gross carrying amount		
Balance as at 1 April 2021	-	-
Additions	948.61	948.61
Deletions	-	-
Balance as at 31 March 2022	**948.61**	**948.61**
Additions	-	-
Deletions	-	-
Balance as at 31 March 2023	**948.61**	**948.61**
Accumulated depreciation		
Balance as at 1 April 2021	-	-
Additions	-	-
Deletions	-	-
Balance as at 31 March 2022	-	-
Additions	15.77	15.77
Deletions	-	-
Balance as at 31 March 2023	**15.77**	**15.77**
Net carrying amount		
As at 31 March 2022	948.61	948.61
As at 31 March 2023	932.84	932.84
Fair value		
As at 31 March 2022	948.61	948.61
As at 31 March 2023	950.00	950.00

Investment property comprises one commercial property that is leased to a third party. The Company has measured the investment property at cost. The fair value of investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

B. Amounts recognised in profit or loss

Rental income recognised by the Company during the year ended 31 March 2023 was INR 21.21 lakhs (31 March 2022: Nil) and was included in 'Other income' (refer Note 26).

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12.1 Property, plant and equipment

Particulars	Leasehold improvements	Furniture and fixtures	Office equipments	Computers and accessories	Total
Cost					
Balance as at 1 April 2021	**421.32**	**362.92**	**128.65**	**260.64**	**1,173.53**
Additions	-	477.57	29.77	198.69	706.03
Adjustments*	38.19	11.79	29.62	28.06	107.66
Disposals	(459.51)	(374.71)	(158.27)	(10.20)	(1,002.69)
Balance as at 31 March 2022	**-**	**477.57**	**29.77**	**477.19**	**984.53**
Additions	316.88	1,634.74	49.94	184.81	2,186.37
Disposals	-	(170.22)	(23.50)	-	(193.72)
Balance as at 31 March 2023	**316.88**	**1,942.09**	**56.21**	**662.00**	**2,977.18**
Accumulated depreciation					
Balance as at 1 April 2021	**318.07**	**107.09**	**83.71**	**136.84**	**645.71**
Additions	-	26.31	3.80	65.80	95.91
Adjustments*	36.51	11.97	14.68	40.71	103.87
Disposals	(354.58)	(119.06)	(98.39)	(8.34)	(580.37)
Balance as at 31 March 2022	**-**	**26.31**	**3.80**	**235.02**	**265.12**
Additions	29.31	115.47	9.09	118.75	272.62
Disposals	-	(21.06)	(5.57)	-	(26.63)
Balance as at 31 March 2023	**29.31**	**120.72**	**7.32**	**353.77**	**511.11**
Net block					
As at 31 March 2022	**-**	**451.26**	**25.97**	**242.17**	**719.41**
As at 31 March 2023	**287.57**	**1,821.37**	**48.89**	**308.23**	**2,466.07**

*Adjustments represents the presentation of the gross block and accumulated depreciation of fully depreciated assets as per asset category wise details maintained in the fixed asset register.

Notes

1. The Company has not revalued any of its property, plant and equipment.

12.2 Capital work in progress

Particulars	Amount
Balance as at 1 April 2021	-
Additions	-
Capitalized during the year	-
Balance as at 31 March 2022	-
Additions	400.08
Capitalized during the year	-
Balance as at 31 March 2023	**400.08**

As at 31 March 2023

Capital work in progress	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	400.08	-	-	-	400.08
Projects suspended	-	-	-	-	-

As at 31 March 2022

Capital work in progress	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects suspended	-	-	-	-	-

The Company does not have any capital work in progress which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

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12.3 Right of use assets ('ROUA')

Particulars	Office premises	Total
Gross block value		
Balance as at 1 April 2021	1,587.32	1,587.32
Additions	1,575.43	1,575.43
Deletions	(2,453.27)	(2,453.27)
Balance as at 31 March 2022	**709.48**	**709.48**
Additions	2,327.86	2,327.86
Deletions	-	-
Balance as at 31 March 2023	**3,037.34**	**3,037.34**
Accumulated depreciation		
Balance as at 1 April 2021	**712.61**	**712.61**
Additions	309.40	309.40
Deletions	(915.51)	(915.51)
Balance as at 31 March 2022	**106.50**	**106.50**
Additions	359.69	359.69
Deletions	-	-
Balance as at 31 March 2023	**466.19**	**466.19**
Net block value		
As at 31 March 2022	**602.98**	**602.98**
As at 31 March 2023	**2,571.15**	**2,571.15**

Note : The Company has not revalued any of its right of use assets.

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12.4 Intangible assets under development

Particulars	Software	Total
Balance as at 1 April 2021	**48.96**	**48.96**
Additions	14.06	14.06
Capitalized during the year	48.96	48.96
Balance as at 31 March 2022	**14.06**	**14.06**
Additions	224.65	224.65
Capitalized during the year	-	-
Balance as at 31 March 2023	**238.71**	**238.71**

As at 31 March 2023

Intangible assets under development	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	224.65	14.06	-	-	238.71
Projects suspended	-	-	-	-	-

As at 31 March 2022

Intangible assets under development	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	14.06	-	-	-	14.06
Projects suspended	-	-	-	-	-

The Company does not have any intangibles under development which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

12.5 Intangible Assets

Particulars	Softwares and websites	Total
Cost		
Balance as at 1 April 2021	**165.64**	**165.64**
Additions	310.32	310.32
Disposals	-	-
Balance as at 31 March 2022	**475.96**	**475.96**
Additions	71.08	71.08
Disposals	-	-
Balance as at 31 March 2023	**547.04**	**547.04**
Accumulated depreciation		
Balance as at 1 April 2021	**72.35**	**72.35**
Additions	81.76	81.76
Adjustments*	3.86	3.86
Disposals	-	-
Balance as at 31 March 2022	**157.97**	**157.97**
Additions	121.12	121.12
Disposals	-	-
Balance as at 31 March 2023	**279.09**	**279.09**
Net block		
As at 31 March 2022	**317.99**	**317.99**
As at 31 March 2023	**267.95**	**267.95**

**Refer note 12.1*

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Particulars	As at 31 March 2023	As at 31 March 2022
13 Others non financial assets		
Prepaid expenses	486.71	152.06
Advance to vendors	1,045.76	654.71
Balance with Government authorities	615.08	273.68
Deferred lease rentals	88.77	27.67
Others	209.90	-
	2,446.22	**1,108.13**

	As at 31 March 2023		As at 31 March 2022	
	Nominal value	Fair value of derivative	Nominal value	Fair value of derivative
14 Derivative Financial Instruments				
Currency derivatives - (Refer Note 49) - measured at FVOCI				
Asset				
Cash flow hedge - Interest rate swaps	11,504.45	384.32	-	-
	11,504.45	**384.32**	-	-
Liability				
Cash flow hedge - Interest rate swaps	-	-	7,639.68	382.00
	-	-	**7,639.68**	**382.00**

15 Trade payables	As at 31 March 2023	As at 31 March 2022
- Total outstanding dues of micro enterprises and small enterprises - Refer Note 37	14.17	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,955.81	954.58
	1,969.98	**954.58**

15.1 The ageing schedule of Trade payables is as follows

i) As at 31 March 2023

Particulars	Outstanding for following periods from date of invoice					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	14.17	-	-	-	14.17
(ii) Others	-	880.41	43.21	11.39	1.42	936.43
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	1,019.38	-	-	-	-	1,019.38
	1,019.38	**894.58**	**43.21**	**11.39**	**1.42**	**1,969.98**

ii) As at 31 March 2022

Particulars	Outstanding for following periods from date of invoice					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	572.71	11.39	1.42	-	585.52
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	369.06	-	-	-	-	369.06
	369.06	**572.71**	**11.39**	**1.42**	-	**954.58**

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Particulars	As at 31 March 2023	As at 31 March 2022
16 Debt securities		
Measured at amortised cost		
Redeemable Non-convertible debentures	146,583.39	98,693.74
Commercial papers	5,303.80	8,357.61
Total debt securities	**151,887.19**	**107,051.35**
Debt securities in India	151,887.19	107,051.35
Debt securities outside India	-	-
Total	**151,887.19**	**107,051.35**

16.1 Security

(i) Redeemable Non-convertible debentures are secured by way of exclusive charge over identified loan portfolio and guaranteed by directors of the Company.

(ii) The Company has not defaulted in the repayment of dues to its lenders during the current or previous period.

(iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 16.2 based on the Contractual terms basis.

(iv) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

16.2 Details of terms of redemption / repayment provided in respect of debt securities:

Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2023	As at 31 March 2022
7.60% Commercial Paper I	NA	28-Apr-22	Principal in Bullet Payment	-	993.86
7.00% Commercial Paper V	NA	23-May-22	Principal in Bullet Payment	-	987.57
7.60% Commercial Paper VI	NA	23-May-22	Principal in Bullet Payment	-	2,967.38
10.00% Vivriti Capital Private Limited	NA	16-Jun-22	Principal is Quarterly payment and Interest is Monthly payment	-	1,002.79
10.25% Vivriti Capital Private Limited	NA	16-Jun-22	Principal is Quarterly payment and Interest is Monthly payment	-	1,997.66
7.25% Commerical Paper VII	NA	30-Jun-22	Principal in Bullet Payment	-	983.74
10.71% Vivriti Capital Private Limited	NA	5-Jul-22	Principal is bullet payment and interest is monthly payment	-	4,011.74
9.48% Market Linked Debentures - IV	NA	29-Jul-22	Principal and interest is Bullet payment	-	5,519.46
7.65% Commercial Paper II	NA	10-Aug-22	Principal in Bullet Payment	-	2,425.06
9.90% Vivriti Capital Private Limited	NA	25-Aug-22	Principal is monthly payment and interest in monthly payment	-	2,479.88
10.50% Vivriti Capital Private Limited	NA	25-Aug-22	Principal is bullet payment and interest in monthly payment	-	3,004.04
12.12% Vivriti Capital Private Limited	NA	26-Aug-22	Principal is Bullet payment and Interest is Half yearly payment	-	2,022.66
9.48% Market Linked Debentures - V	NA	16-Oct-22	Principal and interest is Bullet payment	-	5,479.08
10.75% Market Linked Debentures - III	NA	27-Nov-22	Principal and interest is Bullet payment	-	1,135.81
10.39% Vivriti Capital Private Limited	NA	30-Dec-22	Principal is bullet payment and interest in monthly payment	-	5,495.74
9.40% Vivriti Capital Private Limited	NA	6-Jan-23	Principal and interest in Bullet payment	-	5,204.36
9.40% Vivriti Capital Private Limited	NA	6-Feb-23	Principal and interest in Bullet payment	-	5,206
9.25% Vivriti Capital Private Limited	NA	28-Feb-23	Principal and interest in Bullet payment	-	7,973.85
10.39 % Vivriti Capital Private Limited	NA	28-Feb-23	Principal and interest in Bullet payment	-	3,027.23
8.90% Vivriti Capital Private Limited	< 1 year	3-Apr-23	Principal and interest in Bullet payment	5,608.29	5,049.47
9.00% Vivriti Capital Private Limited	< 1 year	24-Apr-23	Principal and interest in Bullet payment	5,610.70	5,046.45
8.23% Commercial paper	< 1 year	25-Apr-23	Principal in Bullet Payment	994.60	

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Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2023	As at 31 March 2022
8.45% Commercial paper	< 1 year	20-May-23	Principal in Bullet Payment	1,977.67	-
8.65 % Vivriti Capital Private Limited	< 1 year	4-Jun-23	Principal and interest in Bullet payment	10,968.86	9,870.17
8.50% Vivriti Capital Private Limited	< 1 year	14-Jul-23	Principal and interest in Bullet payment	10,955.96	9,852.61
8.50% Vivriti Capital Private Limited	< 1 year	14-Jul-23	Principal and interest in Bullet payment	10,718.77	9,645.24
9.55% Vivriti Capital Private Limited	1- 2 year	26-Sep-23	Principal in bullet payment and interest in monthly payment	4,994.67	-
10.57% Vivriti Capital Private Limited	< 1 year	10-Feb-24	Principal is Quarterly payment and Interest is Monthly payment	337.80	675.21
8.50% Vivriti Capital Private Limited	1- 2 year	5-Apr-24	Principal and interest in Bullet payment	20,860.27	-
9.75% Vivriti Capital Private Limited	1- 2 year	28-May-24	Principal in bullet payment and interest in monthly payment	5,009.17	-
8.60% Vivriti Capital Private Limited	1- 2 year	26-Jul-24	Principal and interest in Bullet payment	20,394.19	-
12.43% Vivriti Capital Private Limited	1- 2 year	30-Sep-24	Principal and Interest is Quarterly payment	3,347.87	4,994.55
8.60% Vivriti Capital Private Limited	1- 2 year	13-Dec-24	Principal and interest in Bullet payment	29,873.16	-
10.25% Vivriti Capital Private Limited	1- 2 year	26-Dec-24	Principal in bullet payment and interest in monthly payment	4,906.87	-
9.60% Vivriti Capital Private Limited	1- 2 year	23-Sep-24	Principal and Interest is Quarterly payment	2,991.15	-
10.40% Vivriti Capital Private Limited	<1 year	29-Mar-24	Principal and interest in Bullet payment	10,005.65	-
8.20% Commercial Paper	<1 year	22-Jun-23	Principal in Bullet Payment	981.71	-
9.78% Commercial paper	<1 year	27-Mar-24	Principal in Bullet Payment	1,349.83	-
			Total	**151,887.19**	**107,051.35**

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	As at 31 March 2023	As at 31 March 2022
17 Borrowings (Other than Debt Securities)		
Measured at amortised cost		
(i) Term loans (secured)		
From banks (Refer note 17.1 and 17.2)	251,861.05	159,606.23
From other parties (Refer note 17.1 and 17.2)	64,653.47	59,081.86
	316,514.52	**218,688.09**
(ii) Loans repayable on demand (secured) (Refer note 17.1 and 17.2)		
From Banks (Overdrafts) (Refer note 17.1 (iii))	21,087.13	24,273.94
Working capital demand loan from banks (Cash credit) (Refer note 17.1 (iv) and 17.2)	12,500.00	5,000.00
	33,587.13	**29,273.94**
	350,101.65	**247,962.03**
Borrowings in India	341,807.80	240,322.35
Borrowings outside India	8,293.85	7,639.68
	350,101.65	**247,962.03**

17.1 Security

(i) Loans from banks and financial institutions are secured by first ranking and exclusive charge over identified receivables and guaranteed by directors of the Company.

(ii) The Company has not defaulted in the repayment of principal and interest to its lenders during the current or previous period.

(iii) Rate of interest payable on bank overdraft is 7.45% - 7.75% p.a (31 March 2022: 3.3% p.a.). The Company has taken bank overdraft against the deposit balances (also refer note 5)

(iv) Rate of interest payable on cash credit loans is 8.00 to 9.00 % p.a. (31 March 2022:7.00- 7.8% p.a.)

(v) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

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17.2 Details of terms loans and working capital demand loans - Contractual repayment values

Particulars	Remaining maturity	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2023	As at 31 March 2022
Term Loan 1	NA	10.50%	28-Mar-23	Monthly	Monthly	-	3,319.16
Term Loan 2	NA	10.90%	30-Jun-22	Monthly	Monthly	-	199.82
Term Loan 3	NA	11.25%	28-Jul-22	Monthly	Monthly	-	453.04
Term Loan 4	NA	10.80%	3-Oct-22	Monthly	Monthly	-	733.58
Term Loan 5	< 1 year	10.70%	29-Sep-23	Monthly	Monthly	333.04	1,003.00
Term Loan 6	1-2 years	10.80%	22-Mar-25	Quarterly	Monthly	2,275.29	3,406.41
Term Loan 7	NA	9.60%	27-Oct-22	Monthly	Monthly	-	729.47
Term Loan 8	NA	9.50%	21-Dec-22	Monthly	Monthly	-	935.98
Term Loan 9	1-2 years	10.25%	30-Apr-24	Quarterly	Monthly	1,038.50	1,863.16
Term Loan 10	< 1 year	11.35%	31-Dec-23	Monthly	Monthly	641.48	1,484.75
Term Loan 11	NA	10.93%	10-Dec-22	Monthly	Monthly	-	748.52
Term Loan 12	NA	10.93%	14-Dec-22	Monthly	Monthly	-	374.04
Term Loan 13	NA	10.30%	31-Jan-23	Monthly	Monthly	-	623.38
Term Loan 14	1-2 years	11.15%	NA	Monthly	Monthly	-	3,528.90
Term Loan 15	NA	10.75%	15-Feb-23	Monthly	Monthly	-	622.48
Term Loan 16	NA	11.40%	3-Mar-23	Monthly	Monthly	-	753.57
Term Loan 17	< 1 year	11.70%	NA	Monthly	Monthly	-	981.74
Term Loan 18	< 1 year	9.90%	12-Mar-24	Monthly	Monthly	914.60	1,759.40
Term Loan 19	1-2 years	10.45%	28-Feb-25	Quarterly	Monthly	5,016.28	7,543.93
Term Loan 20	NA	10.75%	24-Mar-23	Monthly	Monthly	-	528.22
Term Loan 21	< 1 year	10.30%	31-Aug-23	Monthly	Monthly	200.10	605.32
Term Loan 22	< 1 year	10.05%	13-Jul-23	Quarterly	Monthly	981.59	3,925.23
Term Loan 23	NA	5.75%	10-Jun-22	Quarterly	Monthly	-	5,016.65
Term Loan 24	< 1 year	10.15%	31-Jan-24	Quarterly	Monthly	901.13	1,992.73
Term Loan 25	1-2 years	10.10%	18-Aug-24	Quarterly	Monthly	1,413.79	2,499.25
Term Loan 26	< 1 year	9.95%	31-Aug-23	Monthly	Monthly	416.33	1,411.03
Term Loan 27	< 1 year	10.45%	30-Sep-23	Monthly	Monthly	381.70	1,142.77
Term Loan 28	1-2 years	10.55%	24-Sep-24	Monthly	Monthly	2,515.02	4,160.61
Term Loan 29	< 1 year	9.95%	24-Sep-23	Monthly	Monthly	499.30	1,492.63
Term Loan 30	1-2 years	9.75%	30-Sep-24	Monthly	Monthly	2,414.65	4,139.70
Term Loan 31	< 1 year	9.40%	30-Sep-23	Monthly	Monthly	1,500.32	4,479.98
Term Loan 32	1-2 years	11.15%	NA	Monthly	Monthly	-	883.63
Term Loan 33	1-2 years	9.75%	30-Sep-24	Monthly	Monthly	2,274.92	4,011.89
Term Loan 34	1-2 years	10.00%	31-Oct-24	Monthly	Monthly	574.44	997.34
Term Loan 35	< 1 year	11.80%	3-Nov-23	Monthly	Monthly	1,007.69	2,508.04
Term Loan 36	1-2 years	11.15%	NA	Monthly	Monthly	-	2,086.58
Term Loan 37	< 1 year	10.25%	15-Nov-23	Monthly	Monthly	1,000.10	2,514.06
Term Loan 38	1-2 years	10.20%	8-Dec-24	Quarterly	Monthly	1,596.03	2,503.92
Term Loan 39	1-2 years	12.25%	10-Dec-24	Monthly	Monthly	1,588.91	2,492.68
Term Loan 40	2-3 years	10.45%	31-Mar-26	Quarterly	Monthly	3,000.20	3,760.34
Term Loan 41	NA	10.45%	30-Jun-23	Bullet	Monthly	1,008.88	997.07
Term Loan 42	1-2 years	9.85%	31-Dec-24	Monthly	Monthly	2,897.88	4,536.72
Term Loan 43	< 1 year	9.25%	27-Dec-23	Monthly	Monthly	285.77	670.02
Term Loan 44	< 1 year	9.75%	8-Feb-24	Monthly	Monthly	1,139.15	2,349.83
Term Loan 45	1-2 years	9.25%	28-Feb-25	Monthly	Monthly	1,599.65	2,408.09
Term Loan 46	< 1 year	9.40%	24-Feb-24	Monthly	Monthly	3,432.04	7,198.79
Term Loan 47	< 1 year	11.47%	25-Feb-24	Monthly	Monthly	916.17	1,945.56
Term Loan 48	< 1 year	10.50%	25-Feb-24	Monthly	Monthly	915.20	1,908.44
Term Loan 49	< 1 year	9.90%	28-Dec-23	Monthly	Monthly	958.37	1,464.21
Term Loan 50	< 1 year	11.00%	8-Mar-24	Monthly	Monthly	3,378.73	6,160.50
Term Loan 51	1-2 years	12.00%	22-Mar-25	Quarterly	Monthly	6,646.57	10,444.79
Term Loan 52	2-3 years	9.75%	30-Mar-26	Monthly	Monthly	4,463.81	5,869.27
Term Loan 53	1-2 years	9.50%	10-Mar-25	Monthly	Monthly	9,340.84	11,989.10
Term Loan 54	1-2 years	10.25%	10-Mar-25	Monthly	Monthly	12,072.38	14,989.10
Term Loan 55	< 1 year	9.40%	31-Mar-24	Monthly	Monthly	1,245.59	2,491.81
Term Loan 56	1-2 years	10.00%	1-Dec-24	Monthly	Monthly	1,769.41	2,693.09

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17.2 Details of terms loans and working capital demand loans - Contractual repayment values

Particulars	Remaining maturity	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2023	As at 31 March 2022
Term Loan 57	NA	0.00%	27-Apr-22	Bullet	Monthly	-	1,499.80
Term Loan 58	NA	9.95%	24-Feb-23	Monthly	Monthly	-	913.22
Term Loan 59	< 1 year	10.85%	26-Nov-23	Monthly	Monthly	843.76	2,206.65
Term Loan 60	3-4 years	9.70%	30-Nov-26	Half Yearly	Half yearly	8,293.85	7,639.68
Term Loan 61	< 1 year	10.40%	28-Feb-24	Monthly	Monthly	713.26	1,412.42
Term Loan 62	NA	11.30%	1-Dec-22	Monthly	Monthly	0.00	428.79
Term Loan 63	< 1 year	11.00%	30-Jun-23	Half Yearly	Monthly	875.02	2,620.59
Term Loan 64	1-2 years	10.50%	30-Sep-24	Monthly	Monthly	1,618.39	2,563.33
Term Loan 65	1-2 years	9.75%	31-Mar-25	Monthly	Monthly	1,260.67	1,800.00
Term Loan 66	< 1 year	11.00%	28-Dec-23	Monthly	Monthly	238.96	529.41
Term Loan 67	1-2 years	9.60%	19-Jun-24	Monthly	Monthly	2,071.05	3,711.10
Term Loan 68	NA	8.85%	26-Jun-23	Bullet	Monthly	4,000.77	4,000.00
Term Loan 69	NA	11.10%	23-Dec-22	Monthly	Monthly	-	131.15
Term Loan 70	NA	11.10%	23-Dec-22	Monthly	Monthly	-	103.02
Term Loan 71	NA	11.10%	23-Dec-22	Monthly	Monthly	-	131.40
Term Loan 72	NA	11.10%	23-Dec-22	Monthly	Monthly	-	103.11
Term Loan 73	NA	11.10%	23-Dec-22	Monthly	Monthly	-	131.40
Term Loan 74	NA	11.10%	23-Dec-22	Monthly	Monthly	-	103.07
Term Loan 75	NA	11.10%	23-Dec-22	Monthly	Monthly	-	131.23
Term Loan 76	NA	11.10%	23-Dec-22	Monthly	Monthly	-	103.11
Term Loan 77	< 1 year	10.90%	25-Sep-23	Monthly	Monthly	752.01	2,255.77
Term Loan 78	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	44.00
Term Loan 79	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	34.35
Term Loan 80	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	30.07
Term Loan 81	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	34.35
Term Loan 82	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	43.83
Term Loan 83	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	46.57
Term Loan 84	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	45.04
Term Loan 85	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	34.37
Term Loan 86	NA	11.50%	20-Sep-22	Monthly	Monthly	-	88.07
Term Loan 87	NA	11.50%	20-Sep-22	Monthly	Monthly	-	69.04
Term Loan 88	NA	11.50%	20-Sep-22	Monthly	Monthly	-	88.07
Term Loan 89	NA	11.50%	20-Sep-22	Monthly	Monthly	-	70.10
Term Loan 90	NA	11.50%	20-Sep-22	Monthly	Monthly	-	88.07
Term Loan 91	NA	11.50%	20-Sep-22	Monthly	Monthly	-	68.96
Term Loan 92	NA	11.50%	20-Sep-22	Monthly	Monthly	-	88.07
Term Loan 93	NA	11.50%	20-Sep-22	Monthly	Monthly	-	69.32
Term Loan 94	NA	11.50%	10-Feb-23	Monthly	Monthly	-	169.91
Term Loan 95	NA	11.50%	10-Feb-23	Monthly	Monthly	-	139.10
Term Loan 96	NA	11.50%	10-Feb-23	Monthly	Monthly	-	45.85
Term Loan 97	NA	11.50%	10-Feb-23	Monthly	Monthly	-	164.99
Term Loan 98	NA	11.50%	10-Feb-23	Monthly	Monthly	-	138.22
Term Loan 99	NA	11.50%	10-Feb-23	Monthly	Monthly	-	45.85
Term Loan 100	NA	11.50%	10-Feb-23	Monthly	Monthly	-	168.25
Term Loan 101	NA	11.50%	10-Feb-23	Monthly	Monthly	-	138.22
Term Loan 102	NA	11.50%	10-Feb-23	Monthly	Monthly	-	45.85
Term Loan 103	NA	11.50%	10-Feb-23	Monthly	Monthly	-	161.09
Term Loan 104	NA	11.50%	10-Feb-23	Monthly	Monthly	-	138.22
Term Loan 105	NA	11.50%	10-Feb-23	Monthly	Monthly	-	48.64
Term Loan 106	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	233.99
Term Loan 107	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	233.99
Term Loan 108	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	233.99
Term Loan 109	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.41
Term Loan 110	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.41
Term Loan 111	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.41
Term Loan 112	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.41
Term Loan 113	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.32
Term Loan 114	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.32

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17.2 Details of terms loans and working capital demand loans - Contractual repayment values

Particulars	Remaining maturity	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2023	As at 31 March 2022
Term Loan 115	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.32
Term Loan 116	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.32
Term Loan 117	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	233.97
Term Loan 118	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	306.65
Term Loan 119	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	306.65
Term Loan 120	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	307.58
Term Loan 121	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	307.58
Term Loan 122	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	305.89
Term Loan 123	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	309.61
Term Loan 124	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	306.65
Term Loan 125	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	306.65
Term Loan 126	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	315.31
Term Loan 127	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	317.22
Term Loan 128	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	322.02
Term Loan 129	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	56.34	132.58
Term Loan 130	< 1 year	10.40%	9-Feb-24	Monthly	Monthly	1,382.77	2,871.54
Term Loan 131	1-2 years	10.30%	1-Jan-25	Quarterly	Monthly	1,747.25	2,992.84
Term Loan 132	< 1 year	11.25%	1-Sep-23	Quarterly	Monthly	499.89	1,501.60
Term Loan 133	NA	12.00%	31-Jul-22	Monthly	Monthly	0.00	166.54
Term Loan 134	< 1 year	11.40%	30-Nov-23	Monthly	Monthly	375.10	921.33
Term Loan 135	1-2 years	11.75%	31-Jan-25	Quarterly	Monthly	868.88	1,279.92
Term Loan 136	NA	11.50%	30-Apr-22	Monthly	Monthly	-	113.80
Term Loan 137	< 1 year	10.75%	22-Aug-23	Monthly	Monthly	565.78	1,817.02
Term Loan 138	NA	12.55%	10-Apr-23	Monthly	Monthly	50.29	649.12
Term Loan 139	< 1 year	12.15%	5-Oct-23	Monthly	Monthly	670.97	1,653.67
Term Loan 140	< 1 year	12.15%	5-Oct-23	Monthly	Monthly	396.31	566.68
Term Loan 141	< 1 year	10.10%	31-Mar-23	Monthly	Monthly	-	246.00
Term Loan 142	NA	10.50%	30-Nov-22	Monthly	Monthly	-	399.57
Term Loan 143	2-3 years	9.50%	30-Jun-25	Monthly	Monthly	7,848.63	-
Term Loan 144	1-2 years	9.40%	29-Jun-24	Monthly	Monthly	3,121.03	-
Term Loan 145	1-2 years	10.25%	1-Jul-24	Monthly	Monthly	3,119.30	-
Term Loan 146	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 147	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 148	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 149	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 150	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 151	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 152	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 153	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 154	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 155	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 156	1-2 years	9.90%	28-Jun-24	Monthly	Monthly	1,157.09	-
Term Loan 157	< 1 year	8.00%	5-Jul-23	Monthly	Monthly	852.45	-
Term Loan 158	2-3 years	9.90%	1-Jul-25	Monthly	Monthly	528.13	-
Term Loan 159	< 1 year	9.70%	26-Jul-23	Bullet	Monthly	2,500.58	-
Term Loan 160	2-3 years	9.75%	31-Aug-25	Monthly	Monthly	2,904.49	-
Term Loan 161	2-3 years	9.95%	29-Jul-25	Monthly	Monthly	3,210.61	-
Term Loan 162	1-2 years	8.50%	9-Sep-24	Monthly	Monthly	2,003.43	-
Term Loan 163	2-3 years	9.50%	30-Sep-25	Monthly	Monthly	9,895.11	-
Term Loan 164	1-2 years	10.10%	20-Sep-24	Monthly	Monthly	1,469.75	-
Term Loan 165	1-2 years	9.20%	30-Sep-24	Monthly	Monthly	5,610.65	-
Term Loan 166	1-2 years	10.50%	30-Sep-24	Monthly	Monthly	3,000.48	-
Term Loan 167	2-3 years	9.50%	29-Sep-25	Quarterly	Monthly	4,151.55	-
Term Loan 168	2-3 years	10.50%	25-Oct-25	Monthly	Monthly	1,924.94	-
Term Loan 169	1-2 years	9.90%	29-Sep-24	Monthly	Monthly	1,989.41	-
Term Loan 170	1-2 years	9.60%	28-Oct-24	Monthly	Monthly	8,691.31	-
Term Loan 171	1-2 years	10.00%	31-Oct-24	Monthly	Monthly	7,920.99	-
Term Loan 172	2-3 years	9.80%	14-Nov-25	Monthly	Monthly	23,275.08	-

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17.2 Details of terms loans and working capital demand loans - Contractual repayment values

Particulars	Remaining maturity	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2023	As at 31 March 2022
Term Loan 173	2-3 years	10.15%	1-Nov-25	Quarterly	Monthly	4,990.04	-
Term Loan 174	1-2 years	9.50%	30-Nov-24	Monthly	Monthly	831.75	-
Term Loan 175	2-3 years	9.80%	16-Dec-25	Monthly	Monthly	1,791.92	-
Term Loan 176	1-2 years	9.50%	31-Dec-24	Monthly	Monthly	1,637.44	-
Term Loan 177	2-3 years	9.55%	31-Dec-25	Monthly	Monthly	4,538.10	-
Term Loan 178	1-2 years	9.75%	21-Dec-24	Quarterly	Monthly	2,402.72	-
Term Loan 179	1-2 years	9.50%	31-Dec-24	Monthly	Monthly	109.16	-
Term Loan 180	2-3 years	8.00%	30-Dec-25	Monthly	Monthly	8,912.74	-
Term Loan 181	1-2 years	9.25%	29-Dec-24	Monthly	Monthly	4,113.71	-
Term Loan 182	1-2 years	9.25%	30-Dec-24	Monthly	Monthly	2,429.82	-
Term Loan 183	1-2 years	10.00%	2-Feb-25	Monthly	Monthly	2,897.09	-
Term Loan 184	NA	9.75%	17-Feb-25	Monthly	Monthly	2,388.61	-
Term Loan 185	1-2 years	10.25%	28-Feb-25	Quarterly	Monthly	5,039.61	-
Term Loan 186	3-4 years	9.50%	1-Aug-26	Monthly	Monthly	1,401.86	-
Term Loan 187	1-2 years	9.50%	28-Feb-25	Monthly	Monthly	2,870.73	-
Term Loan 188	1-2 years	10.25%	15-Feb-25	Half Yearly	Monthly	2,512.94	-
Term Loan 189	1-2 years	10.20%	6-Mar-25	Monthly	Monthly	11,382.70	-
Term Loan 190	2-3 years	9.85%	31-Mar-26	Monthly	Monthly	4,977.71	-
Term Loan 191	2-3 years	9.85%	31-Mar-26	Monthly	Monthly	1,989.42	-
Term Loan 192	< 1 year	9.50%	5-Jan-24	Monthly	Monthly	4,007.15	-
Term Loan 193	3-4 years	10.95%	31-Mar-27	Monthly	Monthly	4,984.35	-
Term Loan 194	2-3 years	10.00%	18-Apr-25	Monthly	Monthly	2,488.73	-
Term Loan 195	1-2 years	10.60%	30-Mar-25	Monthly	Monthly	7,502.24	-
Term Loan 196	3-4 years	10.00%	28-Feb-26	Monthly	Monthly	1,705.91	-
Term Loan 197	1-2 years	10.00%	1-Apr-24	Monthly	Monthly	4,987.94	-
Term Loan 198	1-2 years	10.10%	1-Mar-25	Monthly	Monthly	1,646.32	-
Term Loan 199	3-4 years	10.15%	31-Mar-27	Monthly	Monthly	4,956.09	-
Term Loan 200	2-3 years	9.20%	31-Mar-26	Monthly	Monthly	1,994.45	-
Term Loan 201	1-2 years	9.90%	1-Mar-25	Monthly	Monthly	4,000.00	-
WCDL 1	NA	8.85%	26-Jun-23	Bullet	Monthly	2,499.18	2,508.15
WCDL 2	< 1 year	8.00%	12-Feb-24	Bullet	Monthly	2,476.54	2,447.09
WCDL 3	NA	9.00%	18-Sep-23	Bullet	Monthly	5,012.83	-
WCDL 4	< 1 year	8.85%	27-May-23	Bullet	Monthly	2,496.33	-
						329,014.52	**223,688.09**

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	Particulars	As at 31 March 2023	As at 31 March 2022
18	**Other financial liabilities**		
	Lease liabilities	2,719.55	620.63
	Employee benefits payable	581.22	286.78
	Advances received against loan agreements	740.77	259.83
	Collateral deposits from customers	1,553.56	-
	Dues to partners towards collections from co-lending loans	1,892.23	588.66
	Remittances payable on assets derecognised	0.23	0.23
		7,487.56	**1,756.13**
19	**Provisions**		
	Provision for employee benefits		
	- Gratuity (refer note 34)	111.11	34.64
	- Compensated absences	225.98	104.48
	Provision on non-fund exposure		
	- Impairment loss allowance for guarantees and undrawn loans	14.35	52.37
		351.44	**191.49**
20	**Other non financial liabilities**		
	Statutory dues payable	317.75	372.11
		317.75	**372.11**

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Particulars	As at 31 March 2023	As at 31 March 2022
21 Equity share capital		
Authorised		
26,000,000 (As at 31 March 2022: 20,900,000 shares) Equity Shares of Rs 10 each	2,600.00	2,090.00
	2,600.00	**2,090.00**
Issued, subscribed and fully paid up		
21,554,682 (As at 31 March 2022: 16,326,754 shares) Equity shares of Rs. 10 each	2,155.47	1,632.67
21,053 (As at 31 March 2022: Nil) partly paid equity shares of Rs. 10 each (Amount paid up Rs. 5 per share)	1.05	-
Less: Shares held under Vivriti ESOP trust	(448.40)	(380.43)
	1,708.12	**1,252.24**

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
As at the beginning of the year	16,326,754	1,632.67	15,641,010	1,564.10
Issued during the year	1,021,153	101.07	685,744	68.57
Conversion of OCRPS to equity shares	4,227,828	422.78	-	-
As at the end of the year	**21,575,735**	**2,156.52**	**16,326,754**	**1,632.67**

Equity shares held by the trust

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
As at the beginning of the year	3,804,325	380.43	4,177,060	417.71
Issued during the year	1,000,000	100.00	-	-
Transferred during the year	(320,360)	(32.04)	(372,735)	(37.27)
As at the end of the year	**4,483,965**	**448.40**	**3,804,325**	**380.43**

B. Details of shareholders holding more than 5 percent shares in the Company are given below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	%
Vineet Sukumar	6,737,840	31.23%	4,900,000	30.01%
Gaurav Kumar	6,632,577	30.74%	4,900,000	30.01%
Vivriti ESOP Trust	4,483,965	20.78%	3,934,425	24.10%

C. Details of shares held by the promoter at the end of the year

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	%
Vineet Sukumar	6,737,840	31.23%	4,900,000	30.01%
Gaurav Kumar	6,632,577	30.74%	4,900,000	30.01%

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

D. Terms/Rights attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Particulars	As at 31 March 2023	As at 31 March 2022
21A Convertible preference share capital		
Authorised		
90,637,063 (As at 31 March 2022: 87,937,063) Compulsorily Convertible Preference Shares of Rs. 10 each	9,063.37	8,793.71
850,000 (As at 31 March 2022: 850,000 shares) Optionally Convertible Redeemable Preference Shares of Rs. 60 each	510.00	510.00
	9,573.37	**9,303.71**
Issued, subscribed and fully paid up		
90,021,966 (As at 31 March 2022: 87,310,410) 0.001% Compulsorily Convertible Preference Shares of Rs. 10 each	9,002.20	8,731.04
Issued, subscribed and partially paid up		
Nil (As at 31 March 2022: 811,402 of Re.1 each paid up) Optionally Convertible Redeemable Preference shares	-	8.11
	9,002.20	**8,739.15**

A. Reconciliation of number of convertible preference shares outstanding at the beginning and at the end of the reporting period

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
As at the beginning of the year	87,310,410	8,731.04	83,420,634	8,342.06
Issued during the year	2,711,556	271.16	3,889,776	388.98
As at the end of the year	**90,021,966**	**9,002.20**	**87,310,410**	**8,731.04**

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
As at the beginning of the year	811,402	8.11	811,402	8.11
Receipt of balance subscription price of OCRPS	-	478.73	-	-
Conversion into equity shares during the year	(811,402)	(486.84)	-	-
As at the end of the year	**-**	**-**	**811,402**	**8.11**

B. Details of convertible preference shareholders holding more than 5 percent shares in the Company are given below:

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	%
Creation Investments LLC	64,124,177	71.23%	64,124,177	73.44%
Lightrock Growth Fund I S.A (Formerly known as Lightstone Fund SA)*	11,593,166	12.88%	11,593,166	13.28%
Financial Investments SPC (affiliate of Lightrock Growth Fund I S.A., SICAV-RAIF)*	11,593,067	12.88%	11,593,067	13.28%

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	%
Vineet Sukumar	-	-	405,701	50.00%
Gaurav Kumar	-	-	405,701	50.00%

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C. Details of convertible preference shares held by the promoters at the beginning and at end of the reporting period

i. Compulsorily convertible preference shares
Promoters do not hold any compulsorily convertible preference shares.

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	%
Vineet Sukumar	-	-	405,701	50.00%
Gaurav Kumar	-	-	405,701	50.00%

D. Terms/rights attached to convertible preference shares
i. Compulsorily convertible preference shares
During the year, the Company has issued 2,711,556 (March 2022: 3,889,776), 0.001% Compulsorily Convertible Preference Shares ("CCPS") of face value Rs. 10/- aggregating Rs.271.16 Lakhs (March 2022: 388.98 Lakhs) which are convertible into equity shares at the option of CCPS holder during the conversion period.

Conversion of CCPS into equity shares will be as per the respective shareholders agreement and are treated pari-passu with equity shares on all voting rights. The CCPS if not converted by the preference shareholders shall be compulsorily converted into equity shares upon any of the following events:
a. In connection with an IPO, immediately prior to the filing of red herring prospectus (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable law at the relevant time; and
b. By delivering a Conversion Notice at any time during the relevant Conversion Period as per the respective shareholders agreement.
The CCPS holders have a right to receive dividend, prior to the Equity shareholders and will be cumulative if preference dividend is not declared or paid in any year.

*Lightstone Fund SA has changed its name to Lightrock Growth Fund I S.A., SICAV-RAIF, with effective from March 9, 2021. LR India Holdings Ltd. has changed its name to LR India Fund I S.à r.l., SICAV-RAIF., with effective from June 01, 2022.

ii. Optionally convertible redeemable preference shares ('OCRPS')
The right to convert OCRPS shall be exercisable by the holder at any time during the Conversion Period by delivering to the Company a notice in writing, subject to payment of balance subscription price.
The OCRPS, shall be entitled to divided equivalent to 0.001% per annum of the paid-up portion of such OCRPS.
The OCRPS shall not carry any voting rights, until such OCRPS is converted into Equity Share(s) in accordance with the terms of the OCRPS.

During the year, the Company received the balance subscription price of these 811,402 OCRPS of face value INR 60 per share and converted these OCRPS into 4,227,828 equity shares of INR 10 per share ranking pari passu with existing fully paid-up equity shares of the Company.

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	Particulars	As at 31 March 2023	As at 31 March 2022
22	**Other Equity**		
	Statutory reserve	4,775.83	2,189.88
	Share options outstanding account	1,973.61	712.91
	Securities premium	120,983.51	98,523.77
	Other comprehensive income	(417.48)	66.28
	Retained earnings	18,448.76	8,130.43
		145,764.23	**109,623.27**
i	**Statutory reserve**		
	Balance at the beginning of the year	2,189.88	842.48
	Add: Transfer from retained earnings	2,585.95	1,347.40
	Balance at the end of the year	**4,775.83**	**2,189.88**
ii	**Employee stock options outstanding account**		
	Balance at the beginning of the year	712.91	399.71
	Add: Share based payment expenses incurred during the year	1,202.32	78.49
	Add: Stock compensation expense - recoverable from related parties (also refer note 36)	58.38	234.71
	Balance at the end of the year	**1,973.61**	**712.91**
iii	**Securities premium**		
	Balance at the beginning of the year	98,523.77	66,097.26
	Add: Premium on shares issued during the year	30,261.61	32,067.44
	Add: Premium on receipt of balance subscription and conversion of OCRPS to equity shares	986.29	-
	Add: Stock compensation expenses (refer note 31.2)	-	366.75
	Less: Utilised during the year for share issue expenses	(738.16)	(7.68)
	Less: Premium on shares issued to Vivriti ESOP trust	(8,050.00)	-
	Balance at the end of the year	**120,983.51**	**98,523.77**
iv	**Other Comprehensive Income**		
	Balance at the beginning of the year	66.28	135.47
	Add/ (Less) : Fair valuation of investment in debt instruments (net)	(475.00)	255.58
	Add/ (Less) : Cash flow hedge reserve	(8.76)	(324.77)
	Balance at the end of the year	**(417.48)**	**66.28**
v	**Retained earnings**		
	Balance at the beginning of the year	8,130.43	2,742.71
	Add : Profit/ (Loss) for the year	12,929.75	6,736.98
	Add/ (Less) : Remeasurement of net defined benefit liability	(25.47)	(1.86)
	Less: Transfer to statutory reserve	(2,585.95)	(1,347.40)
	Balance at the end of the year	**18,448.76**	**8,130.43**

Also refer Note 8.1

Statutory Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")

Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc in accordance with the provisions of the Companies Act, 2013.

Employee stock option outstanding account

The Company has stock option schemes under which options to subscribe for the Company's shares have been granted to eligible employees and key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments.

Other comprehensive income

a. The Company has elected to recognise changes in the fair value of investments in other comprehensive income. These changes are accumulated within the FVOCI reserve within equity - financial instruments through OCI.

b. The Company has applied hedge accounting for designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity as cash flow hedge reserve.

Retained earnings

Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. This reserve is free reserves which can be utilised for any purpose as may be required

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23 Interest income

	Year ended 31 March 2023			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	50,993.21	-	-	50,993.21
Interest income from investments	4,512.87	3,134.91	-	7,647.78
Interest on deposits	1,286.02	-	-	1,286.02
	56,792.10	**3,134.91**	**-**	**59,927.01**

	Year ended 31 March 2022			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	28,634.13	-	-	28,634.13
Interest income from investments	1,713.68	1,550.30	-	3,263.98
Interest on deposits	445.98	-	-	445.98
	30,793.79	**1,550.30**	**-**	**32,344.09**

	Year ended 31 March 2023	Year ended 31 March 2022
24 Fee and commission income		
Fee and commission income	2,033.55	1,359.31
	2,033.55	**1,359.31**
25 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss		
On alternative investment funds	2,365.45	656.27
On mutual funds investments	828.92	73.80
Profit on sale of investments in NCD's and PTC's	55.50	9.64
	3,249.87	**739.71**
Fair value changes		
Realised	2,706.05	430.64
Unrealised	543.82	309.07
	3,249.87	**739.71**
25.1 Net gain on derecognition of financial instruments		
Net gain on derecognition of financial instruments	104.70	44.08
	104.70	**44.08**
26 Other income		
Gain on sale of shares in associate company	1,622.05	-
Gain on sale of fixed assets	6.49	222.44
Gain on termination of finance leases	-	220.65
Rental income (refer note 36)	76.83	104.30
Interest on rental deposit	11.32	1.95
Interest on income tax refund	30.11	-
Reimbursement of expenses (refer note 36)	59.44	130.38
	1,806.24	**679.72**
27 Finance costs		
Finance costs on financial liabilities measured at amortised cost		
Interest on borrowings		
- Term loans from banks and others	25,121.74	13,303.39
- Overdrafts and Cash credits	427.22	324.78
Interest on debt securities	13,287.79	6,107.58
Interest on lease liability	190.76	164.76
Interest on rental deposit	14.24	5.04
	39,041.75	**19,905.55**
28 Impairment on financial instruments		
Impairment loss allowance on		
- Loans	804.96	1,236.37
- Investments	146.06	256.94
- Guarantees and undrawn loans	(38.02)	(72.05)
- Receivables	4.00	41.12
Write off on		
- Loans	-	-
- Investments	-	-
- Guarantees	-	-
Less: Recovery	-	-
	917.00	**1,462.38**

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		Year ended 31 March 2023	Year ended 31 March 2022
29	**Employee benefits expenses**		
	Salaries and bonus	3,694.43	2,075.91
	Contribution to provident and other funds	164.21	41.70
	Share based payments to employees	1,202.32	78.49
	Staff welfare expenses	403.63	98.88
	Gratuity expenses	48.79	14.09
		5,513.38	**2,309.07**
30	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment	272.62	95.91
	Depreciation on right of use assets	359.69	309.40
	Amortisation of intangible assets	121.12	81.76
	Depreciation on investment property	15.77	-
		769.20	**487.07**
31	**Other expenses**		
	Information technology cost	466.24	196.28
	Travelling expenses	316.65	152.35
	Maintenances of premises	263.68	148.11
	Advertisment expenses	278.39	-
	Legal and professional expenses (refer note 31.2)	1,086.81	922.69
	Insurance	195.19	78.33
	Rent	201.25	-
	Rates and Taxes	105.39	59.07
	Auditor's remuneration (refer note 31.1)	104.80	60.00
	Communication expenses	30.08	34.36
	Director sitting fees (also refer note 36)	29.43	21.80
	Expenditure on corporate social responsibility (refer note 31.3)	93.34	44.00
	Recruitment related Fees	95.02	34.63
	Subscription expenses	23.52	12.20
	Administrative expenses	23.24	5.08
	Miscellaneous expenses	282.54	169.89
		3,595.57	**1,938.79**
31.1	**Auditors' Remuneration**		
	Statutory audit including limited review	90.00	57.00
	Other services and reimbursement of expenses	14.80	3.00
		104.80	**60.00**

31.2 Stock compensation expenses

Professional fees for year ended 31 March 2022 includes share based payment of INR 407.50 lakhs to one advisor by allotment of Series 1C shares in May 2021 considering the fair value on the date of such allotment.

31.3 Details of expenditure on corporate social responsibility (CSR)		
(a) Gross amount required to be spent by the Company during the year	93.34	37.94
(b) Amount approved by the Board to be spent during the year	93.34	38.00
(c) Amount spent during the year (in cash):		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	93.34	44.00
(d) Contribution to related parties	-	-
(e) Excess amount spent / Shortfall	-	(6.06)

	As at 31 March 2023	As at 31 March 2022
Opening balance	(3.23)	2.83
Amount required to be spent during the year	93.34	37.94
Amount spent during the year	(93.34)	(44.00)
Closing balance	**(3.23)**	**(3.23)**

Nature of CSR activities

During the year, the Company had transferred the CSR amounts to IITM Incubation Cell towards promoting education and to Environmental Foundation of India towards environmental sustainability activities covered under Schedule VII of the Act.

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32 Income tax

The component of income tax expenses:

Current tax	4,572.81	1,882.70
Deferred tax relating to origination and reversal of temporary differences	(218.09)	444.37
	4,354.72	**2,327.07**

32.1 Reconciliation of total tax expenses

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years March 31, 2023 and 2022 are, as follows:

	Year ended 31 March 2023	Year ended 31 March 2022
Accounting profit before tax	17,284.47	9,064.05
Applicable tax rate	25.17%	25.17%
Computed tax expense	**4,350.16**	**2,281.42**
Tax effect of :		
Permanent differences	23.49	45.65
Items with different tax rates	(20.92)	-
Others	(1.99)	-
	4,350.74	**2,327.07**
Income tax expense recognised in statement of profit and loss excluding change in estimates relating to previous years		
Effective tax rate	**25.17%**	**25.67%**

32.2 Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expenses

Components of deferred tax asset (liability)	As at 31 March 2022	Statement of profit and loss	Other comprehensive income	As at 31 March 2023
Deferred tax asset/ (liability) in relation to -				
Property, plant and equipments	(11.53)	(11.63)	-	(23.16)
Impairment on financial assets	724.85	24.57	-	749.42
Provision for employee benefits	107.81	132.50	(8.57)	231.74
Unamortised processing fee income (net)	(339.04)	53.81	-	(285.23)
Others	108.67	361.37	(162.70)	307.35
	590.76	**560.62**	**(171.27)**	**980.12**

Components of deferred tax asset (liability)	As at 31 March 2021	Statement of profit and loss	Other comprehensive income	As at 31 March 2022
Deferred tax asset/ (liability) in relation to -				
Property, plant and equipments	52.96	(64.49)	-	(11.53)
Impairment on financial assets	534.82	190.03	-	724.85
Provision for employee benefits	82.42	24.77	0.62	107.81
Unamortised processing fee income (net)	300.36	(639.40)	-	(339.04)
Others	40.68	44.72	23.27	108.67
	1,011.24	**(444.37)**	**23.89**	**590.76**

33 Earnings per share

	Year ended 31 March 2023	Year ended 31 March 2022
Profit for the year	**12,929.75**	**6,736.98**
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	16,772,776	12,485,534
Effect of dilutive potential equity shares:		
Convertible preference shares	76,796,265	71,402,633
Employee stock options	2,311,856	2,909,817
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	95,880,897	86,797,984
Face value per share	10.00	10.00
Earnings per share (in Rs.)		
- Basic	77.09	53.96
- Diluted	13.49	7.76

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34 Employee benefits

34.1 Defined contribution plan

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service. The Company has recognised Rs. 164.21 Lakhs (As at 31 March 2022 : Rs. 41.70 Lakhs) as contribution to provident fund in the statement of profit and loss account.

34.2 Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The Calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Risks associated with defined benefit plan
Gratuity is a defined benefit plan and company is exposed to the following risks:
Interest rate risk: A fall in the discount rate, which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level may increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

	Year ended 31 March 2023	Year ended 31 March 2022
A. Change in present value defined benefit of obligations		
Change in defined benefit obligations during the year		
Present value of defined benefit obligation at the beginning of the year	34.64	18.08
Current service cost	46.43	12.81
Interest cost	2.36	1.28
Acquisitions/Divestures/Transfer	-	-
Benefits paid	(6.36)	-
Actuarial loss / (gain) recognised in other comprehensive income	34.04	2.48
Present value of defined benefit obligation at the end of the year	**111.11**	**34.64**
B. Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer contributions	6.36	-
Benefits paid	(6.36)	-
Actuarial loss / (gain) recognised in other comprehensive income	-	-
Fair value of plan assets at the end of the year	-	-
C. Actual return on plan assets		
Expected return on plan assets	-	-
Actuarial gain / (loss) on plan assets	-	-
Actual return on plan assets	-	-
D. Reconciliation of present value of the defined benefit obligation and the fair value of the plan assets		
Present value of defined benefit obligations at the end of the year	111.11	34.64
Fair value of plan assets	-	-
Net liability recognised in balance sheet	**111.11**	**34.64**
The liability in respect of the gratuity plan comprises of the following non-current and current		
Current	4.01	1.61
Non-current	107.10	33.03
	111.11	**34.64**

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	Year ended 31 March 2023	Year ended 31 March 2022
E. Expense recognised in statement of profit and loss		
Current service cost	46.43	12.81
Interest cost	2.36	1.28
Expected return on plan assets	-	-
Net cost recognized in the statement of profit and loss	**48.79**	**14.09**
F. Remeasurements recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	34.04	2.48
Return on plan assets excluding interest income	-	-
	34.04	**2.48**

G. Assumptions as at balance sheet date	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate (refer note (b))	7.60%	7.50%
Interest rate (rate of return on assets)	-	-
Future salary increase (refer note (a))	9.00%	8.00%
Mortality table	2 - 12%	2 - 12.5%
Attrition rate (refer note (a))	15.00%	15.00%

Notes:

a) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Further, the Management re-visits the assumptions such as attrition rate, salary escalation etc., taking into account, the business conditions, various external / internal factors affecting the Company.

b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

c) Experience adjustments:

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Defined benefit obligation	111.11	34.64	18.08	35.82	27.57
Fair value of plan assets	-	-	-	-	-
Surplus / (deficit)	(111.11)	(34.64)	(18.08)	(35.82)	(27.57)
Experience adjustments on plan liabilities - (loss) / gain	(34.04)	(2.48)	(15.12)	12.47	-
Experience adjustments on plan assets - loss / (gain)	-	-	-	-	-

d) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	As at 31 March 2023	As at 31 March 2022
Discount rate		
-1% increase	(11.99)	(3.51)
-1% decrease	14.27	4.17
Future salary growth		
-1% increase	9.81	3.13
-1% decrease	(8.94)	(2.76)
Employee Turnover		
-1% increase	(2.44)	(0.42)
-1% decrease	2.55	0.43

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

35 Segment information

The Company has been operating only in one segment viz, financing activities and the operations being only in India, the disclosure requirements of Ind AS 108 is not applicable.

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36 Related Party information

36.1 Names of related parties and nature of relationship

Subsidiary company	Vivriti Asset Management Private Limited
Associate	Credavenue Private Limited (Subsidiary till 20 September 2021 - also refer note 8.1)
Subsidiaries of associate	Credavenue Securities Private Limited Spocto Solutions Private Limited (with effect from 25 February 2022) Bluevine Technologies Private Limited (w.e.f. 26 April 2022) Credavenue Spocto Technology Limited (w.e.f. 11 August 2022)
Key Managerial Personnel	Mr. Vineet Sukumar, Managing Director Mr. Gaurav Kumar, (Non Executive Director w.e.f. 5 August 2021) Ms. Namrata Kaul, Independent Director Ms. Anita P Belani, Independent Director (w.e.f 7 May 2021) Mr. Santanu Paul, Independent Director (w.e.f 9 February 2023) Mr. John Tyler Day, Nominee Director Mr. Kenneth Dan Vander Weele, Nominee Director (till 9 February 2023) Mr. Kartik Srivatsa, Nominee Director Mr. Gopal Srinivasan, Nominee Director (w.e.f 27 May 2022) Mr. Lazar Zdrakovic, Additional Director (w.e.f 31 March 2023)
Entity in which KMP of the Company / Subsidiary company is a Director or Shareholder	QED Business Solutions Private Limited (w.e.f. 1 February 2023) Epimoney Private Limited (w.e.f. 27 May 2022) Smartcoin Financials Private Limited Aye Finance Private Limited Shapos Services Private Limited Sonata Finance Private Limited (till 9 February 2023) UC Inclusive Credit Private Limited

36.2 Transactions during the year

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest Income		
Vivriti Asset Management Private Limited	8.32	20.46
Aye Finance Private Limited	32.47	-
Epimoney Private Limited	59.57	-
Shapos Services Private Limited	292.49	27.73
Sonata Finance Private Limited	363.18	329.60
UC Inclusive Credit Private Limited	326.05	97.47
Rent income		
Vivriti Asset Management Private Limited	55.62	13.92
Credavenue Private Limited	-	84.00
Reimbursement of expenses		
Vivriti Asset Management Private Limited	129.59	1,605.05
Credavenue Private Limited	349.09	655.78
Platform fees expense:		
Credavenue Private Limited	1,149.99	2,811.69
Credavenue Securities Private Limited	2,927.13	-
Bluevine Technologies Private Limited	15.92	-
Servicer fee		
Smartcoin Financials Private Limited	1,421.18	-
Sale of fixed assets		
Vivriti Asset Management Private Limited	-	4.93
Credavenue Private Limited	175.62	640.80
Employee share option recoverable		
Vivriti Asset Management Private Limited	28.60	40.14
Credavenue Private Limited	29.79	194.59

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Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Fees and commission income:		
Vivriti Asset Management Private Limited	-	33.30
Credavenue Private Limited	767.99	1,136.09
Credavenue Securities Private Limited	648.60	-
Sonata Finance Private Limited	1.28	-
Processing fee received		
Aye Finance Private Limited	4.00	-
Shapos Services Private Limited	12.50	8.00
Sonata Finance Private Limited	11.28	16.50
UC Inclusive Credit Private Limited	18.50	7.50
Rent expense		
Vivriti Asset Management Private Limited	72.16	-
Rental Deposit recoverable		
Credavenue Private Limited	-	150.00
Vivriti Asset Management Private Limited	28.10	-
Loans given		
Vivriti Asset Management Private Limited	2,000.00	550.00
Aye Finance Private Limited	4,000.00	-
Shapos Services Private Limited	6,902.00	1,600.00
Sonata Finance Private Limited	3,700.00	2,300.00
UC Inclusive Credit Private Limited	2,000.00	1,500.00
Loans repaid		
Vivriti Asset Management Private Limited	1,200.00	550.00
Epimoney Private Limited	500.00	-
Shapos Services Private Limited	5,481.24	150.00
Sonata Finance Private Limited	2,473.43	2,019.78
UC Inclusive Credit Private Limited	1,300.00	400.00
Investments in Debentures		
Aye Finance Private Limited	4,340.00	-
Secondary purchase of investments in MLDs of other entities		
Credavenue Private Limited	1,713.74	-
Credavenue Securities Private Limited	8,999.74	-
Secondary sale of investment in MLDs of other entities		
Credavenue Private Limited	1,885.88	-
Credavenue Securities Private Limited	16,983.73	-
Secondary sale of Investments in Alternative Investment Funds		
Vivriti Asset Management Private Limited	1,421.46	-
Subscription of Company's debt securities (borrowings)		
Credavenue Private Limited	5,670.00	7,930.07
Credavenue Securities Private Limited	21,000.00	-
Advisory fee expense		
QED Business Solutions Private Limited	8.00	-
First Loss Default Guarantee (FLDG) settlement		
Epimoney Private Limited	440.87	-
Smartcoin Financias Private Limited	4,760.67	-
Investment in CCPS		
Vivriti Asset Management Private Limited	2,000.00	3,000.00

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Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Directors Sitting fees		
Ms. Namrata Kaul	13.08	11.00
Ms. Anita P Belani	14.17	9.00
Mr. Santanu Paul	2.18	-
Remuneration paid (short-term employment benefits)		
Mr. Vineet Sukumar	249.56	292.19
Mr. Gaurav Kumar	-	241.35

Also refer note 8.1 for renunciation of rights

Note:
Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the company as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.

36.3 Balances as at the year-end:

Particulars	As at 31 March 2023	As at 31 March 2022
Investment in Equity		
Vivriti Asset Management Private Limited	2,751.00	2,751.00
Credavenue Private Limited	4,985.85	5,001.00
Investment in CCPS		
Vivriti Asset Management Private Limited	5,000.00	3,000.00
Loans		
Vivriti Asset Management Private Limited	800.00	-
Epimoney Private Limited	167.75	-
Aye Finance Private Limited	4,014.46	-
Shapos Services Private Limited	2,804.42	1,461.54
Sonata Finance Private Limited	4,011.54	2,790.38
UC Inclusive Credit Private Limited	2,784.84	2,064.14
Investments in Debentures		
Aye Finance Private Limited	1,870.00	-
Debt Securities (Borrowings)		
Credavenue Private Limited	-	7,930.07
Credavenue Securities Private Limited	6,870.00	-
Trade payables		
Vivriti Asset Management Private Limited	79.21	-
Credavenue Private Limited	775.98	535.42
Smartcoin Financials Private Limited	490.34	-
Credavenue Securities Private Limited	15.55	-
Receivables		
Vivriti Asset Management Private Limited	219.90	-
Credavenue Private Limited	83.85	172.40
Credavenue Securities Private Limited	382.05	-
Other financial assets		
Vivriti Asset Management Private Limited	930.44	874.88
Credavenue Private Limited	182.95	428.46
Epimoney Private Limited	51.29	-
Smartcoin Financials Private Limited	384.54	-

Notes:
1. There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
2. The transactions disclosed above are exclusive of GST.

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37 Micro, Small and Medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

	As at 31 March 2023	As at 31 March 2022
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal	14.17	-
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

38 Contingent liabilities, commitments and other litigations	As at 31 March 2023	As at 31 March 2022
38.1 Contingent liabilities		
Guarantees issued to third party	1,139.18	4,156.80
38.2 Commitments		
Capital commitments	971.10	1,171.11
Undrawn committed sanctions to borrowers	7,725.00	6,905.17
38.3 Other litigations		
Suits filed by the Company against counterparties	1,553.20	1,553.20

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39 Employee Stock Option Scheme (ESOS)

The Company constituted the Vivriti ESOP Trust (the Trust) to administer the Employee Stock Options (ESOP) scheme and allotted 1,000,000 (31 March 2022: Nil) equity shares to the Trust. The Trust has granted 1,293,800 (31 March 2022: 681,000) options under the Employee Stock Option Scheme to employees spread over a vesting period of 2 to 5 years. The details of options granted and outstanding are as follows;

Plan	Grant date	Number of options	Exercise price in Rs.	Vesting period	Vesting condition
ESOP - Scheme 1	29-Jun-18	444,100	10.00	5 Years	Time based vesting
	19-Jul-19	207,100	47.48	5 Years	Time based vesting
ESOP - Scheme 2	19-Jul-19	166,900	47.48	5 Years	Time based vesting
	18-Nov-19	330,850	71.67	5 Years	Time based vesting
ESOP - Scheme 3	15-Dec-19	35,000	71.67	4 Years	Time based vesting
ESOP - Scheme 4	30-Jun-20	540,500	173.66	4 Years	Time based vesting
	30-Sep-20	64,000	173.66	4 Years	Time based vesting
	31-Dec-20	9,500	173.66	4 Years	Time based vesting
	31-Mar-21	147,500	173.66	4 Years	Time based vesting
	30-Jun-21	205,000	173.66	4 Years	Time based vesting
	31-Dec-21	361,125	173.66	4 Years	Time based vesting
ESOP - Scheme 5	1-Jul-22	661,050*	815.00	4 Years	Time based vesting
	31-Dec-22	356,400	950.00	4 Years	Time based vesting
	16-Jan-23	260,000	950.00	4 Years	Time based vesting

* Scheme approved by the shareholders at their meeting held on 22 September 2022 with relevant effective grant date.

39.1 Reconciliation of outstanding options

The details of options granted under the above schemes are as follows.

Particulars	As at 31 March 2023		As at 31 March 2022	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Outstanding at beginning of year	107.48	3,471,515	85.97	3,983,750
Forfeited during the year	154.64	(528,150)	109.80	(558,000)
Exercised during the year	55.04	(448,140)	48.17	(635,235)
Granted during the year	880.41	1,293,800	173.66	681,000
Outstanding as at end of year	**370.44**	**3,789,025**	**107.48**	**3,471,515**
Vested and exercisable as at end of year	**107.48**	**947,256**	**82.73**	**651,915**

39.2 Fair value methodology

The fair value of the options is estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions:

	As at 31 March 2023	As at 31 March 2022
Share price on Grant date (In Rs.)	10.00 - 950.00	10.00 - 356.89
Exercise price (In Rs.)	10.00 - 950.00	10.00 - 173.66
Fair value of options at grant date	2.40 - 362.12	2.40 - 230.80
Expected dividends*	Nil	Nil
Option term	5 years	2 to 6 years
Risk free interest rate	4.09%- 8.32%	4.09%- 8.32%
Expected volatility**	14.70%- 33.04%	14.70%- 33.04%
Weighted average remaining contractual life (in years)	2.16	3.10

* Company has not paid any dividend till date.

** Company is a unlisted entity and having no listed peer companies, so volatility of BSE Finance Index for the historical period as per the time to maturity in each vesting has been considered.

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40 Leases

The disclosures as required under Ind AS 116 are as follows;

(i) Measurement of Lease Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Lease Liabilities	2,719.55	620.63

The Company has considered weighted average rate of borrowings for discounting.

The Company has entered into leasing arrangements for premises. ROU has been included after the line 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

(ii) Amounts recognised in the Balance sheet

Particulars	As at 31 March 2023	As at 31 March 2022
a) Right-of-use assets (net)	2,571.15	602.98
b) Lease liabilities		
Current	416.21	97.64
Non-current	2,303.34	522.99
Total Lease liabilities	**2,719.55**	**620.63**
c) Additions to the Right-of-use assets	2,327.86	1,575.43

(iii) Amounts recognised in the Statement of Profit and Loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
a) Depreciation charge for right-of-use assets	359.69	309.40
b) Interest expense (included in finance cost)	190.76	164.76
c) Expense relating to short-term leases	201.25	2.51

(iv) Cash Flows

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
The total cash outflow of leases	419.70	395.10

(v) Maturity analysis of undiscounted lease liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Not later than one year	680.20	158.03
Later than one year and not later than five years	2,837.21	632.84
Later than five years	-	-

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41 Financial Instruments

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e, exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2023 were as follows

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments						
- Pass-through certificates	-	32,936.58	-	-	32,936.58	32,936.58
- Non convertible debentures	-	40,730.34	-	-	40,730.34	40,730.34
- Alternative Investment Funds	27,078.41	-	-	27,078.41	-	27,078.41
- Market linked debentures	15,740.98	-	-	-	15,740.98	15,740.98
- Mutual funds	7,167.58	-	7,167.58	-	-	7,167.58
Derivative financial instruments	-	384.32	-	-	384.32	384.32
Financial liabilities:						
Derivative financial instruments	-	-	-	-	-	-

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2022 were as follows

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments						
- Pass-through certificates	-	29,841.50	-	-	29,841.50	29,841.50
- Non convertible debentures	-	22,496.10	-	-	22,496.10	22,496.10
- Alternative Investment Funds	12,288.67	-	-	-	12,288.67	12,288.67
- Market linked debentures	20,155.04	-	-	-	20,155.04	20,155.04
- Mutual funds	3,010.85	-	3,010.85	-	-	3,010.85
Financial liabilities:						
Derivative financial instruments	-	382.00	-	-	382.00	382.00

Reconciliation of fair value measurement is as follows

Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Financial assets measured at FVOCI		
Balance at the beginning of the year	204.39	97.28
Total gains/(losses) measured through OCI	(723.34)	107.11
Balance at the end of the year	**(518.95)**	**204.39**
Financial assets measured at FVTPL		
Fair value adjustment	543.82	309.07

Sensitivity analysis - Increase/ decrease of 100 basis points

Particulars	**As at 31 March 2023**		**As at 31 March 2022**	
	Increase	**Decrease**	**Increase**	**Decrease**
Financial assets:				
Investments				
- Pass through certificates	(197.17)	200.93	(161.10)	158.18
- Non convertible debentures	(673.89)	697.90	(514.99)	494.00
- Alternative Investment Funds	270.78	(270.78)	122.89	(122.89)
- Market linked debentures	157.41	(157.41)	201.55	(201.55)
- Mutual funds	71.68	(71.68)	30.11	(30.11)
Derivative financial instruments	3.84	(3.84)	-	-
Financial liabilities:				
Derivative financial instruments	-	-	3.82	(3.82)

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A Fair value measurement (continued)

The carrying value of other financial instruments by categories as of 31 March 2023 were as follows:

Particulars	Carrying Value Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value:					
Cash and cash equivalents	29,454.89	-	-	-	-
Bank balances other than cash and cash equivalents	25,965.12	-	-	-	-
Trade receivables	773.99	-	-	-	-
Loans	453,997.47	-	-	-	-
Investments	16,711.25	-	-	-	-
Other financial assets	4,100.15	-	-	-	-
Financial liabilities not measured at fair value:					
Trade payables					
-total outstanding dues of micro and small enterprises	14.17	-	-	-	-
-total outstanding dues of creditors other than micro and small enterprises	1,955.81	-	-	-	-
Debt securities	151,887.19	-	-	-	-
Borrowings (Other than debt securities)	350,101.65	-	-	-	-
Other financial liabilities	7,487.56	-	-	-	-

The carrying value of other financial instruments by categories as of 31 March 2022 were as follows:

Particulars	Carrying Value Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value:					
Cash and cash equivalents	43,391.04	-	-	-	-
Bank balances other than cash and cash equivalents	31,894.68	-	-	-	-
Trade receivables	423.41	-	-	-	-
Loans	296,048.09	-	-	-	-
Investments	10,752.00	-	-	-	-
Other financial assets	1,821.22	-	-	-	-
Financial liabilities not measured at fair value:					
Trade payables					
-total outstanding dues of micro and small enterprises	-	-	-	-	-
-total outstanding dues of creditors other than micro and small enterprises	954.58	-	-	-	-
Debt securities	107,051.35	-	-	-	-
Borrowings (Other than debt securities)	247,962.03	-	-	-	-
Other financial liabilities	1,756.13	-	-	-	-

For all the financial assets and liabilities which are not carried at fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.

Note:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

B Measurement of fair values

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities without a specific maturity.

Borrowings

The debt securities, borrowings and subordinated liabilities are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

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Loans

The Loans are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Transfers between levels I and II

There has been no transfer in between level I and level II. The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, etc.) at fair value. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

42 Capital management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.The Company has complied in full with all its externally imposed capital requirements over the reported period.

The primary objectives of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The company monitors capital using adjusted net debt (total borrowings net of cash and cash equivalents) to equity ratio.

Particulars	As at 31 March 2023	As at 31 March 2022
Total Debt*	476,646.43	329,960.31
Total equity	156,474.55	119,614.66
Debt equity ratio	3.05	2.76

* Debt-equity ratio is (Debt Securities+Borrowings (Other than debt securities) - Bank overdrafts - Unamoritzed issues expenses) / net worth i.e. Equity share capital + Other equity + Convertible preference share capital

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

42.1 Regulatory Capital

The Company has to mandatorily comply with the capital adequacy requirements stipulated by Reserve Bank of India from time to time. Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.

Tier I capital comprises of share capital, share premium, retained earnings including current year profit and Tier II capital comprises of provision on standard assets. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk. Also refer note 47

42.2 Financial risk management objectives and policies

The Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

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42.2.1 Risk Management structure

The Company's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Company's risk management policies.

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

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company's policy is that risk management processes throughout the Company are audited annually by the Internal Auditors, who examine both the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Supervisory Board and Audit Committee.

The Company has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business, the company is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the company's effective management practice.

42.2.2 Risk Measurement and reporting systems

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Company also runs worst-case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Company. These limits reflect the business strategy and market environment of the Company as well as the level of risk that the Company is willing to accept, with additional emphasis on selected industries. In addition, the Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the businesses is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Board of Directors, the Risk Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, VaR, liquidity ratios and risk profile changes. On a monthly basis, detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for credit losses on a monthly basis. The Supervisory Board receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Company.

At all levels of the Company's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up–to–date information.

It is the Company's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Company on the utilisation of market limits, analysis of VaR, proprietary investments and liquidity, plus any other risk developments.

Stress testing is a fundamental pillar of the Company's risk management toolkit, to simulate various economic stress scenarios to help the Company set and monitor risk appetite and to ensure that the Company maintains a conservative risk profile. The outcome of tests is embedded into the individual credit, liquidity and funding risk profiles through limits and mitigation contingency plans and includes both financial and regulatory measures.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

42.3 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit risk department of the Company's independent Risk Controlling Unit. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit risk managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit risk manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

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42.3.1 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

Grouping

As per Ind AS 109, the Company is required to group the portfolio based on the shared risk characteristics. The Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups namely Loans, investments in pass through securities, investment in non-convertible debentures, colending and partial guarantees towards pooled bond & loan issuances.

Expected Credit Loss("ECL")

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probity is low. ECL is calculated based on the following components: a. Marginal probability of default ("MPD") b. Loss given default ("LGD") c. Exposure at default ("EAD") d. Discount factor ("D")

Expected Credit Losses are measured via a combination of Monte Carlo Simulations across three major cohorts of exposure and the losses across these three cohorts are then added and loss distribution is used to arrive at Expected Credit Loss (ECL)

- 12 month expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments on Stage I assets
- Lifetime expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments which have either become NPA (Stage III) or have displayed significant increase in credit risk (Stage II assets)
- Partial Guarantee product losses wherein a partial guarantee is extended to a pool of issuers- in this case; the entire EAD of all the issuances is considered to arrive at expected credit losses.

a) Marginal probability of default: PD is defined as the probability of whether borrowers will default on their obligations in the future. PD is derived from the external rating of the borrower by following steps:

1) To arrive at the PD, the annual default study published by rating agencies is relied upon. The default numbers published against each rating category in different studies are then aggregated to arrive at internal PD matrix for each rating category

2) The PD numbers published are on an annual scale and since the exposure of the instruments are on monthly basis, the monthly PD is then interpolated on a monthly basis by fitting the data points from annual PD curve using cubic splines.

3) Finally, the Through the Cycle (TTC) PDs are converted to Point in Time (PIT) PDs using forward looking variables (GDP etc) using combinations of correlation of underlying sectors asset quality and Pluto Tasche model.

4) The PDs derived from the methodology described above, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to 12 month marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

b) Loss Given Default (LGD): LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD.

The formula for the computation is as below:
The Company has considered an LGD of 65% on unsecured exposures and 50% on secured exposures as recommended by the Foundation Internal Ratings Based (FIRB) approach under Basel II guidelines issued by RBI.

c) Exposure at Default (EAD): As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments.

The Company has considered outstanding expected future cash flows (including interest cashflows) , SLCE for all the loans at DPD bucket level for each of the risk segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. So discounting was done for computation of expected credit loss.

EAD is taken as the gross exposure under a facility upon default of an obligor. The amortized principal and the interest accrued is considered as EAD for the purpose of ECL computation
The advances have been bifurcated into following three stages:
Stage I – Advances with low credit risk and where there is no significant increase in credit risk. Hence, the advances up to 0 to 29 days are classified as Stage I.
Stage II – Advances with significant increase in credit risk. Hence the advances from 30 to 89 days are classified as Stage II.
Stage III – Advances that have defaulted / Credit impaired advances. Hence the advances with 90 days past due or Restructured Advances are classified as Stage III. Another loan of the same borrower whether in Stage I or Stage II is also considered as Stage III loan.

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42.3.1 Impairment assessment (continued)

d) **Discounting Factor:** As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate which is obtained from the underlying yield (inclusive of processing fee) for each instrument.
Additionally, the model also uses correlation matrix for deriving correlation in events of stress between different borrowers in same segment.
Correlation Matrix: This provides correlation between different entities/sectors which are present in the structure. When defaults are simulated on the portfolio, these entities in same or different sectors default together to the extent of strength of correlation. The correlation between two entities is derived as follows:

- Inherently, the entire NBFC sector carries a bit of correlation in terms of liquidity risk- in event of stress, we see the liquidity vanishing from NBFC sector very quickly
- There is slight overlap between entities operating in the same sector- for example event like GST and demonetization did impact all small business loans establishments, although to a varying extent
- For microfinance sector, since the loans are more homogenous, geopolitical, and social issues do tend to dominate majority of stress events and hence geographically exclusivity will help
- Occupation profiles of the underlying borrowers served by entities

ECL computation: Conditional ECL at DPD pool level was computed with the following method: Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

Particulars	Provisions	As at 31 March 2023	As at 31 March 2022
Stage 1	12 month provision	2,826.49	1,749.30
Stage 2	Life time provision	208.03	876.52
Stage 3	Life time provision	1,350.41	842.11
Amount of expected credit loss provided for		**4,384.93**	**3,467.93**

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.

Analysis of changes in the gross carrying amount of loans:

Particulars	As at 31 March 2023				As at 31 March 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**296,270.40**	**1,569.55**	**1,091.69**	**298,931.64**	**163,099.58**	**-**	**592.52**	**163,692.10**
New assets originated *	731,162.28	-	-	731,162.28	435,440.73	-	-	435,440.73
Asset derecognised or repaid	(569,880.24)	(783.24)	(1,732.06)	(572,395.54)	(300,190.03)	-	(11.16)	(300,201.19)
Transfer from/(to) stage 1	-	3,631.43	-	3,631.43	-	1,569.55	510.33	2,079.88
Transfer from/(to) stage 2	(3,631.43)	-	2,444.34	(1,187.09)	(1,569.55)	-	-	(1,569.55)
Transfer from/(to) stage 3	-	(2,444.34)	-	(2,444.34)	(510.33)	-	-	(510.33)
Write offs	-	-	-	-	-	-	-	-
As at the end of the year	**453,921.01**	**1,973.40**	**1,803.97**	**457,698.38**	**296,270.40**	**1,569.55**	**1,091.69**	**298,931.64**

* New assets originated are those assets which have originated during the year.

As at the balance sheet date, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, except for the following:

Extent of delay	As at 31 March 2023			As at 31 March 2022		
	Number of customers / borrowers	Amount (INR Lakhs)	Due Date	Number of customers / borrowers	Amount (INR Lakhs)	Due Date
Up to 30 days	8	2,995.42	Various due dates	8	366.72	Various due dates
31 – 89 days	4	48.38	Various due dates	6	1,569.55	Various due dates
More than 90 days	11	1,803.97	Various due dates	9	1,091.69	Various due dates

Analysis of changes in the ECL allowance

Particulars	As at 31 March 2023				As at 31 March 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**1,749.30**	**876.52**	**842.11**	**3,467.93**	**1,418.46**	**-**	**855.02**	**2,273.48**
Additions	1,085.07	200.11	150.58	1,435.76	409.08	870.33	255.01	1,534.42
Reversals	-	(500.21)	(18.55)	(518.76)	(72.05)		-	(72.05)
Transfer from/(to) stage 1		7.88	-	7.88	-	-	-	-
Transfer from/(to) stage 2	(7.88)	-	376.27	368.39	(6.19)	-	-	(6.19)
Transfer from/(to) stage 3	-	(376.27)		(376.27)	-	6.19	-	6.19
Write offs	-	-	-	-	-	-	(267.92)	(267.92)
As at the end of the year	**2,826.49**	**208.03**	**1,350.41**	**4,384.93**	**1,749.30**	**876.52**	**842.11**	**3,467.93**

Collateral and other credit enhancements
The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are, vehicles, loan portfolios and mortgaged properties based on the nature of loans. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.

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42.3.1 Impairment assessment (continued)

Investments
The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The exposure to credit risk for investments is to other non-banking finance companies and financial institutions.

The risk committee has established a credit policy under which each new investee pool is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc. For investments the collateral is the underlying loan pool purchased from the financial institutions.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the investments are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments. Further, the risk management committee periodically assesses the credit rating information.

Cash and cash equivalent and Bank deposits
Credit risk on cash and cash equivalent and bank deposits is limited as the Company generally invests in term deposits with banks.

42.4 Market Risk
Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The company's exposure to market risk is a function of asset liability management activities. The company is exposed to interest rate risk and liquidity risk.

The Company continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

42.5 Operational Risk
Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

The operational risks of the company are managed through comprehensive internal control systems and procedures and key backup processes. In order to further strengthen the control framework and effectiveness, the company has established risk control self assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the company's readiness.

42.6 Liquidity Risk
Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The company also has lines of credit that it can access to meet liquidity needs.

Refer Note No 43 for the summary of maturity profile of undiscounted cashflows of the company's financial assets and financial liabilities as at reporting period.

42.7 Interest Risk
Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the company is providing loans. The Company borrows through various financial instruments to finance its core lending activity. These activities expose the company to interest rate risk.
Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis. Substantially all loans reprice frequently, with interest rates reflecting current market pricing.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Company's statement of profit and loss and equity.

42.8 Foreign currency risk
Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majorly on account of foreign currency borrowings. The Company manages this foreign currency risk by entering into cross currency interest rate swaps. When a derivative is entered into for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Company holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

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43 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/ or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	As at 31 March 2023			As at 31 March 2022		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	29,454.89	-	29,454.89	43,391.04	-	43,391.04
Bank balances other than cash and cash equivalents	25,965.12	-	25,965.12	29,482.68	2,412.00	31,894.68
Derivative financial instruments	384.32	-	384.32	-	-	-
Receivables	773.99	-	773.99	423.41	-	423.41
Loans	288,029.34	165,968.13	453,997.47	208,851.06	87,197.03	296,048.09
Investments	65,497.26	74,867.88	140,365.14	51,443.27	47,100.88	98,544.15
Other financial assets	3,648.85	451.30	4,100.15	1,672.37	148.85	1,821.22
Current tax assets (net)	-	3,245.90	3,245.90	-	1,859.81	1,859.81
Deferred tax assets (net)	-	980.12	980.12	-	590.76	590.76
Investment Property	-	932.84	932.84	-	948.61	948.61
Property, plant and equipment	-	2,466.07	2,466.07	-	719.41	719.41
Capital work-in-progress	400.08	-	400.08	-	-	-
Right of use asset	-	2,571.15	2,571.15	-	602.98	602.98
Intangible assets under development	-	238.71	238.71	-	14.06	14.06
Other intangible assets	-	267.95	267.95	-	317.99	317.99
Other non- financial assets	2,446.22	-	2,446.22	1,080.46	27.67	1,108.13
Total assets	**416,600.07**	**251,990.05**	**668,590.12**	**336,344.29**	**141,940.06**	**478,284.34**
Liabilities						
Derivative financial instruments	-	-	-	382.00	-	382.00
Trade payables						
-total outstanding dues of micro and small enterprises	14.17	-	14.17	-	-	-
-total outstanding dues of creditors other than micro and small enterprises	1,955.81	-	1,955.81	954.58	-	954.58
Debt securities	67,307.91	84,579.28	151,887.19	63,020.52	44,030.83	107,051.35
Borrowings (Other than debt securities)	205,896.27	144,205.38	350,101.65	133,607.22	114,354.81	247,962.03
Other financial liabilities	5,184.22	2,303.34	7,487.56	1,233.14	522.99	1,756.13
Provisions	244.34	107.10	351.44	158.46	33.03	191.49
Other non-financial liabilities	317.75	-	317.75	372.11	-	372.11
Total Liabilities	**280,920.47**	**231,195.10**	**512,115.57**	**199,728.04**	**158,941.65**	**358,669.69**
Total equity			**156,474.55**			**119,614.66**

43A Change in Liabilities arising from financing activities

Particulars	As at 1 April 2022	Cash flows	Exchange difference	Others*	As at 31 March 2023
Debt Securities	107,051.35	38,679.75	-	6,156.09	151,887.19
Borrowings (other than debt securities)	247,962.03	100,133.04	781.00	1,225.58	350,101.65

Particulars	As at 1 April 2021	Cash flows	Exchange difference	Others*	As at 31 March 2022
Debt Securities	39,953.41	63,640.19	-	3,457.75	107,051.35
Borrowings (other than debt securities)	96,864.64	150,166.67	71.78	858.94	247,962.03

*Others includes effect of amortisation of processing fee and interest accruals.

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44 Impact of hedging activities

a) Disclosure of effects of hedge accounting on financial position:

As at 31 March 2023								
Type of hedge risks	Nominal Value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Change in the value of hedged item as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Cross currency interest rate swaps	-	8,293.85	384.32	-	30-Nov-26	766.32	754.62	Borrowings (other than debt securities)

As at 31 March 2022								
Type of hedge risks	Nominal Value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Change in the value of hedged item as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Cross currency interest rate swaps	-	7,639.68	-	382.00	30-Nov-26	(382.00)	57.23	Borrowings (other than debt securities)

b) Disclosure of effects of hedge accounting on financial performance:

For the year ended 31 March 2023				
Type of hedge Cash flow hedge	Change in value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cross currency interest rate swaps	(11.70)	-	-	Not applicable

For the year ended 31 March 2022				
Type of hedge Cash flow hedge	Change in value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cross currency interest rate swaps	(324.77)	-	-	Not applicable

45 Additional Regulatory Information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
ii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
v) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) 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 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
vi) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (a) 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 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
(viii) The Company has not been declared as wilful defaulters by any bank or financial institution or government or any other government authority.
(ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(x) The Company has not entered into any scheme of arrangement as per sections 230 to 237 of the Companies Act, 2013.

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45A Analytical ratios

Particulars	Tier 1 capital/ Tier 2 capital/Total Capital	Risk weighted assets	Current period	Previous reporting period	Variance	Reasons for variance (if above 25%)
As at 31 March 2023						
Capital to risk-weighted assets ratio (CRAR)	156,855.49	609,489.99	25.74%	29.57%	-12.97%	
Tier 1 CRAR	154,476.19	609,489.99	25.35%	29.03%	-12.68%	
Tier II CRAR	2,379.30	609,489.99	0.39%	0.54%	-28.18%	Variance is on account of increase in loans given and investments made in the current year as compared to the previous year.
Liqudity coverage ratio *						
As at 31 March 2022						
Capital to risk-weighted assets ratio (CRAR)	120,466.32	407,202.41	29.57%	40.31%	-26.65%	Variance is on account of change in Tier 1 CRAR
Tier 1 CRAR	118,236.67	407,202.41	29.03%	39.70%	-26.89%	Variance is on account of following reasons: - increase in asset base (loans and investments); - issue of CCPS and equity shares during the year (refer note - 21 and 21A);
Tier II CRAR	2,229.65	407,202.41	0.54%	0.61%	-10.41%	
Liqudity coverage ratio *						

* Also refer note 77.

45B Revenue from contracts with customers

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Type of service		
Fees and commission income (refer note 24)	2,033.55	1,359.31
Total	**2,033.55**	**1,359.31**
Geographical market		
In India	2,033.55	1,359.31
Outside India	-	-
Total	**2,033.55**	**1,359.31**
Timing of recognition of revenue		
Performance obligation satisfied at a point in time	2,033.55	1,359.31
Performance obligation satisfied over a period in time	-	
Total	**2,033.55**	**1,359.31**
Contract receivables		
Trade receivables	773.99	423.41
Other receivables	-	-
Total	**773.99**	**423.41**

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46 Balance sheet disclosure as required under Master Direction - Non-banking Financial Company -Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

The following disclosures are made pursuant to Reserve Bank of India Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 (as amended), to the extent applicable to the Company.

46A Gold loan portfolio

The Company has not provided loan against gold during the year ended 31 March 2023 and 31 March 2022.

47 Capital adequacy ratio

The Company's capital adequacy ratio, calculated in accordance with the Reserve Bank of India guidelines, is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Tier I Capital	154,476.19	118,236.67
Tier II Capital	2,379.30	2,229.65
Total Capital	**156,855.49**	**120,466.32**
Total Risk Weighted Assets	609,489.99	407,202.41
Capital Ratios		
Tier I Capital as a percentage of Total Risk Assets (%)	25.35%	29.03%
Tier II Capital as a percentage of Total Risk Assets (%)	0.39%	0.54%
Total Capital (%)	**25.74%**	**29.57%**

Note : The Company does not have any subordinated debt and Perpetual debt instruments.

48 Investments

Particulars	As at 31 March 2023	As at 31 March 2022
Value of investment		
Gross value of investments		
- In India	140,365.14	98,544.16
- Outside India	-	-
Provisions for depreciation		
- In India	-	-
- Outside India	-	-
Net value of investments		
- In India	140,365.14	98,544.16
- Outside India	-	-
Movement of provisions held towards depreciation on investments		
Opening balance	-	-
Add: Provisions made during the year	-	-
Less: Write off/ write back of provision during the year	-	-
Closing balance	-	-

49 Derivatives

a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	As at 31 March 2023	As at 31 March 2022
The notional principal of swap agreements	10,611.11	7,500.00
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreement	-	-
Collateral required by the Company upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book (Asset / (Liability))	-	-

b) Exchange Traded Interest Rate (IR) Derivatives

The Company has not entered into any exchange traded derivative.

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c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures

The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, basis risk etc.

Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run over the life of the underlying instrument, irrespective of profit or loss. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.

The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions are quarterly monitored and reviewed. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.

Quantitative Disclosures

Particulars	As at 31 March 2023		As at 31 March 2022	
	Currency Derivatives*	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
Derivatives (Notional Principal Amount)	-	11,504.45	-	7,639.68
- For hedging				
Marked to Market Positions	-	384.32	-	(382.00)
(a) Asset [+] Estimated gain				
(b) Liability [-] Estimated loss				
Credit exposure	-	-	-	-
Unhedged exposures	-	-	-	-

* Cross currency interest rate swap

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50 Asset Liability Management

Maturity Pattern of certain items of Assets and Liabilities:

As at 31 March 2023

Particulars	1 day to 30/31 days (1 Month)	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks and others	32,982.53	16,121.82	23,712.01	52,345.10	80,734.82	137,663.94	6,541.44	-	**350,101.65**
Debt Securities	12,020.96	1,916.58	12,892.82	27,516.59	12,960.96	84,579.28	-	-	**151,887.19**
Assets									
Advances	52,982.43	38,507.37	34,352.77	68,183.25	94,003.52	120,253.30	45,605.26	109.57	**453,997.47**
Investments	15,134.12	2,864.12	3,538.22	8,621.34	35,339.46	19,495.07	11,885.59	43,487.22	**140,365.14**

As at 31 March 2022

Particulars	1 day to 30/31 days (1 Month)	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks and others	35,559.60	9,253.31	15,170.67	22,679.53	50,944.12	106,406.26	7,948.55	-	**247,962.03**
Debt Securities	1,292.64	4,306.86	4,252.73	18,562.20	34,606.08	44,030.84	-	-	**107,051.35**
Assets									
Advances	40,765.02	32,228.11	28,101.45	41,593.32	66,163.16	83,394.96	2,865.12	936.95	**296,048.09**
Investments	16,538.74	2,705.11	3,620.05	8,906.78	19,672.60	12,152.38	5,402.44	29,546.07	**98,544.16**

Note:
- The advance balances are gross of impairment loss allowance.

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51 Disclosure of frauds reported during the year ended 31 March 2023

Nature of Fraud	No of Cases	Amount of fraud	Amount written off
Cash misappropriation by employee	-	-	-
Fraudulent representation by customers	-	-	-

The above summary with respect to fraud is based on the information available with the Company which has been relied upon by the auditors.

52 Exposure to real estate sector

Particulars	As at 31 March 2023	As at 31 March 2022
A. Direct Exposure		
i. Residential Mortgages (refer note below)		
(Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented)	634.79	730.80
ii. Commercial Real Estate –		
(Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits)	31,242.85	4,716.67
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
a) Residential (refer note below)		
b) Commercial Real Estate	-	-
Note:		
Fund and non fund based exposure to housing finance companies	9,184.93	4,173.85
Total exposure to real estate sector	**41,062.57**	**9,621.32**

53 Exposure to capital market

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Direct Investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPO's/ESOP's), convertible bonds, convertible debentures and units of equity oriented mutual funds	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security ;	12,786.31	2,437.15
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds ' does not fully cover the advances ;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers ;	-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources ;	-	-
(vii) Bridge loans to companies against expected equity flows / issues ;	-	-
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Alternative Investment Funds:		
(a) Category I	-	-
(b) Category II	27,078.41	12,288.67
(c) Category III	-	-

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54 Disclosures relating to Securitisation

54.1 Details of assignment transactions undertaken

Particulars	As at 31 March 2023	As at 31 March 2022
Number of Accounts	8,949.00	15.00
Aggregate value of account sold	9,638.19	1,682.95
Aggregate consideration	8,674.37	1,508.40
Additional consideration realised in respect of accounts transferred in earlier years	-	-
Aggregate gain/(loss) over net book value	-	-

54.2 Details of securitisation transactions undertaken

Particulars	As at 31 March 2023	As at 31 March 2022
No of SPVs sponsored by the NBFC for securitisation transactions	-	-
Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	-	-
Total amount of exposures retained by the NBFC to comply with MRR		
a) Off-balance sheet exposures		
* First loss	-	-
* Others	-	-
b) On-balance sheet exposures		
* First loss	-	-
* Others - over collateral	-	-
Amount of exposures to securitisation transactions other than MRR		
i) Exposure to own securitisations		
* First loss	-	-
* Others - corporate guarantee	-	-
ii) Exposure to third party securitisations		
* First loss	-	-
* Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
* First loss - cash collateral	-	-
* Others	-	-
ii) Exposure to third party securitisations		
* First loss	-	-
* Others	-	-

55 Details of non- performing financial assets purchases / sold

The Company has neither purchased nor sold any non- performing financial assets during the year.

56 Details of financing of Parent Company products

There are no such transactions of this nature in the current and previous year

57 Details of Single Borrower Limits (SBL)/ Group Borrower Limits (GBL) exceeded

The Company has not exceeded the borrower limit as set by Reserve Bank of India for the year ended 31 March 2023 and 31 March 2022.

58 Unsecured advances

The Company has unsecured advances amounting to INR 183,754.51 lakhs as at 31 March 2023 (31 March 2022 - INR 86,784.23).

59 Advances against intangible securities

The Company has not financed any unsecured advances against intangible securities such as rights, licenses, authority etc. as collateral security.

60 Registration/ licence/ authorisation obtained from financial sector regulators :

Registration / Licence	Authority issuing the registration /	Registration / Licence reference
Certificate of Registration	Reserve Bank of India	N - 07.00836 dated 5 January 2018

61 Penalties imposed by RBI and other regulators

No penalties have been imposed by RBI and Other Regulators during the financial year ended 31 March 2023. (31 March 2022 - Nil)

62 Ratings assigned by credit rating agencies and migration of ratings during the year

Particulars	Rating agency	As at 31 March 2023	As at 31 March 2022
Bank Term Loans	ICRA	A (Stable)	A- (Positive)
Non Convertible Debentures	ICRA	A (Stable)	A- (Positive)
Bank Term Loans	CARE	A Positive	A Stable
Non Convertible Debentures	CARE	A Positive	A Stable

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		As at 31 March 2023	As at 31 March 2022
63	**Provisions and contingencies (Break up of 'provisions and contingencies' shown under the head expenditure)**		
	Provisions for depreciation on Investment	-	-
	Provision towards NPA including write off	526.85	249.59
	Provision made towards current income taxes	4,572.81	1,882.70
	Other Provision and Contingencies	-	-
	Provision for Standard assets	390.15	1,212.79
64	**Draw down from reserves**		
	The Company has not made any drawdown from existing reserves.		
65	**Concentration of advances**		
	Total advances to twenty largest borrowers	74,921.96	56,692.00
	Percentage of advances to twenty largest borrowers to total advances	16.37%	18.96%
66	**Concentration of exposures**		
	Total Exposure to twenty largest borrowers / customers	90,389.51	100,597.67
	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	15.63%	26.21%
67	**Concentration of NPA Contracts***		
	Total Exposure to top four NPA accounts (Gross exposure)	1,581.18	955.48
68	**Sector-wise NPAs (Percentage of NPA's to total advances in that sector)**		
	Agriculture & allied activities	0.00%	0.00%
	MSME	0.90%	0.86%
	Corporate borrowers	0.00%	0.00%
	Services	0.00%	0.00%
	Unsecured personal loans	0.00%	0.00%
	Auto loans	0.00%	0.00%
	Other loans	0.73%	0.77%

The above Sector-wise NPA and advances are based on the data available with the Company which has been relied upon by the auditors. NPA contracts represents the Stage 3 contracts (net of write offs).

69	**Movement of Non-Performing Assets (NPA's)**		
(a)	**Net NPAs to net advances (%)**		
	(Net of provision for NPAs)	0.08%	0.07%
(b)	**Movement of gross NPAs**		
	Opening balance	1,091.69	592.52
	Additions during the year	2,444.34	499.17
	Reductions during the year	(1,732.06)	-
	Closing balance	**1,803.97**	**1,091.69**
(c)	**Movement of net NPAs**		
	Opening balance	**249.58**	-
	Additions during the year	1,917.49	249.58
	Reductions during the year	(1,713.51)	-
	Closing balance	**453.56**	**249.58**
(d)	**Movement of provisions for NPAs (excluding provisions against standard assets)**		
	Opening balance	842.11	592.52
	Add: Provision made during the year	526.85	249.59
	Less: Write off / write back of excess provisions	(18.55)	-
	Closing balance	**1,350.41**	**842.11**
70	**Movement of provisions held towards guarantees**		
	Opening balance	52.37	392.34
	Add: Provisions made during the year	-	-
	Less: Write off/ write back/ reversal of provision during the year	(38.02)	(72.05)
	Less: Paid during the year	-	(267.92)
	Closing balance	**14.35**	**52.37**

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71 Overseas assets (for those with joint ventures and subsidiaries abroad)

There are no overseas asset owned by the Company

72 Off-balance sheet SPVs sponsored

There are no SPVs which are required to be consolidated as per accounting norms.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
73 Customer complaints		
Complaints received by the NBFC from its customers		
1. Number of complaints pending at beginning of the year	-	-
2. Number of complaints received during the year	6,393	3,061
3. Number of complaints disposed during the year	6,334	3,061
3.1 Of which, number of complaints rejected by the NBFC	-	-
4. Number of complaints pending at the end of the year	59	-
Maintainable complaints received by the NBFC from Office of Ombudsman		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	26	16
5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	26	16
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsma	-	-
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
Year ended 31 March 2023					
Difficulty in operation of accounts	-	5,853	95%	59	-
Loans and advances	-	139	3375%	-	-
NOC request	-	136	423%	-	-
Others	-	265	1105%	-	-
Year ended 31 March 2022					
Difficulty in operation of accounts	-	3,009	3307%	-	-
Loans and advances	-	4	27%	-	-
NOC request	-	26	867%	-	-
Others	-	22	147%	-	-

The above details are based on the information available with the Company regarding the complaints received from the customers which has been relied upon by the auditors.

74 Disclosures pursuant to RBI Notification - RBI / DOR/ 2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021

(a) Details of loans (not in default) acquired through assignment during the year ended 31 March 2023:

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Amount of loans acquired through assignment	5,836.68	-
(b) Weighted average maturity in months	3 to 23 Months	-
(c) Weighted average holding period in months	5 to 13 Months	-
(d) Retention of beneficial economic interest	0 to 5%	-
(e) Coverage of tangible security	0%	-
(f) Rating-wise distribution of rated loans	Unrated	-

(b) Details of loans transferred through assignment during the year ended 31 March 2023:

Particulars	To Banks	To others
Number of loans sold	8,949.00	-
Aggregate amount (INR in Lakhs)	9,638.19	-
Sale consideration(INR in Lakhs)	8,674.37	-
Number of transactions	1	-
Weighted average maturity in months (remaining)	30 months	NA
Weighted average holding period in months (after origination)	7 months	NA
Retention of beneficial economic interest (average)	10%	10%

(c) The Company has not acquired / transferred any stressed loan during the year ended 31 March 2023.

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75 Schedule to the Balance Sheet of a non deposit taking Non-Banking Financial Company (Pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016):

S.N.	Particulars	As at 31 March 2023		As at 31 March 2022	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	Liabilities side:				
1	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**				
	(a) Debentures				
	- Secured (net of unamortised borrowing cost)	146,583.39	-	98,693.74	-
	- Unsecured (net of unamortised borrowing cost)	-	-	-	-
	(other than falling within the meaning of public deposits)	-	-	-	
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans (net of unamortised borrowing cost)	316,514.52	-	218,688.09	-
	(d) Inter-Corporate Loans and Borrowings	-	-	-	-
	(e) Commercial Paper	5,303.80	-	8,357.61	-
	(f) Public Deposits	-	-	-	-
	(g) Other Loans (net of unamortised borrowing cost)	33,587.13	-	29,273.94	-
	(Represents Working Capital Demand Loans and Cash Credit from Banks)	-	-	-	-
2	**Break-up of (1)(f)above (outstanding public deposits inclusive of interest accrued thereon but not paid)**				
	(a) In the form of Unsecured debentures	-	-	-	-
	(b) In the form of partly secured debentures i.e debentures where there is a	-	-	-	-
	(c) Other public deposits	-	-	-	-

	Particulars	As at 31 March 2023	As at 31 March 2022
	Assets side:		
3	**Break-up of Loans and Advances * including Bills Receivables [other than those included in (4) below]:**		
	(a) Secured	273,943.87	212,147.41
	(b) Unsecured	183,754.51	86,784.23
	(Excludes loss allowance and includes unamortised fee)		
4	**Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities**		
	(i) Lease Assets including Lease Rentals Accrued and Due:		
	a) Financial Lease	-	-
	b) Operating Lease	-	-
	(ii) Stock on Hire including Hire Charges under Sundry Debtors:		
	a) Assets on Hire	-	-
	b) Repossessed Assets	-	-
	(iii) Other Loans counting towards AFC Activities		
	a) Loans where Assets have been Repossessed	-	-
	b) Loans other than (a) above	-	-
5	**Break-up of Investments (net of provision for diminution in value):**		
	Current Investments:		
	I. Quoted:		
	i. Shares		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and bonds		
	iii. Units of Mutual Funds	7,167.58	3,010.85
	iv. Government Securities		
	v. Others (please specify)		
	II. Unquoted:		
	i. Shares	-	-
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of Mutual Funds	-	-
	iv. Government Securities	-	-
	v. Others		
	a) pass through certificates	-	-
	b) units of alternative investment fund	-	-
	c) commercial paper	3,974.40	-

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75 **Disclosure Pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016: (continued)**

Particulars	As at 31 March 2023	As at 31 March 2022
Long Term Investments:		
I. Quoted:		
i. Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds		-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others (please specify)	-	
II. Unquoted:		
i. Shares		
a) Equity	7,736.85	7,752.00
b) Preference	5,000.00	3,000.00
ii. Debentures and Bonds	56,471.32	42,651.14
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others		
a) pass through certificates	32,936.58	29,841.50
b) units of alternative investment fund	27,078.41	12,288.67

6 **Borrower Group-wise Classification of Assets Financed as in (3) and (4) above:**

Category	As at 31 March 2023 (Net of provision for NPA)		As at 31 March 2022 (Net of provision for NPA)	
	Secured	Unsecured	Secured	Unsecured
1. Related parties				
(a) Subsidiaries	-	800.00	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	13,783.01	-	6,316.06	-
2. Other than related parties	256,394.97	183,019.49	203,294.94	86,437.09
	270,177.98	**183,819.49**	**209,611.00**	**86,437.09**

7 **Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted)**

Category	Market Value / Break up Value or Fair Value or Net Asset Value as on 31 March 2023	Book Value as on 31 March 2023 (Net of provisions)	Market Value / Break up Value or Fair Value or Net Asset Value as on 31 March 2022	Book Value as on 31 March 2022 (Net of provisions)
1. Related Parties				
(a) Subsidiaries	-	7,751.00	-	5,751.00
(b) Companies in the same Group	-	4,985.85	-	5,001.00
(c) Other related parties	-	1,870	-	-
2. Other than related parties	-	125,758.29	-	87,792.16
	-	**140,365.14**	-	**98,544.16**

8 **Other Information**

Particulars	As at 31 March 2023		As at 31 March 2022	
	Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i) Gross Non-Performing Assets	-	1,803.97	-	1,091.69
(ii) Net Non-Performing Assets	-	453.56	-	249.58
(iii) Assets acquired in satisfaction of debt	-	-	-	900.00

Note : NPA contracts represents the Stage 3 contracts (net of write offs). Also this excludes the impact of the fair value changes on the financial assets.

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76 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019- 20 dated March 13, 2020 pertaining to Asset Classification as per RBI Norms

As at 31 March 2023

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) =(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	574,552.41	2,610.31	571,942.10	2,298.21	312.10
	Stage 2	1,973.40	225.36	1,748.04	7.89	217.46
Subtotal for Standard		**576,525.81**	**2,835.67**	**573,690.15**	**2,306.10**	**529.56**
Non Performing Assets (NPA)						
Substandard	Stage 3	983.55	642.55	340.99	147.53	495.02
Doubtful - upto 1 year	Stage 3	227.90	113.95	-	-	113.95
1 - 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	592.52	592.52	-	592.52	-
Subtotal for NPA		**1,803.97**	**1,349.02**	**340.99**	**740.05**	**608.97**
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	8,864.18	-	8,864.18	-	-
	Stage 2	-	-	-	-	-
	Stage 3	200.24	200.24	-	-	200.24
Subtotal						
Total	**Stage 1**	583,416.59	2,610.31	580,806.28	2,298.21	312.10
	Stage 2	1,973.40	225.36	1,748.04	7.89	217.46
	Stage 3	2,004.21	1,549.26	340.99	740.05	809.21
		587,394.20	**4,384.93**	**582,895.32**	**3,046.16**	**1,338.77**

As at 31 March 2022

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) =(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	381,202.52	1,500.70	379,701.83	1,531.00	846.22
	Stage 2	1,546.46	876.52	669.94		
Subtotal for Standard		**382,748.98**	**2,377.22**	**380,371.77**	**1,531.00**	**846.22**
Non Performing Assets (NPA)						
Substandard	Stage 3	499.17	249.59	249.59	74.88	174.71
Doubtful - upto 1 year	Stage 3	-	-	-	-	-
1 - 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	592.52	592.52	-	592.52	-
Subtotal for NPA		**1,091.69**	**842.11**	**249.59**	**667.40**	**174.71**
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	11,061.97	52.37	11,009.60	-	52.37
	Stage 2	-	-	-	-	-
	Stage 3	196.24	196.24	-	-	196.24
Subtotal						
Total	**Stage 1**	392,264.49	1,553.07	390,711.43	1,531.00	898.59
	Stage 2	1,546.46	876.52	669.94	-	-
	Stage 3	1,287.93	1,038.35	249.59	667.40	370.95
		395,098.88	**3,467.93**	**391,630.95**	**2,198.39**	**1,269.54**

In terms of the requirement as per RBI notifications no. RBI/2019-20/170 DOR (NBFC).CC. PD No. 109/22.10.106/2019-20 dated March 13, 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 2023 and accordingly, no amount is required to be transferred to impairment reserve.

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77 Disclosures Pursuant to Reserve Bank of India Guidelines on Liquidity Risk Management RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03/.10.001/2019-20 dated November 4, 2019

As per the Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20, NBFCs are required to maintain Liquidity Coverage Ratio (LCR) from December 1, 2020. Under the said guidelines, all non-deposit taking NBFCs with asset size of INR 5,000 crore and above but less than INR 10,000 crore are required to maintains a minimum LCR of 30%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024.

The total assets of the Company has crossed INR 5,000 crores from quarter ended March 31, 2023. Accordingly, for the year ended March 31, 2023, the Company has presented the LCR related disclosures for the quarter ended March 2023 only i.e. the period for which the guideline became applicable to the Company

The Company has implemented the guidelines on Liquidity Risk Management Framework prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that an NBFC maintains an adequate level of unencumbered High Quality Liquid Assets (HQLA) that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario. Compliance with LCR is monitored by Asset Liability Management Committee (ALCO) of the Company.

Qualitative information:

Main drivers to the LCR numbers:

All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation.

Composition of HQLA:

The HQLA maintained by the Company comprises Cash balance maintained in current account. The details are given below.
- For March 2023, the HQLA of INR 11,177.59 lakhs comprised of INR 3,330.98 lakhs in current account and callable fixed deposits with scheduled commercial banks and INR 7,876.60 lakhs in marketable securities.

Concentration of funding sources:

The company maintains diversified sources of funding comprising short/long term loans from banks, NCDs, and sub-ordinated, ECBs and CPs. The funding pattern is reviewed regularly by the management

Derivative exposures and potential collateral calls:

As on 31 March 2023, the company has fully hedged interest and principal outflows on the foreign currency ECBs. Hence, derivative exposures are considered NIL.

Currency mismatch in LCR:

There is NIL mismatch to be reported in LCR as on 31 March 2023 since foreign currency ECBs are fully hedged for the corresponding interest and principal components. For the quarter ended 31 March 2023, the Company has assessed the impact to be immaterial.

Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile

Nil

Quantitative Disclosure on Liquidity Coverage Ratio (LCR) for year ended 31 March 2023 is given below:

	Particulars	For the quarter ended 31 March 2023	
		Total unweighted value (average)	Total weighted value (average)
High Quality Liquid Assets			
1	**Total High Quality Liquid Assets (HQLA)	11,381.80	11,177.59
Cash Outflows			
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	1,000.00	1,150.00
4	Secured wholesale funding	24,836.55	28,562.03
5	Additional requirements, of which		
(i)	Outflows related to derivative exposures and other collateral requirements	-	-
(ii)	Outflows related to loss of funding on debt products	-	-
(iii)	Credit and liquidity facilities	52.50	60.38
6	Other contractual funding obligations	7,725.00	8,883.75
7	Other contingent funding obligations	-	-
8	Total Cash Outflows	33,614.05	38,656.16
Cash Inflows			
9	Secured lending	-	-
10	Inflows from fully performing exposures	61,953.77	46,465.33
11	Other cash inflows	-	
12	**Total Cash Inflows**	**61,953.77**	**46,465.33**
		Total Adjusted Value	**Total Adjusted Value**
13	Total HQLA	11,381.80	11,177.59
14	Total Net Cash Outflows	8,403.51	9,664.04
15	Liquidity Coverage Ratio (%)	135.44%	115.66%

The above LCR disclosures are based on the data available with the Company which has been relied upon by the auditors.

78 Disclosure under clause 16 of the Listing Agreement for Debt Securities

The Debentures are secured by way of an exclusive hypothecation of loans, investment in pass through certificates and investment in debentures.

79 Disclosure under clause 28 of the Listing Agreement for Debt Securities

Particulars	As at 31 March 2023	As at 31 March 2022
Loans and advances in the nature of loans to subsidiaries	800.00	-
Loans and advances in the nature of loans to associates	-	-
Loans and advances in the nature of loans where there is -	-	-
(i) no repayment schedule or repayment beyond seven years	-	-
(ii) no interest or interest below section 186 of Companies Act, 2013	-	-
Loans and advances in the nature of loans to firms/companies in which directors are interested	14,583.01	6,316.06

BSR & Co. LLP Chartered Accountants

VIVRITI CAPITAL PRIVATE LIMITED CHENNAI 600 002

80 Disclosures Pursuant to Reserve Bank of India Guidelines on Scale Based Regulations (SBR) RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022

A Sectoral exposure

Sector	As at 31 March 2023			As at 31 March 2022		
Industry	**Total Exposure (includes on balance sheet and off-balance sheet exposure)**	**Gross NPAs**	**Percentage of Gross NPAs to total exposure in that sector**	**Total Exposure (includes on balance sheet and off-balance sheet exposure)**	**Gross NPAs**	**Percentage of Gross NPAs to total exposure in that sector**
1. Agriculture and Allied Activities	**15,721.31**	-	-	**9,102.07**	-	-
2. Industry						
(i) Solar and Renewable Energy	21,237.13	-	-	-	-	-
(ii) Others	48,218.35	-	-	18,562.45	-	-
Total	**69,455.48**	-	-	**18,562.45**	-	-
3. Services						
(i) Banks and Financial services	283,508.58	1,341.89	0.47%	205,611.42	1,091.69	0.53%
(ii) Retail Trade	32,568.10	-	-	24,765.35	-	-
(iii) Others	32,849.10	-	-	37,112.04	-	-
Total	**348,925.78**	**1,341.89**	**0.38%**	**267,488.81**	**1,091.69**	**0.41%**
4. Personal Loans						
(i) Consumer Finance	124,764.14	-	-	71,100.24	-	-
(ii) Loan against property	1,809.43	462.08	25.54%	730.80	-	-
(iii) Vehicle/Auto Loans	15,415.45	-	-	20,778.44	-	-
Total	**141,989.02**	**462.08**	**0.33%**	**92,609.48**	-	-
5. Others	-	-	-	-	-	-

Note : NPA contracts represents the Stage 3 contracts (net of write offs).

B Related Party disclosure

Particulars	Subsidiaries / Associates		Key Management Personnel		Others		Total	
	As at 31-Mar-23	As at 31-Mar-22	As at 31-Mar-23	As at 31-Mar-22	As at 31-Mar-23	As at 31-Mar-22	As at 31-Mar-23	As at 31-Mar-22
Borrowings								
Closing	6,870.00	7,930.07	-	-	-	-	6,870.00	7,930.07
Maximum balance	26,670.00	7,930.07	-	-	-	-	NA	NA
Deposits								
Closing	-	-	-	-	-	-	-	-
Maximum balance	-	-	-	-	-	-	NA	NA
Advances								
Closing	800.00	-	-	-	13,783.01	6,316.06	14,583.01	6,316.06
Maximum balance	2,000.00	550.00	-	-	15,712.65	7,500.00	NA	NA
Investments								
Closing	12,736.85	10,752.00	-	-	1,870.00	-	14,606.85	10,752.00
Maximum balance	12,752.00	10,752.00	-	-	4,340.00	-	NA	NA
Purchase of fixed/other assets	-	-	-	-	-	-	-	-
Sale of fixed/other assets	175.62	645.74	-	-	-	-	175.62	645.74
Interest paid	-	-	-	-	-	-	-	-
Interest received	8.32	20.46	-	-	1,073.76	454.80	1,082.08	475.26
Fee and Commission income	1,416.59	1,169.39	-	-	5.03	-	1,421.62	1,169.39
Sale of Investments	20,291.07	-	-	-	-	-	20,291.07	-
Issue of debt securities	26,670.00	7,930.07	-	-	-	-	26,670.00	7,930.07
FLDG settlement	-	-	-	-	5,201.55	-	5,201.55	-
Platform fees	4,093.04	2,811.69	-	-	-	-	4,093.04	2,811.69

NA - Not applicable

There are no transactions with directors and relatives of directors or other key management personnel during the years ended 31 March 2023 and 31 March 2022.

B Intragroup Exposure

	As at March 31, 2023	As at March 31, 2022
i) Total amount of intra-group exposures	800.00	-
ii) Total amount of top 20 intra-group exposures	800.00	-
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	0.14%	-

81 Sanctioned amount of Loans or advances in the nature of loans aggregating Rupees five crores and above as per circular RBI/2022-23/29 DOR.CRE.REC.No.25/03.10.001/2022-23 dated 19 April 2022

	Year ended 31 March 2023	Year ended 31 March 2022
i) Directors and their relatives	-	-
ii) Entities associated with directors and their relatives	18,602.00	5,950.00
iii) Senior Officers and their relatives	-	-
	18,602.00	5,950.00

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82 Subsequent events

There are no subsequent events that have occurred after the reporting period till the date of approval of these standalone financial statements.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 4 May 2023

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 4 May 2023

B S R & Co. LLP
Chartered Accountants

KRM Tower, 1st & 2nd Floors,
No. 1, Harrington Road, Chetpet,
Chennai – 600 031, India.
Tel: +91 44 4608 3100
Fax: +91 44 4608 3199

Independent Auditor's Report

To the Members of Vivriti Capital Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Vivriti Capital Private Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), its associates, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2023, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of loans and advances including off balance sheet elements	
Charge : INR 917.00 Lakhs for the year ended 31 March 2023 Provision : INR 3,915.50 Lakhs as at 31 March 2023 Refer Notes 3.6, 6, 7, 19 and 30 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
Under Ind AS 109 - Financial Instruments, credit loss assessment is based on expected credit loss (ECL) model. The Holding Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. The determination of impairment loss allowance is inherently judgmental and relies on managements' best estimate due to the following: Segmentation of loans given to the customer. Criteria selected to identify significant increase in credit risk. Increased level of data inputs for capturing the historical data to calculate the Probability of Default ('PDs') and Loss Given Default ("LGD") and the completeness and accuracy of that data. Use of management judgement for considering the forward looking macro-economic factors, economic environment and timing of cash flows. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Holding Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment loss allowance on the standalone financial statements, we have considered this as a key audit matter.	In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence: Performed process walkthroughs to identify the controls used in the impairment allowance processes. Assessed the design and implementation of controls in respect of the Holding Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance. Obtained understanding of management's processes, compliance with the RBI circulars pertaining to impairment loss allowance, systems and controls implemented in relation to impairment allowance process including management rationale for determination of criteria of significant increase in credit risk. Evaluated whether the methodology applied by the Holding Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings. Tested the periods considered for capturing underlying data as base to PD and LGD calculations are in line with Holding Company's recent experience of past observed periods. Tested the accuracy of the key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made. Challenged completeness and validity of impairment allowance including the management overlays, particularly in response to the pandemic with assistance of our financial risk modelling experts by

	critically evaluating the risks that have been addressed by management. Performed test of details, on a sample basis, on underlying data relating to segmentation, staging as at 31 March 2023 and other key inputs for computation of ECL. Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the standalone financial statements are appropriate and sufficient.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements 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 financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates 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 and and of its associates are responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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.
- 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 expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Other Matter

a. The consolidated financial statements include the Group's share of net loss (and other comprehensive loss) of INR 557 lakhs for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of one associate, whose financial information has not been audited by us or by other auditor. This unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial information certified by the Management.

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and its subsidiary company and associate company incorporated in India, none of the directors of the Group companies and its associate incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of

the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group and its associates. Refer Note 42 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 7, 14 and 19 to the consolidated financial statements in respect of such items as it relates to the Group and its associates.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company, associate companies incorporated in India during the year ended 31 March 2023.

d (i) The respective management of the Holding Company and its subsidiary company and associate company incorporated in India whose financial statements have been audited under the Act have represented that, to the best of their knowledge and belief, as disclosed in the Note 49 (v) to the consolidated financial statements, 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 Group and associate companies 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group and associate companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary company and associate company incorporated in India whose financial statements have been audited under the Act have represented that, to the best of their knowledge and belief, as disclosed in the Note 49 (vi) to the consolidated financial statements, no funds have been received by the Group and associate companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group and associate companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company and its subsidiary companies, associate companies incorporated in India have neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Group and associate companies only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the provisions of Section 197 of the Act are not applicable to the Holding Company, its subsidiary company and associate companies incorporated in India since none of these companies is a public company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

S Sethuraman

Partner

Membership No.: 203491

ICAI UDIN:23203491BGYXWN9005

Place: Chennai

Date: 04 May 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Vivriti Capital Private Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

S. no.	Name of the entity	CIN	Holding Company/ Subsidiary/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Vivriti Capital Private Limited	U65929TN2017PTC117196	Holding Company	Clauses (iii) (c) and (iii) (d)
2	Vivriti Asset Management Private Limited	U65929TN2019PTC127644	Subsidiary	Clause (xvii)

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report.

Name of the entities	CIN	Subsidiary/ JV/ Associate
Credavenue Private Limited	U72900TN2020PTC137251	Associate

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

S Sethuraman

Partner

Membership No.: 203491

ICAI UDIN:23203491BGYXWN9005

Place: Chennai

Date: 04 May 2023

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Vivriti Capital Private Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Vivriti Capital Private Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which are its associate companies, as of that date.

In our opinion, the Company and such company incorporated in India which are its associate companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Vivriti Capital Private Limited for the year ended 31 March 2023 *(Continued)*

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

S Sethuraman

Partner

Membership No.: 203491

ICAI UDIN:23203491BGYXWN9005

Place: Chennai

Date: 04 May 2023

Vivriti Capital Private Limited
Consolidated Balance Sheet as at 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Financial assets			
Cash and cash equivalents	4	29,573.90	47,357.92
Bank Balances other than cash and cash equivalents	5	26,496.00	31,904.68
Derivative financial instruments	14	384.32	-
Receivables	6	1,417.13	742.05
Loans	7	453,295.43	296,075.94
Investments	8	314,872.57	294,868.40
Other financial assets	9	3,496.81	1,165.76
Total financial assets		**829,536.16**	**672,114.75**
Non-financial assets			
Current tax assets (net)	10	3,499.35	1,951.69
Deferred tax assets (net)	35	1,329.80	355.36
Investment property	11	932.84	948.61
Property, plant and equipment	12.1	2,575.01	777.81
Capital work-in-progress	12.2	400.08	-
Right of use asset	12.3	2,893.48	969.06
Intangible assets under development	12.4	564.65	43.08
Other intangible assets	12.5	267.95	317.99
Other non-financial assets	13	3,742.21	2,280.37
Total non-financial assets		**16,205.37**	**7,643.97**
Total assets		**845,741.53**	**679,758.72**
EQUITY AND LIABILITIES			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	14	-	382.00
Trade Payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		14.80	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,145.94	2,505.81
Debt securities	16	151,887.19	107,741.03
Borrowings (Other than debt securities)	17	350,698.27	247,962.03
Other financial liabilities	18	8,158.10	1,643.44
Total financial liabilities		**512,904.30**	**360,234.31**
Non-financial liabilities			
Deferred tax liabilities (net)	35	45,957.00	45,424.37
Provisions	19	507.99	252.97
Other non-financial liabilities	20	376.92	465.66
Total non-financial liabilities		**46,841.91**	**46,143.00**
Total liabilities		**559,746.21**	**406,377.31**
EQUITY			
Equity share capital	21	1,708.12	1,252.24
Convertible preference share capital	21A	9,002.20	8,739.15
Other equity	22	269,649.50	258,698.05
Equity attributable to the shareholders of the Company		**280,359.82**	**268,689.44**
Non-controlling interests	23	5,635.50	4,691.97
Total equity		**285,995.32**	**273,381.41**
Total equity and liabilities		**845,741.53**	**679,758.72**

Significant accounting policies 2 and 3

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 4 May 2023

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767243

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 4 May 2023

Vivriti Capital Private Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations			
Interest income	24	60,845.01	32,952.72
Fees and commission income	25	4,172.71	6,709.51
Net gain on fair value change on financial instruments	26	3,685.24	790.52
Net gain on derecognition of financial instruments	25.1	104.70	44.30
Total revenue from operations		**68,807.66**	**40,497.05**
Other Income	27	1,166.29	550.25
Gain on loss / dilution of control	28	384.58	200,680.31
Total income		**70,358.53**	**241,727.61**
Expenses			
Finance costs	29	38,425.53	19,931.34
Impairment on financial instruments	30	917.00	1,462.38
Employee benefit expense	31	7,480.61	6,673.39
Depreciation and amortisation	32	870.49	847.88
Other expenses	33	4,873.54	4,583.49
Total expenses		**52,567.17**	**33,498.48**
Profit before exceptional item and tax		**17,791.36**	**208,229.13**
Exceptional item	34	-	2,173.13
Profit before tax		**17,791.36**	**206,056.00**
Tax expense	35		
- Current tax		4,572.81	1,882.70
- Deferred tax charge / (benefit)		(270.55)	46,264.11
Total tax expense		**4,302.26**	**48,146.81**
Net profit after tax		**13,489.10**	**157,909.19**
Share of loss from associate (net of income tax)		(25,658.67)	(2,582.54)
Net (loss) / profit after tax for the year		**(12,169.57)**	**155,326.65**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit asset/ (liability)		(43.47)	(6.73)
Income tax relating to items that will not be reclassified to profit or loss		8.57	1.69
Sub-total (A)		**(34.90)**	**(5.04)**
Items that will be reclassified to profit or loss			
Fair valuation of financial instruments through other comprehensive income (net)		(634.75)	232.31
Changes in cash flow hedge reserve		(11.70)	(324.77)
Income tax relating to items that will be reclassified to profit or loss		162.70	23.27
Sub-total (B)		**(483.75)**	**(69.19)**
Other comprehensive income (A + B)		(518.65)	(74.23)
Share of other comprehensive loss from associate (net of income tax)		(228.36)	(20.46)
Total other comprehensive income		**(747.01)**	**(94.69)**
Total comprehensive income for the year, net of income tax		**(12,916.58)**	**155,231.96**
Profit for the year attributable to			
Owners of the Company		(12,176.85)	155,326.65
Non-controlling interest		7.28	-
Other comprehensive income for the year, net of tax			
Owners of the Company		(744.70)	(94.69)
Non-controlling interest		(2.31)	-
Total comprehensive income for the year, net of income tax			
Owners of the Company		(12,921.55)	155,231.97
Non-controlling interest		4.97	-
Earnings per equity share	36		
Basic (₹)		(72.56)	1,244.05
Diluted (₹)		(72.56)	178.95

Significant accounting policies 2 and 3

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 4 May 2023

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Pattenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 4 May 2023

Vivriti Capital Private Limited
Consolidated Statement of Cash flows for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars		Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities			
Profit before tax		17,791.36	206,056.00
Adjustments for:			
Depreciation and amortisation		870.49	847.88
Fair valuation gain / (loss) on derivative contract		(766.32)	382.00
Impairment on financial instruments (net)		917.00	1,462.38
Employee share based payment expenses		1,395.85	245.02
Finance costs		38,425.53	19,931.34
Notional interest income and net gain on sublease		(74.28)	-
Interest income on bank balances and investments		(2,263.28)	(5,190.61)
Gain on loss / dilution of control		(384.58)	(200,680.31)
Net gain on derecognition of financial instruments		(104.70)	(44.30)
Gain on sale of investments		-	(9.42)
Gain on sale of shares in associate company		(1,025.52)	-
Unrealised loss / (gain) on investments designated at FVTPL		101.71	(299.26)
Gain on mutual funds investments designated at fair value through profit or loss		-	(78.45)
Gain on sale of fixed assets		(6.49)	(299.87)
Gain on derecognition of finance leases		-	(143.22)
Stock compensation expenses		-	2,580.63
Operating Profit before working capital changes		**54,876.77**	**24,759.82**
Changes in working capital and other changes			
(Increase) in other financial assets		(2,427.61)	(1,410.00)
(Increase) in loans		(157,863.71)	(134,149.59)
(Increase)/Decrease in trade receivables		(386.21)	273.83
(Increase) in other non-financial assets		(1,074.62)	(1,632.80)
(Increase)/Decrease in other bank balances		5,917.54	(20,293.00)
Increase/(Decrease) in trade payables, other liabilities and provisions		3,555.97	(950.43)
Cash used in operating activities		**(97,401.87)**	**(133,402.18)**
Finance cost paid		(31,402.73)	(15,531.83)
Income tax paid (net)		(6,118.19)	(2,542.93)
Net Cash flows used in operating activities	**(A)**	**(134,922.79)**	**(151,476.94)**
Cash flows from investing activities			
Purchase of property plant and equipment		(3,251.75)	(6,572.35)
Sale of property plant and equipment		173.58	722.97
Derecognition of finance lease		-	1,681.01
Derecognition of fixed assets on account of dilution of control		-	3,280.25
Investment in alternative investment funds (net)		(10,633.01)	17,783.90
Change in Investment in associate (net)		1,637.20	(3,782.50)
Investments in Mutual funds (net)		(4,156.73)	(2,932.40)
Investments other than Alternative investment funds and Mutual funds (net)		(31,328.88)	(81,711.73)
Interest received on bank balances and investments		1,664.69	5,069.33
Net cash flows used in investing activities	**(B)**	**(45,894.90)**	**(66,461.52)**
Financing activities			
Proceeds from issue of share capital including securities premium		24,151.53	37,863.72
Proceeds from issue of debt securities		117,343.21	84,473.03
Repayment of of debt securities		(78,663.46)	(20,143.15)
Proceeds from borrowings (other than debt securities issued)		266,916.99	219,786.08
Repayment of borrowings (other than debt securities issued)		(166,194.82)	(71,302.13)
Payments of lease liabilities		(519.78)	(216.65)
Net cash flows generated from financing activities	**(C)**	**163,033.67**	**250,460.89**
Net increase in cash and cash equivalents (A) + (B) + (C)		**(17,784.02)**	**32,522.43**
Cash and cash equivalents at the beginning of the year		47,357.92	14,835.49
Cash and cash equivalents at the end of the year		**29,573.90**	**47,357.92**

BSR & Co. LLP Chartered Accountants

VIVRITI CAPITAL PRIVATE LIMITED CHENNAI 600 002

Vivriti Capital Private Limited
Consolidated Statement of Cash flows for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Components of cash and cash equivalents			
Balances with banks			
In current accounts	4	29,573.90	47,357.92
Total cash and cash equivalents		**29,573.90**	**47,357.92**
Significant accounting policies	2 and 3		

The accompanying notes form an integral part of the consolidated financial statements

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 4 May 2023

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 4 May 2023

Vivriti Capital Private Limited
Consolidated Statement of changes in equity for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

A. Equity share capital

Particulars	Note	Equity Share capital
Balance as at 1 April 2021		1,146.39
Changes in equity share capital during the year	21	105.85
Balance as at 31 March 2022		**1,252.24**
Changes in equity share capital during the year	21	455.88
Balance as at 31 March 2023		**1,708.12**

B. Convertible preference share capital

Particulars	Note	Compulsorily Convertible Preference Shares (CCPS)	Optionally Convertible Redeemable Preference Shares (OCRPS)	Total
Balance as at 1 April 2021		8,342.06	8.11	8,350.17
Changes in convertible preference share capital during the year	21A	388.98	-	388.98
Balance as at 31 March 2022		**8,731.04**	**8.11**	**8,739.15**
Changes in convertible preference share capital during the year	21A	271.16	(8.11)	263.05
Balance as at 31 March 2023		**9,002.20**	**0.00**	**9,002.20**

C. Other equity

Particulars	Reserves and Surplus				Other Comprehensive		Equity attributable to the shareholders of the Company	Total non-controlling interest	Total
	Statutory Reserve	Securities Premium	Employee Stock Option outstanding account	Retained Earnings	Financial insurments through OCI	Cash flow hedge reserve			
Balance as at 1 April 2021	**842.48**	**66,058.80**	**399.71**	**1,118.88**	**135.47**	-	**68,555.34**	-	**68,555.34**
Changes in equity for the year ended 31 March 2022 (also refer note 37)									
Shares issued during the year	-	33,094.20	-	-	-	-	33,094.20	4,691.97	37,786.17
Share issue expenses	-	(9.78)	-	-	-	-	(9.78)	-	(9.78)
Stock compensation expense (also refer note 34)	-	2,173.13	-	-	-	-	2,173.13	-	2,173.13
Shares held by VAM ESOP Trust	-	(660.00)	-	-	-	-	(660.00)	-	(660.00)
Stock Compensation expense during the year	-	-	238.63	-	-	-	238.63	-	238.63
Stock compensation expense - recoverable from related parties	-	-	74.57	-	-	-	74.57	-	74.57
Remeasurement of net defined benefit liability	-	-	-	(5.04)	-	-	(5.04)	-	(5.04)
Fair valuation of financial instruments (net)	-	-	-	-	173.84	(243.03)	(69.19)	-	(69.19)
Profit for the year	-	-	-	155,326.65	-	-	155,326.65	-	155,326.65
Transfer to statutory reserve	1,347.40	-	-	(1,347.40)	-	-	-	-	-
Share of other comprehensive loss post tax from associate	-	-	-	-	(20.46)	-	(20.46)	-	(20.46)
Balance as at 31 March 2022	**2,189.88**	**100,656.35**	**712.91**	**155,093.09**	**288.86**	**(243.03)**	**258,698.05**	**4,691.97**	**263,390.02**
Changes in equity for the year ended 31 March 2023									
Shares issued during the year	-	22,221.04	-	-	-	-	22,221.04	938.56	23,159.60
Receipt of balance subscription price of OCRPS	-	922.23	-	-	-	-	922.23	-	922.23
Conversion of OCRPS in to equity shares	-	64.06	-	-	-	-	64.06	-	64.06
Share issue expenses	-	(766.34)	-	-	-	-	(766.34)	-	(766.34)
Stock Compensation expense during the year	-	-	1,402.22	-	-	-	1,402.22	-	1,402.22
Stock compensation expense - recoverable from related parties	-	-	29.79	-	-	-	29.79	-	29.79
Remeasurement of net defined benefit liability	-	-	-	(32.59)	-	-	(32.59)	(2.31)	(34.90)
Fair valuation of financial instruments (net)	-	-	-	-	(475.00)	-	(475.00)	-	(475.00)
Cash flow hedge reserve	-	-	-	-	-	(8.76)	(8.76)	-	(8.76)
Profit for the year	-	-	-	(12,176.85)	-	-	(12,176.85)	7.28	(12,169.57)
Transfer to statutory reserve	2,585.95	-	-	(2,585.95)	-	-	-	-	-
Share of other comprehensive loss post tax from associate	-	-	-	-	(228.36)	-	(228.36)	-	(228.36)
Balance as at 31 March 2023	**4,775.83**	**123,097.34**	**2,144.92**	**140,297.70**	**(414.50)**	**(251.79)**	**269,649.50**	**5,635.50**	**275,285.00**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No 101248W/W-100022

S Sethuraman
Partner
Membership No 203491

Place: Chennai
Date 4 May 2023

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No A49121

Place: Chennai
Date: 4 May 2023

1 Corporate Information

Vivriti Capital Private Limited (Holding Company / Company) is a private limited Company domiciled in India and incorporated on June 22, 2017 under the provisions of the Companies Act, 2013 ("the Act"). The Holding Company is a systematically important Non Banking Finance Company - Investment & Credit Company (ICC) pursuant to circular dated February 22, 2019, issued by the Reserve Bank of India ('RBI'), which is engaged in financing to various corporates through enterprise financing and retail financing through co-lending and supply chain financing. Vivriti Asset Management Company Private Limited is engaged in the business of investment manager of or for any mutual funds, unit trusts, venture capital funds, alternative investment funds, investment trust or any other portfolio of securities. The Holding Company and its subsidiary viz.Vivriti Asset Management Private Limited are together hereinafter referred to as "Group". The Holding Company's registered office is at No. 200/1-8, Block-1, Prestige Zackria Metropolitan, Annasalai, Chennai - 600002.

The Group structure is as follows:

Particulars	% of shareholding As at 31 March 2022	As at 31 March 2022
Vivriti Capital Private Limited ("Holding Company")		
Investment in subsidiary		
Vivriti Asset Management Private Limited	75.54%	75.54%
Investment in Associate*		
Credavenue Private Limited (CAPL)	50.30%	50.52%
Subsidiary of Associate		
Credavenue Securities Private Limited (Subsidiary of CAPL)	100.00%	100.00%
Spocto Solutions Private Limited ("Spocto") (Subsidiary of CAPL)#	75.00%	75.00%
Bluevine Technologies Private Limited ("Corpository") (Subsidiary of CAPL)**	100.00%	NA
Credavenue Spocto Technologies Limited (Subsidiary of Spocto)##	100.00%	NA

* The Holding Company lost control over CAPL with effect from 20 September 2021 and CAPL became an associate from such date. Also refer note 37.

Spocto Solutions Private Limited became an subsidiary of CAPL with effect from 25 February 2022.

** Bluevine Technologies Private Limited became an subsidiary of CAPL with effect from 25 April 2022.

Incorporated as a wholly owned subsidiary of Spocto Solutions Private Limited with effect from 11 August 2022.

2 Basis of preparation

2.1 Statement of compliance

These Consolidated Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended notified under Section 133 of the Act as amended from time to time, other relevant provisions of the Act and in compliance with RBI requirements in this regard.

These financial statements were authorised for issue by the Group's Board of Directors on 4 May 2023.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Details of the Group's accounting policies are disclosed in note 3.

2.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity, are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non-Banking Financial Companies ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows. The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented separately in the notes to these financial statements.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis.

2.3 Functional and presentational currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs (two decimals), unless otherwise indicated.

BSR & Co. LLP Chartered Accountants

VIVRITI CAPITAL PRIVATE LIMITED CHENNAI 600 002

2.4 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Investments in Mutual Funds, Alternative Investment funds and Market Linked Debentures (At FVTPL)	Fair value
Investments in Non-convertible debentures and pass through certificates (At FVOCI)	Fair value
Derivative Financial instruments	Fair value
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit

2.5 Basis of consolidation

The Consolidated Ind AS financial statements comprise the financial statements of the Group, its subsidiary (being the entity that it controls) and its Associate as at March 31, 2022. Control is evidenced when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

i) Business Combination

In accordance with Ind AS 103, the Group should account for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

If a business combination is achieved in stages (i.e., where the Group acquires control at a later stage), previously held equity interest in the acquiree is remeasured at it's acquisition date fair value and any resulting gain or loss is recognised in statement of profit or loss or OCI, as appropriate.

ii) Subsidiaries

Subsidiaries are entities controlled by the Holding Company. Holding Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

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iv) Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee.

The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in an associates is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates since the acquisition date. If an entity's share of losses of an associates equal or exceeds its interest in the associates (which includes any long-term interest that, in substance, form part of the Group's net investment in the associates), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates. If the associates subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associates is shown on the face of the statement of profit and loss. The financial statements of the associates are prepared for the same reporting period as the Group.

Upon loss of significant influence over the associates, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

v) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.7 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in these consolidated financial statements is included in the following notes:

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model test and the solely payments of principal and interest ('SPPI') test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income or fair value through profit and loss that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

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ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii) Effective Interest Rate ('EIR') method

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iv) Impairment of financial assets

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

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

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.
b) Development of ECL models, including the various formulas and the choice of inputs.
c) Determination of associations between macroeconomic scenarios and economic inputs, such as consumer spending, lending interest rates and collateral values, and the effect on probability of default ('PD'), exposure at default ('EAD') and loss given default ('LGD').
d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

v) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory inspections in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable.

vi) Other assumptions and estimation uncertainities

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:
a) Measurement of defined benefit obligations: key actuarial assumptions;
b) Estimated useful life of property, plant and equipment and intangible assets;
c) Recognition of deferred taxes;
d) Upfront recognition of Excess Interest Spread (EIS) in relation to assignment transactions.

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3 Significant accounting policies

3.1 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration, if any. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 :

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

A. Recognition of interest income on loans

Under Ind AS 109, interest income is recorded using the effective interest rate method for all financial instruments measured at amortised cost, financial instrument measured at Fair value through other comprehensive income ('FVOCI') and financial instrument measured at Fair Value Through Profit and Loss ('FVTPL'). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Group calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

In case of the penal interest relating to the loans are accounted on the collection basis.

B. Interest income on deposits

Interest income on deposits is recognised on a time proportionate basis.

C. Fees and commission income

Arranger fees and advisory fees are recognised after the performance obligation in the contract is fulfilled and commission income such as guarantee commission, service income etc. are recognised on point in time or over the period basis, as applicable.

D. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

E. Income from investment in alternative investment fund

Income from investment in alternative investment fund is recognised when the right to receive is established.

F. Income from management fee

Fees and commission income such as Investment management fees, service income etc. are recognised at a point in time or over the period basis, as applicable

G. Income from platform fees

Income from platform fees revenue is dervide from usage of platform by corporate borrowers/ debt investors, trade financing, end-to-end securitization and portfolio buyouts

F. Other income

All items of other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

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G. Foreign Currency Transactions

The Group's financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Income and expenses in foreign currencies are initially recorded by the Group at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.2 Financial instruments - Initial recognition

A. Date of recognition

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the company becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of loans and advances, investments, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Recognised financial assets and financial liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in statement of profit or loss.

C. Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

i) Amortised cost
ii) Fair value through other comprehensive income ('FVOCI')
iii) Fair value through profit and loss ('FVTPL')

3.3 Financial assets and liabilities

A. Financial assets

Business model assessment

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

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

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

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

Sole Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Group assesses the contractual terms of financial assets to identify whether they meet SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of a financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since the financial assets are held to sale and collect contractual cash flows, they are measured at FVOCI.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL.

3.3 Financial assets and liabilities (continued)

B. Financial liability

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair valued through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the Effective Interest Rate Method.

3.4 Reclassification of financial assets and liabilities

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made.

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss. Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

ii) Financial Liability

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

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3.6 Impairment of financial assets

A. Overview of Expected Credit Loss ('ECL') principles

In accordance with Ind AS 109, the Group uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Lifetime expected credit losses (LTECL) (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Group categorises its financial assets into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:

When loans are first recognised, the Group recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the life time ECL.

Stage 3:

Loans considered credit impaired are the loans which are past due for more than 90 days. The Group records an allowance for life time ECL.

3.6 Impairment of financial assets (continued)

B. Calculation of ECLs

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

PD:

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

EAD:

Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise expected drawdowns on committed facilities and accrued interest from missed payments. In case of stage 3 loans EAD represents exposure when the default occurred.

LGD:

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

The Group has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1:

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

Stage 2:

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

Stage 3:

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

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C. Financial Assets measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Loan Commitment

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

E. Forward looking information

The Group considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macroeconomic factors on the Group's ECL estimates. The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

3.7 Write-offs

Financial assets are written off when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

3.8 Determination of fair value

The Group measures financial instruments such as derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole.

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3.9 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight Line method, and is generally recognised in the statement of profit and loss.

The Group follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Estimated Useful life
Computers and accessories	3 years
Servers	6 years
Office equipment	5 years
Furniture and fixtures	10 years

Leasehold improvements are depreciated on a straight line basis over the remaining period of lease or estimated useful life of the assets, whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

3.10 Intangible assets

i. Intangible assets

Intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Internally generated:

Expenditure on research activities is recognised in profit or loss as incurred

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

The Company generally uses the Agile method for platform development activities which is based on iterative/repetition of feature requirements and solutions based on customer expectations/business needs which is carried out through 'sprints'. Research, development, testing, upgrade, minor/major enhancements, etc. are all carried out simultaneously during software development.

Activities associated with research, product planning etc. are expensed. All efforts during the sprints development are considered for capitalisation except for efforts towards defect fix, knowledge acquisition, technical feasibility etc. which are expensed. Efforts towards training, application monitoring etc. are also expensed.

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3.10 Intangible assets (continued)

iv. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in statement of profit and loss.

Asset category	Estimated Useful life
Computer softwares	4 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.11 Investment property

Investment property represents property held to earn rentals or for capital appreciation or both. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Group's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Schedule III to the Companies Act 2013.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

3.12 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

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3.13 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Group's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

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

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

iv. Share Based Payments

The Company operates an Employee Stock Option Scheme for its employees through a trust (ESOP Trust) formed for the purpose. Equity shares are issued to the trust on the basis of the Company's expectation of the number of options that may be exercised by employees. 'Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) is determined by the fair value at the date when the grant is made using Black-Scholes option pricing valuation model. For each stock option, the measurement of fair value is performed on the grant date.

The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees. This cost is recognised, together with a corresponding increase in Employee Stock Option outstanding reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each installment has a different vesting period.

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3.14 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.
Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:
- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.15 Leases

The Group as lessee.
The Group's lease asset classes primarily consist of leases for office premises. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration to assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset
(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee.
Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to for its borrowings.

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3.16 Trade receivables

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward looking estimates.

3.17 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the Effective Interest Rate Method.

3.18 Hedge Accounting policy

The Group makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specific criteria.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.19 Cash and cash equivalents

Cash and cash equivalents comprises current account balances and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.20 Segment reporting- Identification of segments:

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

3.21 Earnings per share

The Group reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

3.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

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3.23 Securities Premium Account

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

3.24 Goods and Services Input Tax Credit

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted to the extent permitted as per the applicable regulatory laws and when there is no uncertainty in availing / utilising the same. The ineligible input credit is charged off to the respective expense or capitalised as part of asset cost as applicable.

3.25 Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised only when:
(i) The Group has a present obligation (legal or constructive) as a result of a past event;
(ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
(iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

Contingent liability is disclosed in case of:
(i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
(ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.
Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.26 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:
a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
b) Uncalled liability on shares and other investments partly paid; and
c) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

3.27 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

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	Particulars	As at 31 March 2023	As at 31 March 2022
4	**Cash and cash equivalents**		
	Balances with banks		
	In current accounts	29,573.90	47,357.92
		29,573.90	**47,357.92**
5	**Bank balances other than cash and cash equivalents**		
	Bank balances other than cash and cash equivalents		
	- In deposit accounts - under lien*	26,496.00	31,894.68
		26,496.00	**31,904.68**

*These deposits are earmarked against the bank overdraft and borrowings availed by the Company stated in Note 17 and earns interest at fixed rate ranging from 2.50% p.a to 8.3% p.a.

6	**Receivables**		
	Trade receivables considered good - secured		-
	Trade receivables considered good - unsecured	1,417.13	742.05
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables credit impaired	200.24	196.24
		1,617.37	**938.29**
	Loss allowance		
	Less: Impairment loss allowance	(200.24)	(196.24)
	Net trade receivables	**1,417.13**	**742.05**
	Note:		
	Of the above, receivable from related parties are as below		
	Total receivables from related parties (refer note 40)	465.90	172.40
	Less: Impairment loss allowance	-	-
	Net receivables from associate	**465.90**	**172.40**

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6.1 The ageing schedule of Trade receivables is as follows

i) As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	629.55	787.58	-	-	-	-	1,417.13
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	4.00	28.98	167.26	200.24
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	629.55	**787.58**	**-**	**4.00**	**28.98**	**167.26**	**1,617.37**
Impairment loss allowance							(200.24)
Total Receivables							**1,417.13**

i) As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	78.65	632.87	30.53	-	-	-	742.05
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	28.98	167.26	-	196.24
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	78.65	**632.87**	**30.53**	**28.98**	**167.26**	**-**	**938.29**
Impairment loss allowance							(196.24)
Total Receivables							**742.05**

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	Particulars	As at 31 March 2023	As at 31 March 2022
7	**Loans (at Amortised cost)**		
A	**Based on nature**		
	Term loans	429,984.45	280,887.85
	Supply chain finance	26,675.89	17,809.14
	Others	336.00	262.50
	Total - Gross	**456,996.34**	**298,959.49**
	Less: Impairment loss allowance	(3,700.91)	(2,883.55)
		453,295.43	**296,075.94**
B	**Based on security**		
	(i) Secured*	273,241.84	212,175.26
	(ii) Unsecured	183,754.51	86,784.23
	Total - Gross	**456,996.34**	**298,959.49**
	Less: Impairment loss allowance	(3,700.91)	(2,883.55)
		453,295.43	**296,075.94**
C	**Based on region**		
	(i) Loans in India		
	(a) Public Sector	-	-
	(b) Others	456,996.34	298,959.49
	(ii) Loans outside India	-	-
	Total - Gross	**456,996.34**	**298,959.49**
	Less: Impairment loss allowance	(3,700.91)	(2,883.55)
		453,295.43	**296,075.94**

*These loans are secured by way of hypothecation of underlying loan/book debtsreceivables, mortgage of immovable property and pledge of securities etc.

Note : The Company has not granted any loans or advances in the nature of loans to promoters, directors, Key managerial personnels (KMPs), and the related parties, either serverally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

Details of loans to related parties (Also refer note 40)		
Loans to related parties	13,783.01	6,316.06
Less: Impairment loss allowance	(55.13)	(25.26)
Net loans to related parties	**13,727.88**	**6,290.80**

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	Particulars	As at 31 March 2023	As at 31 March 2022
8	**Investments**		
	Investment in associate (Unquoted) - also refer note 37		
	Credavenue Private Limited 49,858,474 Equity shares of INR 10 each fully paid up (As at 31 March 2022: 50,010,000 Equity shares of INR 10 each) (Credavenue Private Limited was a subsidiary till 20 September 2021) (Also refer note 37)	175,781.30	201,880.27
		175,781.30	**201,880.27**
	Investments in Alternate investment fund at FVTPL (Unquoted)		
	- Vivriti Samarth Bond Fund - 28,538 Class A units (31 March 2022 : 2,500 Class A units)	3,114.73	4,350.86
	- Vivriti Short Term Bond Fund - 11,438.69 units (31 March 2022 : Nil)	1,189.52	-
	- Vivriti India Impact Bond Fund - 12,938.09 units (31 March 2022 : 12,686.08 Units)	1,442.41	1,982.39
	- Vivriti Emerging Corporate Bond Fund - 42,500 Class A1 units (31 March 2022 : 34,054.32 Class A1 units)	4,461.43	8,241.62
	- Vivriti Emerging Corporate Bond Fund - 76,371.62 Class XA1 units (31 March 2022 : Nil)	14,253.86	-
	- Vivriti Emerging Corporate Bond Fund - 5,000.00 Class S units (31 March 2022 : Nil)	525.58	-
	- Vivriti Alpha debt fund - 37,893.37 units (31 March 2022 : Nil units)	4,062.59	-
	- Vivriti Alpha debt fund enhanced - 12,240.67 Class B1 units (31 March 2022 : 3,930.83 Class B1 units)	1,330.83	522.53
	- Vivriti Alpha debt fund enhanced - Nil Class B1 units (31 March 2022 : 1,472.97 Class B1 units)	-	220.36
	- Vivriti Promising lenders fund - 524,708.33 Class B units (31 March 2022: 152,250 Class B units)	5,356.84	2,166.88
	- Vivriti Promising lenders fund - 174,902.78 Class C1 units (31 March 2022: Nil)	1,789.40	-
	- Vivriti Promising lenders fund - 50,000 Class C2 units (31 March 2022: Nil)	514.20	-
	- Vivriti Fixed Income Fund Series IX - 50,000.00 units (31 March 2022: Nil)	500.00	-
		38,541.39	**17,484.64**
	Investments in Mutual Funds at FVTPL (Quoted)		
	Bandhan Ultra Short term Fund Direct plan - Growth (erstwhile IDFC Overnight Fund Direct plan - Growth) - 9,172,450.719 units (31 March 2022: 88,461.68 units)	1,200.00	1,002.96
	Axis Overnight Fund Direct Plan - Growth - 84,361.363 units (As at 31 March 2022: 89,508.18 units)	1,000.00	1,005.93
	Nippon India Overnight Fund Direct Plan - Growth Nil units (As at 31 March 2022: 8,77,472.17 units)	-	1,001.95
	Nippon India Liquid Fund Direct Plan - Growth 14,536.253 units (As at 31 March 2022: Nil)	800.50	-
	Canara Robeco Liquid Fund - Direct Growth - 1,869.822 units (As at 31 March 2022: Nil)	50.43	-
	HSBC Liquid Fund - Direct Growth - 35,698.96 units (As at 31 March 2022: Nil)	800.42	-
	Invesco India Overnight Fund - Direct Plan Growth - 1,86,822.345 units (As at 31 March 2022: Nil)	2,116.28	-
	UTI Liquid cash plan - Direct Plan Growth - 5,424.535 units (As at 31 March 2022: Nil)	200.00	-
	Sundaram Overnight Fund - Direct Growth - 83,953.607 units (As at 31 March 2022: Nil)	999.95	-
		7,167.58	**3,010.85**
	Investments in Commercial Papers at amortised cost (Unquoted)	3,974.40	-
	Investments in Market Linked Debentures at FVTPL (Unquoted)	15,740.98	20,155.04
	Others - Unquoted at FVOCI (Unquoted)		
	- Non Convertible Debentures	40,730.34	22,496.10
	- Pass Through Certificates	32,936.58	29,841.50
		314,872.57	**294,868.40**

All investments disclosed above represents investments made in India.

Aggregate book value of quoted investments	7,166.00	3,005.29
Aggregate market value of quoted investments	7,167.58	3,010.85
Aggregate amount of fair value changes in investments	1.58	5.56

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	Particulars	As at 31 March 2023	As at 31 March 2022
9	**Other Financial assets**		
	Security deposits	557.42	329.39
	Dues from related parties (refer note 40)	618.78	454.91
	Receivable from assigned loans	250.46	9.86
	Other receivables	2,070.15	371.60
		3,496.81	**1,165.76**
10	**Current tax assets (net)**		
	Advance income tax (net of provisions)	3,499.35	1,951.69
		3,499.35	**1,951.69**
11	**Investment Property**		
	Investment property	932.84	948.61
		932.84	**948.61**

11.1 Investment Property

A. Reconciliation of carrying amount

Particulars	Building	Total
Gross carrying amount		
Balance as at 1 April 2021	-	-
Additions	948.61	948.61
Deletions	-	-
Balance as at 31 March 2022	**948.61**	**948.61**
Additions	-	-
Deletions	-	-
Balance as at 31 March 2023	**948.61**	**948.61**
Accumulated depreciation		
Balance as at 1 April 2021	-	-
Additions	-	-
Deletions	-	-
Balance as at 31 March 2022	-	-
Additions	15.77	15.77
Deletions	-	-
Balance as at 31 March 2023	**15.77**	**15.77**
Net carrying amount		
As at 31 March 2022	948.61	948.61
As at 31 March 2023	932.84	932.84
Fair value		
As at 31 March 2022	948.61	948.61
As at 31 March 2023	950.00	950.00

Investment property comprises one commercial property that is leased to a third party. The Group has measured the investment property at cost. The fair value of investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

B. Amounts recognised in profit or loss

Rental income recognised by the Company during the year ended 31 March 2023 was INR 21.21 lakhs (31 March 2022: Nil) and was included in 'Other income' (refer note 27).

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12.1 Property, plant and equipment

Particulars	Leasehold Improvements	Furniture and fixtures	Office equipments	Computers and accessories	Total
Cost					
Balance as at 1 April 2021	**421.32**	**362.92**	**128.65**	**585.87**	**1,498.76**
Additions	348.11	742.61	58.16	612.87	1,761.75
Adjustments*	38.20	11.79	29.62	28.66	108.27
Disposals	(459.51)	(374.71)	(158.27)	(11.56)	(1,004.05)
De-recognition on account of loss of control	(348.11)	(265.04)	(28.27)	(596.31)	(1,237.73)
Balance as at 31 March 2022	**0.01**	**477.57**	**29.89**	**619.53**	**1,127.00**
Additions	352.93	1,634.74	53.39	232.02	2,273.08
Disposals	-	(170.22)	(23.50)	-	(193.72)
Balance as at 31 March 2023	**352.94**	**1,942.09**	**59.78**	**851.55**	**3,206.36**
Accumulated depreciation					
Balance as at 1 April 2021	**318.07**	**107.09**	**83.71**	**253.15**	**762.02**
Additions	5.40	27.54	4.11	155.27	192.32
Adjustments*	36.51	11.97	14.68	40.71	103.87
Disposals	(354.58)	(119.06)	(98.39)	(8.93)	(580.96)
De-recognition on account of loss of control	(5.40)	(1.23)	0.29	(121.72)	(128.06)
Balance as at 31 March 2022	**0.00**	**26.31**	**4.40**	**318.49**	**349.19**
Additions	30.53	115.47	9.53	153.26	308.79
Disposals	-	(21.06)	(5.57)	-	(26.63)
Balance as at 31 March 2023	**30.53**	**120.72**	**8.36**	**471.75**	**631.35**
Net block					
As at 31 March 2022	**0.01**	**451.26**	**25.49**	**301.05**	**777.81**
As at 31 March 2023	**322.40**	**1,821.37**	**51.42**	**379.80**	**2,575.01**

*Adjustments represents the presentation of the gross block and accumulated depreciation of fully depreciated assets as per asset category wise details maintained in the fixed asset register.

Notes

1. The Company has not revalued any of its property, plant and equipment.

12.2 Capital work in progress

Particulars	Amount
Balance as at 1 April 2021	-
Additions	-
Capitalized during the year	-
Balance as at 31 March 2022	-
Additions	400.08
Capitalized during the year	-
Balance as at 31 March 2023	**400.08**

As at 31 March 2023

Capital work in progress	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	400.08	-	-	-	400.08
Projects suspended	-	-	-	-	-

As at 31 March 2022

Capital work in progress	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects suspended	-	-	-	-	-

The Company does not have any capital work in progress which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

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12.3 Right of use assets ('ROUA')

Particulars	Office premises	Total
Gross block value		
Balance as at 1 April 2021	**1,587.32**	**1,587.32**
Additions	2,510.66	2,510.66
Deletions	(2,453.27)	(2,453.27)
De-recognition on account of loss of control	(536.15)	(536.15)
Balance as at 31 March 2022	**1,108.56**	**1,108.56**
Additions	3,109.75	3,109.75
Deletions	(743.17)	(743.17)
De-recognition on account of loss of control	-	-
Balance as at 31 March 2023	**3,475.14**	**3,475.14**
Accumulated depreciation		
Balance as at 1 April 2021	**712.59**	**712.59**
Additions	409.81	409.81
Deletions	(915.49)	(915.49)
De-recognition on account of loss of control	(67.41)	(67.41)
Balance as at 31 March 2022	**139.49**	**139.49**
Additions	473.01	473.01
Deletions	(30.85)	(30.85)
De-recognition on account of loss of control	-	-
Balance as at 31 March 2023	**581.66**	**581.66**
Net block value		
As at 31 March 2022	**969.06**	**969.06**
As at 31 March 2023	**2,893.48**	**2,893.48**

Note : The Company has not revalued any of its right of use assets.

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12.4 Intangible assets under development

Particulars	Software under development	Total
Balance as at 1 April 2021	**492.30**	**492.30**
Additions	1,550.38	1,550.38
Capitalized during the year	(1,279.06)	(1,279.06)
De-recognition on account of loss on control	(720.54)	(720.54)
Balance as at 31 March 2022	**43.08**	**43.08**
Additions	521.57	521.57
Capitalized during the year	-	-
Balance as at 31 March 2023	**564.65**	**564.65**

As at 31 March 2023

Particulars	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	521.57	43.08	-	-	564.65
Projects Suspended	-	-	-	-	-

As at 31 March 2022

Particulars	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	43.08	-	-	-	43.08
Projects Suspended	-	-	-	-	-

The Company does not have any intangibles under development which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

12.5 Intangible Assets

Particulars	Softwares and websites	Total
Cost		
Balance as at 1 April 2021	**572.14**	**572.14**
Additions	1,543.31	1,543.31
Disposals	-	-
De-recognition on account of loss on control	(1,639.49)	(1,639.49)
Balance as at 31 March 2022	**475.96**	**475.96**
Additions	71.08	71.08
Disposals	-	-
Balance as at 31 March 2023	**547.04**	**547.04**
Accumulated depreciation		
Balance as at 1 April 2021	**96.30**	**96.30**
Additions	246.66	246.66
Adjustments*	3.86	3.86
Disposals	-	-
De-recognition on account of loss on control	(188.85)	(188.85)
Balance as at 31 March 2022	**157.97**	**157.97**
Additions	121.12	121.12
Disposals	-	-
Balance as at 31 March 2023	**279.09**	**279.09**
Net block		
As at 31 March 2022	**317.99**	**317.99**
As at 31 March 2023	**267.95**	**267.95**

**Refer note under 12.1*

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Particulars	As at 31 March 2023	As at 31 March 2022
13 Others non financial assets		
Prepaid Expenses	1,656.12	397.99
Advance to vendors	1,045.76	1,501.41
Balance with Government authorities	688.61	353.26
Deferred lease rentals	141.82	27.71
Others	209.90	-
	3,742.21	**2,280.37**

	As at 31 March 2023		As at 31 March 2022	
	Nominal value	Fair value of derivative	Nominal value	Fair value of derivative
14 Derivative Financial Instruments				
Currency derivatives - (Refer Note 48) - measured at FVOCI				
Asset				
Cash flow hedge - Interest rate swaps	11,504.45	384.32	-	-
	11,504.45	**384.32**	-	-
Liability				
Cash flow hedge - Interest rate swaps	-	-	7,639.68	382.00
	-	-	**7,639.68**	**382.00**

	As at 31 March 2023	As at 31 March 2022
15 Trade payables		
- Total outstanding dues of micro enterprises and small enterprises - refer note 41	14.80	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	2,145.94	2,505.81
	2,160.74	**2,505.81**

15.1 The ageing schedule of Trade payables is as follows

i) As at 31 March 2023

Particulars	Outstanding for following periods from date of invoice					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	0.63	14.17	-	-	-	14.80
(ii) Others	154.98	869.82	43.21	11.39	1.42	1,080.81
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	1,065.13	-	-	-	-	1,065.13
	1,220.73	**883.99**	**43.21**	**11.39**	**1.42**	**2,160.74**

i) As at 31 March 2022

Particulars	Outstanding for following periods from date of invoice					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	1.52	2,135.23	-	-	-	2,136.75
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	369.06	-	-	-	-	369.06
	370.58	**2,135.23**	-	-	-	**2,505.81**

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Particulars	As at 31 March 2023	As at 31 March 2022
16 Debt securities		
Measured at amortised cost		
Redeemable Non-convertible debentures	146,583.39	99,383.42
Commercial papers	5,303.80	8,357.61
Total debt securities	**151,887.19**	**107,741.03**
Debt securities in India	151,887.19	107,741.03
Debt securities outside India	-	-
Total	**151,887.19**	**107,741.03**

16.1 Security

(i) Redeemable Non-convertible debentures are secured by way of exclusive charge over identified loan portfolio and guaranteed by directors of the Company.

(ii) The Company has not defaulted in the repayment of dues to its lenders during the current or previous period.

(iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 16.2 based on the Contractual terms basis.

(iv) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

16.2 Details of terms of redemption / repayment provided in respect of debt securities:

Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2023	As at 31 March 2022
7.60% Commercial Paper I	NA	28-Apr-22	Principal in Bullet Payment	-	993.86
7.00% Commercial Paper V	NA	23-May-22	Principal in Bullet Payment	-	987.57
7.60% Commercial Paper VI	NA	23-May-22	Principal in Bullet Payment	-	2,967.38
10.00% Vivriti Capital Private Limited	NA	16-Jun-22	Principal is Quarterly payment and Interest is Monthly payment	-	1,002.79
10.25% Vivriti Capital Private Limited	NA	16-Jun-22	Principal is Quarterly payment and Interest is Monthly payment	-	2,000.00
7.25% Commerical Paper VII	NA	30-Jun-22	Principal in Bullet Payment	-	983.74
10.71% Vivriti Capital Private Limited	NA	5-Jul-22	Principal is bullet payment and interest is monthly payment	-	4,011.74
9.48% Market Linked Debentures - IV	NA	29-Jul-22	Principal and interest is Bullet payment	-	5,551.99
7.65% Commercial Paper II	NA	10-Aug-22	Principal in Bullet Payment	-	2,425.06
9.90% Vivriti Capital Private Limited	NA	25-Aug-22	Principal is monthly payment and interest in monthly payment	-	2,479.88
10.50% Vivriti Capital Private Limited	NA	25-Aug-22	Principal is bullet payment and interest in monthly payment	-	3,004.04
12.12% Vivriti Capital Private Limited	NA	26-Aug-22	Principal is Bullet payment and Interest is Half yearly payment	-	2,022.66
9.48% Market Linked Debentures - V	NA	16-Oct-22	Principal and interest is Bullet payment	-	5,532.68
10.75% Market Linked Debentures - III	NA	27-Nov-22	Principal and interest is Bullet payment	-	1,140.67
10.39% Vivriti Capital Private Limited	NA	30-Dec-22	Principal is bullet payment and interest in monthly payment	-	5,495.74

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Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Rupees lakhs, unless stated otherwise)

Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2023	As at 31 March 2022
9.40% Vivriti Capital Private Limited	NA	6-Jan-23	Principal and interest in Bullet payment	-	5,403.05
9.40% Vivriti Capital Private Limited	NA	6-Feb-23	Principal and interest in Bullet payment	-	5,403
9.25% Vivriti Capital Private Limited	NA	28-Feb-23	Principal and interest in Bullet payment	-	8,174.56
10.39 % Vivriti Capital Private Limited	NA	28-Feb-23	Principal and interest in Bullet payment	-	3,027.23
8.90% Vivriti Capital Private Limited	< 1 year	3-Apr-23	Principal and interest in Bullet payment	5,608.29	5,049.47
9.00% Vivriti Capital Private Limited	< 1 year	24-Apr-23	Principal and interest in Bullet payment	5,610.70	5,046.45
8.23% Commercial paper	< 1 year	25-Apr-23	Principal in Bullet Payment	994.60	-
8.45% Commercial paper	< 1 year	20-May-23	Principal in Bullet Payment	1,977.67	-
8.65 % Vivriti Capital Private Limited	< 1 year	4-Jun-23	Principal and interest in Bullet payment	10,968.86	9,870.17
8.50% Vivriti Capital Private Limited	< 1 year	14-Jul-23	Principal and interest in Bullet payment	10,955.96	9,852.61
8.50% Vivriti Capital Private Limited	< 1 year	14-Jul-23	Principal and interest in Bullet payment	10,718.77	9,645.24
9.55% Vivriti Capital Private Limited	1- 2 year	26-Sep-23	Principal in bullet payment and interest in monthly payment	4,994.67	-
10.57% Vivriti Capital Private Limited	< 1 year	10-Feb-24	Principal is Quarterly payment and Interest is Monthly payment	337.80	675.21
8.50% Vivriti Capital Private Limited	1- 2 year	5-Apr-24	Principal and interest in Bullet payment	20,860.27	-
9.75% Vivriti Capital Private Limited	1- 2 year	28-May-24	Principal in bullet payment and interest in monthly payment	5,009.18	-
8.60% Vivriti Capital Private Limited	1- 2 year	26-Jul-24	Principal and interest in Bullet payment	20,394.19	-
12.43% Vivriti Capital Private Limited	1- 2 year	30-Sep-24	Principal and Interest is Quarterly payment	3,347.87	4,994.55
8.60% Vivriti Capital Private Limited	1- 2 year	13-Dec-24	Principal and interest in Bullet payment	29,873.16	-
10.25% Vivriti Capital Private Limited	1- 2 year	26-Dec-24	Principal in bullet payment and interest in monthly payment	4,906.88	-
9.60% Vivriti Capital Private Limited	1- 2 year	23-Sep-24	Principal and Interest is Quarterly payment	2,991.15	-
10.40% Vivriti Capital Private Limited	<1 year	29-Mar-24	Principal and interest in Bullet payment	10,005.65	-
8.20% Commercial Paper	<1 year	22-Jun-23	Principal in Bullet Payment	981.71	-
9.78% Commercial paper	<1 year	27-Mar-24	Principal in Bullet Payment	1,349.83	-
			Total	**151,887.19**	**107,741.03**

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Particulars	As at 31 March 2023	As at 31 March 2022
17 Borrowings (Other than Debt Securities)		
At amortised cost		
(i) Term loans (secured) - (Refer note 17.1 and 17.2)		
From banks	252,450.88	159,606.23
From other parties	64,660.26	59,081.86
	317,111.14	**218,688.09**
(ii) Loans repayable on demand (secured) (Refer note 17.1 and 17.2 below)		
From Banks (Overdrafts) (Refer note 17.1 (ii))	21,087.13	24,273.94
Working capital demand loan from banks (Cash credit) (Refer note 17.1 (iii) and 17.2)	12,500.00	5,000.00
	350,698.27	**247,962.03**
Borrowings in India	342,404.42	240,322.35
Borrowings outside India	8,293.85	7,639.68
	350,698.27	**247,962.03**

17.1 Security

(i) Loans from banks and financial institutions are secured by first ranking and exclusive charge over identified receivables and guaranteed by directors of the Company.

(ii) The Company has not defaulted in the repayment of principal and interest to its lenders during the current or previous period.

(iii) Rate of interest payable on bank overdraft is 7.45% - 7.75% p.a (31 March 2022: 3.3% p.a.). The Company has taken bank overdraft against the deposit balances (also refer note 5)

(iv) Rate of interest payable on cash credit loans is 8.00 to 9.00 % p.a. (31 March 2022:7.00- 7.8% p.a.)

(v) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

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17.2 Details of term loans - Contractual repayment values

Particulars	Remaining maturity	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2023	As at 31 March 2022
Term Loan 1	NA	10.50%	28-Mar-23	Monthly	Monthly	-	3,319.16
Term Loan 2	NA	10.90%	30-Jun-22	Monthly	Monthly	-	199.82
Term Loan 3	NA	11.25%	28-Jul-22	Monthly	Monthly	-	453.04
Term Loan 4	NA	10.80%	3-Oct-22	Monthly	Monthly	-	733.58
Term Loan 5	< 1 year	10.70%	29-Sep-23	Monthly	Monthly	333.04	1,003.00
Term Loan 6	1-2 years	10.80%	22-Mar-25	Quarterly	Monthly	2,275.29	3,406.41
Term Loan 7	NA	9.60%	27-Oct-22	Monthly	Monthly	-	729.47
Term Loan 8	NA	9.50%	21-Dec-22	Monthly	Monthly	-	935.98
Term Loan 9	1-2 years	10.25%	30-Apr-24	Quarterly	Monthly	1,038.50	1,863.16
Term Loan 10	< 1 year	11.35%	31-Dec-23	Monthly	Monthly	641.48	1,484.75
Term Loan 11	NA	10.93%	10-Dec-22	Monthly	Monthly	-	748.52
Term Loan 12	NA	10.93%	14-Dec-22	Monthly	Monthly	-	374.04
Term Loan 13	NA	10.30%	31-Jan-23	Monthly	Monthly	-	623.38
Term Loan 14	1-2 years	11.15%	NA	Monthly	Monthly	-	3,528.90
Term Loan 15	NA	10.75%	15-Feb-23	Monthly	Monthly	-	622.48
Term Loan 16	NA	11.40%	3-Mar-23	Monthly	Monthly	-	753.57
Term Loan 17	< 1 year	11.70%	NA	Monthly	Monthly	-	981.74
Term Loan 18	< 1 year	9.90%	12-Mar-24	Monthly	Monthly	914.60	1,759.40
Term Loan 19	1-2 years	10.45%	28-Feb-25	Quarterly	Monthly	5,016.28	7,543.93
Term Loan 20	NA	10.75%	24-Mar-23	Monthly	Monthly	-	528.22
Term Loan 21	< 1 year	10.30%	31-Aug-23	Monthly	Monthly	200.10	605.32
Term Loan 22	< 1 year	10.05%	13-Jul-23	Quarterly	Monthly	981.59	3,925.23
Term Loan 23	NA	5.75%	10-Jun-22	Quarterly	Monthly	-	5,016.65
Term Loan 24	< 1 year	10.15%	31-Jan-24	Quarterly	Monthly	901.13	1,992.73
Term Loan 25	1-2 years	10.10%	18-Aug-24	Quarterly	Monthly	1,413.79	2,499.25
Term Loan 26	< 1 year	9.95%	31-Aug-23	Monthly	Monthly	416.33	1,411.03
Term Loan 27	< 1 year	10.45%	30-Sep-23	Monthly	Monthly	381.70	1,142.77
Term Loan 28	1-2 years	10.55%	24-Sep-24	Monthly	Monthly	2,515.02	4,160.61
Term Loan 29	< 1 year	9.95%	24-Sep-23	Monthly	Monthly	499.30	1,492.63
Term Loan 30	1-2 years	9.75%	30-Sep-24	Monthly	Monthly	2,414.65	4,139.70
Term Loan 31	< 1 year	9.40%	30-Sep-23	Monthly	Monthly	1,500.32	4,479.98
Term Loan 32	1-2 years	11.15%	NA	Monthly	Monthly	-	883.63
Term Loan 33	1-2 years	9.75%	30-Sep-24	Monthly	Monthly	2,274.92	4,011.89
Term Loan 34	1-2 years	10.00%	31-Oct-24	Monthly	Monthly	574.44	997.34
Term Loan 35	< 1 year	11.80%	3-Nov-23	Monthly	Monthly	1,007.69	2,508.04
Term Loan 36	1-2 years	11.15%	NA	Monthly	Monthly	-	2,086.58
Term Loan 37	< 1 year	10.25%	15-Nov-23	Monthly	Monthly	1,000.10	2,514.06
Term Loan 38	1-2 years	10.20%	8-Dec-24	Quarterly	Monthly	1,596.03	2,503.92
Term Loan 39	1-2 years	12.25%	10-Dec-24	Monthly	Monthly	1,588.91	2,492.68
Term Loan 40	2-3 years	10.45%	31-Mar-26	Quarterly	Monthly	3,000.20	3,760.34
Term Loan 41	NA	10.45%	30-Jun-23	Bullet	Monthly	1,008.88	997.07
Term Loan 42	1-2 years	9.85%	31-Dec-24	Monthly	Monthly	2,897.88	4,536.72
Term Loan 43	< 1 year	9.25%	27-Dec-23	Monthly	Monthly	285.77	670.02
Term Loan 44	< 1 year	9.75%	8-Feb-24	Monthly	Monthly	1,139.15	2,349.83
Term Loan 45	1-2 years	9.25%	28-Feb-25	Monthly	Monthly	1,599.65	2,408.09
Term Loan 46	< 1 year	9.40%	24-Feb-24	Monthly	Monthly	3,432.04	7,198.79
Term Loan 47	< 1 year	11.47%	25-Feb-24	Monthly	Monthly	916.17	1,945.56
Term Loan 48	< 1 year	10.50%	25-Feb-24	Monthly	Monthly	915.20	1,908.44
Term Loan 49	< 1 year	9.90%	28-Dec-23	Monthly	Monthly	958.37	1,464.21
Term Loan 50	< 1 year	11.00%	8-Mar-24	Monthly	Monthly	3,378.73	6,160.50
Term Loan 51	1-2 years	12.00%	22-Mar-25	Quarterly	Monthly	6,646.57	10,444.79
Term Loan 52	2-3 years	9.75%	30-Mar-26	Monthly	Monthly	4,463.81	5,869.27
Term Loan 53	1-2 years	9.50%	10-Mar-25	Monthly	Monthly	9,340.84	11,989.10
Term Loan 54	1-2 years	10.25%	10-Mar-25	Monthly	Monthly	12,072.38	14,989.10
Term Loan 55	< 1 year	9.40%	31-Mar-24	Monthly	Monthly	1,245.59	2,491.81
Term Loan 56	1-2 years	10.00%	1-Dec-24	Monthly	Monthly	1,769.41	2,693.09
Term Loan 57	NA	0.00%	27-Apr-22	Bullet	Monthly	-	1,499.80
Term Loan 58	NA	9.95%	24-Feb-23	Monthly	Monthly	-	913.22

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17.2 Details of term loans - Contractual repayment values

Particulars	Remaining maturity	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2023	As at 31 March 2022
Term Loan 59	< 1 year	10.85%	26-Nov-23	Monthly	Monthly	843.76	2,206.65
Term Loan 60	3-4 years	9.70%	30-Nov-26	Half Yearly	Half yearly	8,293.85	7,639.68
Term Loan 61	< 1 year	10.40%	28-Feb-24	Monthly	Monthly	713.26	1,412.42
Term Loan 62	NA	11.30%	1-Dec-22	Monthly	Monthly	0.00	428.79
Term Loan 63	< 1 year	11.00%	30-Jun-23	Half Yearly	Monthly	875.02	2,620.59
Term Loan 64	1-2 years	10.50%	30-Sep-24	Monthly	Monthly	1,618.39	2,563.33
Term Loan 65	1-2 years	9.75%	31-Mar-25	Monthly	Monthly	1,260.67	1,800.00
Term Loan 66	< 1 year	11.00%	28-Dec-23	Monthly	Monthly	238.96	529.41
Term Loan 67	1-2 years	9.60%	19-Jun-24	Monthly	Monthly	2,071.05	3,711.10
Term Loan 68	NA	8.85%	26-Jun-23	Bullet	Monthly	4,000.77	4,000.00
Term Loan 69	NA	11.10%	23-Dec-22	Monthly	Monthly	-	131.15
Term Loan 70	NA	11.10%	23-Dec-22	Monthly	Monthly	-	103.02
Term Loan 71	NA	11.10%	23-Dec-22	Monthly	Monthly	-	131.40
Term Loan 72	NA	11.10%	23-Dec-22	Monthly	Monthly	-	103.11
Term Loan 73	NA	11.10%	23-Dec-22	Monthly	Monthly	-	131.40
Term Loan 74	NA	11.10%	23-Dec-22	Monthly	Monthly	-	103.07
Term Loan 75	NA	11.10%	23-Dec-22	Monthly	Monthly	-	131.23
Term Loan 76	NA	11.10%	23-Dec-22	Monthly	Monthly	-	103.11
Term Loan 77	< 1 year	10.90%	25-Sep-23	Monthly	Monthly	752.01	2,255.77
Term Loan 78	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	44.00
Term Loan 79	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	34.35
Term Loan 80	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	30.07
Term Loan 81	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	34.35
Term Loan 82	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	43.83
Term Loan 83	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	46.57
Term Loan 84	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	45.04
Term Loan 85	NA	11.25%	24-Jun-22	Monthly	Monthly	0.00	34.37
Term Loan 86	NA	11.50%	20-Sep-22	Monthly	Monthly	-	88.07
Term Loan 87	NA	11.50%	20-Sep-22	Monthly	Monthly	-	69.04
Term Loan 88	NA	11.50%	20-Sep-22	Monthly	Monthly	-	88.07
Term Loan 89	NA	11.50%	20-Sep-22	Monthly	Monthly	-	70.10
Term Loan 90	NA	11.50%	20-Sep-22	Monthly	Monthly	-	88.07
Term Loan 91	NA	11.50%	20-Sep-22	Monthly	Monthly	-	68.96
Term Loan 92	NA	11.50%	20-Sep-22	Monthly	Monthly	-	88.07
Term Loan 93	NA	11.50%	20-Sep-22	Monthly	Monthly	-	69.32
Term Loan 94	NA	11.50%	10-Feb-23	Monthly	Monthly	-	169.91
Term Loan 95	NA	11.50%	10-Feb-23	Monthly	Monthly	-	139.10
Term Loan 96	NA	11.50%	10-Feb-23	Monthly	Monthly	-	45.85
Term Loan 97	NA	11.50%	10-Feb-23	Monthly	Monthly	-	164.99
Term Loan 98	NA	11.50%	10-Feb-23	Monthly	Monthly	-	138.22
Term Loan 99	NA	11.50%	10-Feb-23	Monthly	Monthly	-	45.85
Term Loan 100	NA	11.50%	10-Feb-23	Monthly	Monthly	-	168.25
Term Loan 101	NA	11.50%	10-Feb-23	Monthly	Monthly	-	138.22
Term Loan 102	NA	11.50%	10-Feb-23	Monthly	Monthly	-	45.85
Term Loan 103	NA	11.50%	10-Feb-23	Monthly	Monthly	-	161.09
Term Loan 104	NA	11.50%	10-Feb-23	Monthly	Monthly	-	138.22
Term Loan 105	NA	11.50%	10-Feb-23	Monthly	Monthly	-	48.64
Term Loan 106	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	233.99
Term Loan 107	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	233.99
Term Loan 108	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	233.99
Term Loan 109	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.41
Term Loan 110	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.41
Term Loan 111	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.41
Term Loan 112	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.41
Term Loan 113	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.32
Term Loan 114	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.32
Term Loan 115	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.32
Term Loan 116	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	234.32

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17.2 Details of term loans - Contractual repayment values

Particulars	Remaining maturity	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2023	As at 31 March 2022
Term Loan 117	< 1 year	11.40%	23-Jun-23	Monthly	Monthly	46.97	233.97
Term Loan 118	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	306.65
Term Loan 119	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	306.65
Term Loan 120	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	307.58
Term Loan 121	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	307.58
Term Loan 122	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	305.89
Term Loan 123	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	309.61
Term Loan 124	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	306.65
Term Loan 125	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	306.65
Term Loan 126	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	315.31
Term Loan 127	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	317.22
Term Loan 128	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	131.60	322.02
Term Loan 129	< 1 year	10.65%	20-Dec-23	Monthly	Monthly	56.34	132.58
Term Loan 130	< 1 year	10.40%	9-Feb-24	Monthly	Monthly	1,382.77	2,871.54
Term Loan 131	1-2 years	10.30%	1-Jan-25	Quarterly	Monthly	1,747.25	2,992.84
Term Loan 132	< 1 year	11.25%	1-Sep-23	Quarterly	Monthly	499.89	1,501.60
Term Loan 133	NA	12.00%	31-Jul-22	Monthly	Monthly	0.00	166.54
Term Loan 134	< 1 year	11.40%	30-Nov-23	Monthly	Monthly	375.10	921.33
Term Loan 135	1-2 years	11.75%	31-Jan-25	Quarterly	Monthly	868.88	1,279.92
Term Loan 136	NA	11.50%	30-Apr-22	Monthly	Monthly	-	113.80
Term Loan 137	< 1 year	10.75%	22-Aug-23	Monthly	Monthly	565.78	1,817.02
Term Loan 138	NA	12.55%	10-Apr-23	Monthly	Monthly	50.29	649.12
Term Loan 139	< 1 year	12.15%	5-Oct-23	Monthly	Monthly	670.97	1,653.67
Term Loan 140	< 1 year	12.15%	5-Oct-23	Monthly	Monthly	396.31	566.68
Term Loan 141	< 1 year	10.10%	31-Mar-23	Monthly	Monthly	-	246.00
Term Loan 142	NA	10.50%	30-Nov-22	Monthly	Monthly	-	399.57
Term Loan 143	2-3 years	9.50%	30-Jun-25	Monthly	Monthly	7,848.63	-
Term Loan 144	1-2 years	9.40%	29-Jun-24	Monthly	Monthly	3,121.03	-
Term Loan 145	1-2 years	10.25%	1-Jul-24	Monthly	Monthly	3,119.30	-
Term Loan 146	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 147	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 148	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 149	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 150	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 151	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 152	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 153	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 154	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 155	1-2 years	10.40%	5-Jul-24	Monthly	Monthly	201.49	-
Term Loan 156	1-2 years	9.90%	28-Jun-24	Monthly	Monthly	1,157.09	-
Term Loan 157	< 1 year	8.00%	5-Jul-23	Monthly	Monthly	852.45	-
Term Loan 158	2-3 years	9.90%	1-Jul-25	Monthly	Monthly	528.13	-
Term Loan 159	< 1 year	9.70%	26-Jul-23	Bullet	Monthly	2,500.58	-
Term Loan 160	2-3 years	9.75%	31-Aug-25	Monthly	Monthly	2,904.49	-
Term Loan 161	2-3 years	9.95%	29-Jul-25	Monthly	Monthly	3,210.61	-
Term Loan 162	1-2 years	8.50%	9-Sep-24	Monthly	Monthly	2,003.43	-
Term Loan 163	2-3 years	9.50%	30-Sep-25	Monthly	Monthly	9,895.11	-
Term Loan 164	1-2 years	10.10%	20-Sep-24	Monthly	Monthly	1,469.75	-
Term Loan 165	1-2 years	9.20%	30-Sep-24	Monthly	Monthly	5,610.65	-
Term Loan 166	1-2 years	10.50%	30-Sep-24	Monthly	Monthly	3,000.48	-
Term Loan 167	2-3 years	9.50%	29-Sep-25	Quarterly	Monthly	4,151.55	-
Term Loan 168	2-3 years	10.50%	25-Oct-25	Monthly	Monthly	1,924.94	-
Term Loan 169	1-2 years	9.90%	29-Sep-24	Monthly	Monthly	1,989.41	-
Term Loan 170	1-2 years	9.60%	28-Oct-24	Monthly	Monthly	8,691.31	-
Term Loan 171	1-2 years	10.00%	31-Oct-24	Monthly	Monthly	7,920.99	-
Term Loan 172	2-3 years	9.80%	14-Nov-25	Monthly	Monthly	23,275.08	-
Term Loan 173	2-3 years	10.15%	1-Nov-25	Quarterly	Monthly	4,990.04	-
Term Loan 174	1-2 years	9.50%	30-Nov-24	Monthly	Monthly	831.75	-

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17.2 Details of term loans - Contractual repayment values

Particulars	Remaining maturity	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2023	As at 31 March 2022
Term Loan 175	2-3 years	9.80%	16-Dec-25	Monthly	Monthly	1,791.92	-
Term Loan 176	1-2 years	9.50%	31-Dec-24	Monthly	Monthly	1,637.44	-
Term Loan 177	2-3 years	9.55%	31-Dec-25	Monthly	Monthly	4,538.10	-
Term Loan 178	1-2 years	9.75%	21-Dec-24	Quarterly	Monthly	2,402.72	-
Term Loan 179	1-2 years	9.50%	31-Dec-24	Monthly	Monthly	109.16	-
Term Loan 180	2-3 years	8.00%	30-Dec-25	Monthly	Monthly	8,912.74	-
Term Loan 181	1-2 years	9.25%	29-Dec-24	Monthly	Monthly	4,113.71	-
Term Loan 182	1-2 years	9.25%	30-Dec-24	Monthly	Monthly	2,429.82	-
Term Loan 183	1-2 years	10.00%	2-Feb-25	Monthly	Monthly	2,897.09	-
Term Loan 184	NA	9.75%	17-Feb-25	Monthly	Monthly	2,388.61	-
Term Loan 185	1-2 years	10.25%	28-Feb-25	Quarterly	Monthly	5,039.61	-
Term Loan 186	3-4 years	9.50%	1-Aug-26	Monthly	Monthly	1,401.86	-
Term Loan 187	1-2 years	9.50%	28-Feb-25	Monthly	Monthly	2,870.73	-
Term Loan 188	1-2 years	10.25%	15-Feb-25	Half Yearly	Monthly	2,512.94	-
Term Loan 189	1-2 years	10.20%	6-Mar-25	Monthly	Monthly	11,382.70	-
Term Loan 190	2-3 years	9.85%	31-Mar-26	Monthly	Monthly	4,977.71	-
Term Loan 191	2-3 years	9.85%	31-Mar-26	Monthly	Monthly	1,989.42	-
Term Loan 192	< 1 year	9.50%	5-Jan-24	Monthly	Monthly	4,007.15	-
Term Loan 193	3-4 years	10.95%	31-Mar-27	Monthly	Monthly	4,984.35	-
Term Loan 194	2-3 years	10.00%	18-Apr-25	Monthly	Monthly	2,488.73	-
Term Loan 195	1-2 years	10.60%	30-Mar-25	Monthly	Monthly	7,502.24	-
Term Loan 196	3-4 years	10.00%	28-Feb-26	Monthly	Monthly	1,705.91	-
Term Loan 197	1-2 years	10.00%	1-Apr-24	Monthly	Monthly	4,987.94	-
Term Loan 198	1-2 years	10.10%	1-Mar-25	Monthly	Monthly	1,646.32	-
Term Loan 199	3-4 years	10.15%	31-Mar-27	Monthly	Monthly	4,956.09	-
Term Loan 200	2-3 years	9.20%	31-Mar-26	Monthly	Monthly	1,994.45	-
Term Loan 201	1-2 years	9.90%	1-Mar-25	Monthly	Monthly	4,000.00	-
Term Loan 242	3-4 years	11.00%	30-Apr-26	Quarterly	Monthly	596.62	
WCDL 1	NA	8.85%	26-Jun-23	Bullet	Monthly	2,499.18	2,508.15
WCDL 2	< 1 year	8.00%	12-Feb-24	Bullet	Monthly	2,476.54	2,447.09
WCDL 3	NA	9.00%	18-Sep-23	Bullet	Monthly	5,012.83	-
WCDL 4	< 1 year	8.85%	27-May-23	Bullet	Monthly	2,496.33	-
					Total	**329,611.14**	**223,688.09**

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	Particulars	As at 31 March 2023	As at 31 March 2022
18	**Other financial liabilities**		
	Lease Liabilities	3,078.20	997.48
	Employee benefits payable	856.38	385.90
	Advances received against loan agreements	740.77	259.83
	Collateral deposits from customers	1,590.29	-
	Dues to partners towards collections from co-lending loans	1,892.23	-
	Remittances payable on assets derecognised	0.23	0.23
		8,158.10	**1,643.44**
19	**Provisions**		
	Provision for Employee Benefits		
	- Gratuity (refer note 38)	150.79	44.68
	- Compensated Absences	342.85	155.92
	Provision on non-fund exposure		
	- Impairment loss allowance for guarantees and undrawn loans	14.35	52.37
		507.99	**252.97**
20	**Other non financial liabilities**		
	Statutory dues payable	376.92	465.66
		376.92	**465.66**

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Particulars	As at 31 March 2023	As at 31 March 2022
21 Equity share capital		
Authorised		
26,000,000 (As at 31 March 2022: 20,900,000 shares) Equity Shares of Rs 10 each	2,600.00	2,090.00
	2,600.00	**2,090.00**
Issued, subscribed and fully paid up		
21,575,735 (As at 31 March 2022: 16,326,754 shares) Equity shares of Rs. 10 each	2,155.47	1,632.67
21,053 (As at 31 March 2022: Nil) partly paid equity shares of Rs. 10 each (Amount paid up Rs. 5 per share)	1.05	-
Less: Shares held under Vivriti ESOP Trust	(448.40)	(380.43)
	1,708.12	**1,252.24**

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
As at the beginning of the year	16,326,754	1,632.67	15,641,010	1,564.10
Issued during the year	1,021,153	101.06	685,744	68.57
Conversion from OCRPS	4,227,828	422.78	-	-
As at the end of the year	**21,575,735**	**2,156.51**	**16,326,754**	**1,632.67**

Equity shares held by the trust

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
As at the beginning of the year	3,804,325	380.43	4,177,060	417.71
Issued during the year	1,000,000	100.00	-	-
Transferred during the year	(320,360)	(32.04)	(372,735)	(37.27)
As at the end of the year	**4,483,965**	**448.40**	**3,804,325**	**380.43**

B. Details of equity shareholders holding more than 5 percent shares in the Company are given below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	%
Vineet Sukumar	6,737,840	31.23%	4,900,000	30.01%
Gaurav Kumar	6,632,577	30.74%	4,900,000	30.01%
Vivriti ESOP Trust	4,483,965	20.78%	3,934,425	24.10%

C. Details of equity shares held by the promoter at the end of the year

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	%
Vineet Sukumar	6,737,840	31.23%	4,900,000	30.01%
Gaurav Kumar	6,632,577	30.74%	4,900,000	30.01%

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

D. Terms/Rights attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Particulars	As at 31 March 2023	As at 31 March 2022
21A Convertible preference share capital		
Authorised		
90,637,063 (As at 31 March 2022: 87,937,063) Compulsorily Convertible Preference Shares of Rs. 10 each	9,063.71	8,793.71
850,000 (As at 31 March 2022: 850,000 shares) Optionally Convertible Redeemable Preference Shares of Rs. 60 each	510.00	510.00
	9,573.71	**9,303.71**
Issued, subscribed and fully paid up		
90,021,966 (As at 31 March 2022: 87,310,410) 0.001% Compulsorily Convertible Preference Shares of Rs. 10 each	9,002.20	8,731.04
Issued, subscribed and partially paid up		
NIL (As at 31 March 2022: 811,402 of Re. 1 each paid up) Optionally Convertible Redeemable Preference shares	-	8.11
	9,002.20	**8,739.15**

A. Reconciliation of number of convertible preference shares outstanding at the beginning and at the end of the reporting period

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
As at the beginning of the year	87,310,410	8,731.04	83,420,634.00	8,342.06
Issued during the year	2,711,556	271.16	3,889,776.00	388.98
As at the end of the year	**90,021,966**	**9,002.20**	**87,310,410.00**	**8,731.04**

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
As at the beginning of the year	811,402	8.11	811,402	8.11
Receipt of balance subscription price of OCRPS	-	478.73	-	-
Issued during the year	(811,402)	(486.84)		-
As at the end of the year	-	-	**811,402**	**8.11**

B. Details of convertible preference shareholders holding more than 5 percent shares in the Company are given below:

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	%
Creation Investments LLC	64,124,177	71.23%	64,124,177	73.44%
Lightrock Growth Fund I S.A (Formerly known as Lightstone Fund SA)	11,593,166	12.88%	11,593,166	13.28%
Financial Investments SPC (affiliate of Lightrock Growth Fund I S.A., SICAV-RAIF)	11,593,067	12.88%	11,593,067	13.28%

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	%
Vineet Sukumar	-	-	405,701.00	50.00%
Gaurav Kumar	-	-	405,701.00	50.00%

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Particulars	As at 31 March 2023	As at 31 March 2022

C. Details of convertible preference shares held by the promoters at the beginning and at end of the reporting period

i. Compulsorily convertible preference shares
Promoters do not hold any compulsorily convertible preference shares.

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	%	Number	%
Vineet Sukumar	-	-	405,701	50.00%
Gaurav Kumar	-	-	405,701	50.00%

D. Terms/rights attached to convertible preference shares
i. Compulsorily convertible preference shares
During the year, the Company has issued 2,711,556 (March 2022: 3,889,776), 0.001% Compulsorily Convertible Preference Shares ("CCPS") of face value Rs. 10/- aggregating Rs.271.16 Lakhs (March 2022: 388.98 Lakhs) which are convertible into equity shares at the option of CCPS holder during the conversion period.

Conversion of CCPS into equity shares will be as per the respective shareholders agreement and are treated pari-passu with equity shares on all voting rights. The CCPS if not converted by the preference shareholders shall be compulsorily converted into equity shares upon any of the following events:
a. In connection with an IPO, immediately prior to the filing of red herring prospectus (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable law at the relevant time; and
b. By delivering a Conversion Notice at any time during the relevant Conversion Period as per the respective shareholders agreement.
The CCPS holders have a right to receive dividend, prior to the Equity shareholders and will be cumulative if preference dividend is not declared or paid in any year.

Lightstone Fund SA has changed its name to Lightrock Growth Fund I S.A., SICAV-RAIF, with effective from March 9, 2021.LR India Holdings Ltd. has changed its name to LR India Fund I S.à r.l., SICAV-RAIF., with effective from June 01, 2022.

ii. Optionally convertible redeemable preference shares ('OCRPS')
The right to convert OCRPS shall be exercisable by the holder at any time during the Conversion Period by delivering to the Company a notice in writing, subject to payment of balance subscription price.
The OCRPS, shall be entitled to divided equivalent to 0.001% per annum of the paid-up portion of such OCRPS.
The OCRPS shall not carry any voting rights, until such OCRPS is converted into Equity Share(s) in accordance with the terms of the OCRPS.

During the year, the Company received the balance subscription price of these 811,402 OCRPS of face value INR 60 per share and converted thse OCRPS into 4,227,828 equity shares of INR 10 per share ranking pari passu with existing fully paid-up equity shares of the Company.

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	Particulars	As at 31 March 2023	As at 31 March 2022
22	**Other Equity**		
	Statutory reserve	4,775.83	2,189.88
	Share options outstanding account	2,144.92	712.91
	Securities premium	123,097.34	100,656.35
	Other comprehensive income	(666.29)	45.82
	Retained earnings	140,297.70	155,093.09
		269,649.50	**258,698.05**
i	**Statutory reserve**		
	Balance at the beginning of the year	2,189.88	842.48
	Add: Transfer from retained earnings	2,585.95	1,347.40
	Balance at the end of the year	**4,775.83**	**2,189.88**
ii.	**Employee stock options outstanding account**		
	Balance at the beginning of the year	712.91	399.71
	Add: Share based payment expenses incurred during the year	1,402.22	238.63
	Add: Stock compensatione expenses - recoverable from associate	29.79	74.57
	Balance at the end of the year	**2,144.92**	**712.91**
iii.	**Securities premium**		
	Balance at the beginning of the year	100,656.35	66,058.80
	Add: Premium on shares issued during the year	30,271.04	33,094.20
	Add: Premium on receipt of balance subscription and conversion of OCRPS to equity shares	986.29	-
	Less: Utilised during the year for share issue expenses	(766.34)	(9.78)
	Less : Amount recoverable from VAM ESOP Trust	-	(660.00)
	Less: Premium on shares held under Vivriti ESOP Trust	(8,050.00)	
	Add: Premium on issue of shares in lieu of cash remuneration	-	2,173.13
	Balance at the end of the year	**123,097.34**	**100,656.35**
iv	**Other Comprehensive Income**		
	Balance at the beginning of the year	45.82	135.47
	Add/ (Less) : Fairvaluation of investment in debt instruments (net)	(475.00)	255.58
	Add/ (Less) : Cash flow hedge reserve	(8.76)	(324.77)
	Share of other comprehensive loss post tax from associate	(228.36)	(20.46)
	Balance at the end of the year	**(666.29)**	**45.82**
v	**Retained earnings**		
	Balance at the beginning of the year	155,093.09	1,118.88
	Add : Profit/ (Loss) for the year	(12,176.85)	155,326.65
	Add/ (Less) : Remeasurement of net defined benefit liability	(32.59)	(5.04)
	Less: Transfer to Statutory reserve	(2,585.95)	(1,347.40)
	Balance at the end of the year	**140,297.70**	**155,093.09**
	Also refer Note 37		
vi	**Non-controlling interests**		
	Balance at the beginning of the year	4,691.97	-
	Non-controlling interest on issue of shares	938.56	4,691.97
	Share of profit	7.28	-
	Share of Other Comprehensive income	(2.31)	-
	Balance at the end of the year	**5,635.50**	**4,691.97**

Details of Non-Controlling Interests

Name of the subsidiary	Proportion of ownership interests and voting rights held by Non-Controlling Interests	
	31 March 2023	31 March 2022
Vivriti Asset Management Private Limited	24.46%	24.46%

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Statutory Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")
Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc in accordance with the provisions of the Companies Act, 2013.

Employee stock option outstanding account
The Company has stock option schemes under which options to subscribe for the Company's shares have been granted to eligible employees and key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments.

Other comprehensive income
a. The Company has elected to recognise changes in the fair value of investments in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within equity.

b. The Company has applied hedge accounting for designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity as cash flow hedge reserve.

Retained earnings
Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. This reserve is free reserves which can be utilised for any purpose as may be required.

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23 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to schedule III to the companies act, 2013 as at and for the year ended 31 March 2023 and 31 March 2022

As at 31 March 2023

Name of the entities	Net Assets (i.e. total assets less total liabilities)		Share in profit and loss		Other comprehensive income		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
(i) Parent								
Vivriti Capital Private Limtied	54.71%	156,474.55	-106.25%	12,929.75	68.17%	(509.22)	-96.16%	12,420.53
(ii) Subsidiaries								
Vivriti Asset Management Private Limited	4.35%	12,439.12	-0.14%	16.65	0.64%	(4.75)	-0.09%	11.90
(iii) Associates (Investment as per equity method)								
Credavenue Private Limited	45.39%	129,824.30	207.68%	(25,274.09)	30.57%	(228.36)	197.44%	(25,502.45)
Non-controlling interests in subsidiaries	1.97%	5,635.50	-0.06%	7.28	0.31%	(2.31)	-0.04%	4.97
Less: Effect of Intercompany adjustments/ eliminations	-6.43%	(18,378.15)	-1.24%	150.84	0.32%	(2.37)	-1.15%	148.47
Total	**100.00%**	**285,995.32**	**100.00%**	**(12,169.57)**	**100.00%**	**(747.01)**	**100.00%**	**(12,916.58)**

As at 31 March 2022

Name of the entities	Net Assets (i.e. total assets less total liabilities)		Share in profit and loss		Other comprehensive income		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
(i) Parent								
Vivriti Capital Private Limtied	43.75%	119,614.66	4.34%	6,736.98	75.04%	(71.05)	4.29%	6,665.93
(ii) Subsidiaries								
Vivriti Asset Management Private Limited	3.42%	9,347.98	-1.66%	(2,582.82)	4.49%	(4.25)	-1.67%	(2,587.07)
(iii) Associates (Investment as per equity method)								
Credavenue Private Limited	57.05%	155,964.61	97.63%	151,649.93	21.60%	(20.46)	97.68%	151,629.48
Non-controlling interests in subsidiaries	1.72%	4,691.97	0.00%	-	0.00%	-	0.00%	-
Less: Effect of Intercompany adjustments/ eliminations	-5.94%	(16,237.82)	-0.31%	(477.45)	-1.13%	1.07	-0.31%	(476.38)
Total	**100.00%**	**273,381.41**	**100.00%**	**155,326.64**	**100.00%**	**(94.69)**	**100.00%**	**155,231.96**

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24 Interest income

	Year ended 31 March 2023			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	50,984.90	-	-	50,984.90
Interest income from investments	4,512.87	3,998.24	-	8,511.11
Interest on deposits	1,349.00	-	-	1,349.00
	56,846.77	**3,998.24**	-	**60,845.01**

	Year ended 31 March 2022			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	28,879.51	-	-	28,879.51
Interest income from investments	1,713.68	1,913.55	-	3,627.23
Interest on deposits	445.98	-	-	445.98
	31,039.17	**1,913.55**	-	**32,952.72**

	Year ended 31 March 2023	Year ended 31 March 2022
25 Fee and commission income		
Fee and commission income	4,172.71	1,825.87
Platform fees	-	4,883.64
	4,172.71	**6,709.51**
25.1 Net gain on derecognition of financial instruments		
Net gain on derecognition of financial instruments	104.70	44.08
	104.70	**44.08**
26 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss		
On alternative investment funds	2,755.74	707.30
On mutual funds investments	874.00	73.80
Profit on sale of investments in NCD and PTC	55.50	9.42
	3,685.24	**790.52**
Fair value changes		
- Realised	2,751.13	487.08
- Unrelaised	934.11	303.44
	3,685.24	**790.52**
27 Other income		
Gain on sale of shares in associate company	1,025.52	-
Gain on sale of property, plant and equipments	6.49	299.87
Gain on termination of finance leases	-	143.22
Interest on rental deposit	17.65	1.95
Interest on income tax refund	35.98	-
Reimbursement of expenses	59.44	10.38
Rental income	21.21	94.83
	1,166.29	**550.25**
28 Gain on loss /dilution of control		
Gain on loss /dilution of control in Credavenue Private Limited (also refer note 37)	384.58	200,680.31
	384.58	**200,680.31**
29 Finance costs		
Finance costs on financial liabilities measured at amortised cost		
Interest on borrowings		
- Term loans from banks and others	25,122.10	13,303.39
- Overdrafts and Cash credits	431.65	498.88
Interest on debt securities	12,598.11	5,931.50
Interest on lease liability	214.58	175.67
Interest on rental deposit	59.09	21.90
	38,425.53	**19,931.34**

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		Year ended 31 March 2023	Year ended 31 March 2022
30	**Impairment on financial instruments**		
	Impairment loss allowance on		
	- Loans	804.96	1,236.37
	- Investments	146.06	256.94
	- Guarantees	4.00	41.12
	- Trade receivables		
	Write off on	-	-
	- Loans	-	-
	- Investments	-	-
	- Guarantees	-	-
	Less: Recovery	-	-
		917.00	**1,462.38**
31	**Employee benefit expenses**		
	Salaries and bonus	5,333.23	6,056.63
	Contribution to provident and other funds	231.84	152.90
	Share based payments to employees	1,395.85	245.02
	Staff welfare expenses	441.26	175.81
	Gratuity expenses	78.43	43.03
		7,480.61	**6,673.39**
32	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment	308.78	316.95
	Depreciation on right of use assets	424.82	409.81
	Amortisation of intangible assets	121.12	121.12
	Depreciation on investment property	15.77	
		870.49	**847.88**
33	**Other Expenses**		
	Information technology Cost	504.56	633.21
	Distribution expenses	251.44	1,162.45
	Maintenances of premises	297.98	162.83
	Administrative expenses	45.12	14.99
	Legal and professional expenses (refer note 33.2)	1,454.40	1,160.92
	Advertisment expenses	417.09	-
	Auditor's remuneration (refer note 33.1)	134.80	76.50
	Communication expenses	36.64	34.89
	Director sitting fees	37.43	33.80
	Expenditure on corporate social responsibility (refer note 33.3)	93.34	38.00
	Insurance	249.18	131.62
	Rates and taxes	104.54	76.30
	Recruitment related fees	245.64	235.58
	Subscription expenses	30.57	17.72
	Travelling expenses	416.86	248.95
	Rent	212.30	26.36
	Loss on sale of investments	-	7.96
	Miscellaneous expenses	341.65	521.42
		4,873.54	**4,583.49**
33.1	**Auditors' Remuneration**		
	Statutory audit including limited review	120.00	73.00
	Other services and reimbursement of expenses	14.80	3.50
		134.80	**76.50**

33.2 Stock compensation expenses

Professional fees for year ended 31 March 2022 includes share based payment of INR 407.50 lakhs to one advisor by allotment of Series 1C shares in May 2021 considering the fair value on the date of such allotment.

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	Year ended 31 March 2023	Year ended 31 March 2022
33.3 Details of expenditure on corporate social responsibility (CSR)		
(a) Gross amount required to be spent by the Company during the year	93.34	37.94
(b) Amount approved by the Board to be spent during the year	93.34	38.00
(c) Amount spent during the year (in cash):		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	93.34	44.00
(d) Contribution to related parties	-	-
(e) Excess amount spent / Shortfall	-	(6.06)

	As at 31 March 2023	As at 31 March 2022
Opening balance	(6.06)	(6.06)
Amount required to be spent during the year	93.34	-
Amount spent during the year	(93.34)	-
Closing balance to be spent	**(6.06)**	**(6.06)**

Nature of CSR activities

During the year, the Company had transferred the CSR amounts to IITM Incubation Cell towards promoting education and to Environmental Foundation of India towards environmental sustainability activities covered under Schedule VII of the Act.

34 Exceptional item		
Stock compensation expense	-	2,173.13
	-	**2,173.13**

Note:

The Subsidiary Company allotted 4,470,532 equity shares on 14 March 2022 to Vineet Sukumar and Gaurav Kumar (2,235,266 each), promoters of the subsidiary in lieu of part of cash remuneration, to compensate them for their valuable professional contribution and domain expertise to the growth of the business carried by the subsidiary. The aforesaid shares were issued at a price of INR 27 per share. The said issuance was carried out based on a valuation report (as at 31 December 2021) dated 25 January 2022 from a registered valuer and a fairness opinion dated 27 January 2022 from another independent chartered accountant firm on the aforesaid valuation report.

During the year ended 31 March 2022, the subsidiary had granted stock options under the Employee Stock Option Scheme (grant date of 28 February 2022) to its employees and was also in discussion with various external investors for its first round of fund raising. In this connection, subsequently, the subsidiary obtained a valuation report (as at 31 January 2022) dated 16 March 2022 from another registered valuer / merchant banker with value of INR 75.61 per share. Such valuation report was considered for its option valuation.

The Subsidairy has recorded the difference between the fair value of the shares of INR 75.61 per share and the issue price of INR 27 per share as stock compensation expense during the year and has presented it as an exceptional item in the Statement of profit and loss. Further, during the current year, the subsidiary company remitted the withholding tax pertaining to the stock compensation expense and the promoters have reimbursed the same to the subsidiary company.

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35 Income tax

The component of income tax expenses:

	Year ended 31 March 2023	Year ended 31 March 2022
Current tax	4,572.81	1,882.70
Deferred tax relating to origination and reversal of temporary differences	(270.55)	46,264.11
	4,302.26	**48,146.81**

35.1 Reconciliation of total tax expenses

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years March 31, 2023 and 2022 are, as follows:

Accounting profit before tax	17,791.36	208,229.13
Applicable tax rate	25.17%	25.17%
Computed tax expense	**4,478.09**	**52,411.27**
Tax effect of :		
Permanent differences	23.49	45.65
Items with different tax rates	(20.92)	-
Others	(1.99)	-
Income tax expense recognised in statement of profit and loss excluding change in estimates relating to previous years	**4,478.67**	**52,456.92**
Effective tax rate	**25.17%**	**25.19%**

35.2 Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expenses

Components of deferred tax asset (liability)	As at 31 March 2022	Statement of profit and loss	Other comprehensive income	Derecognition on account of loss of control	As at 31 March 2023
Deferred tax asset/ (liability) in relation to -					
Proprty, plant and equipments	(10.52)	(22.78)	-	-	(33.30)
Impairment on financial assets	724.85	24.57	-	-	749.42
Provision for employee benefits	147.92	198.67	(6.20)	-	340.39
Unamortised processing fee income (net)	(339.04)	53.81	-	-	(285.23)
Others	98.33	416.43	(162.70)	-	352.07
Business Loss	324.59	31.99	-	-	356.58
Gain on loss / dilution of control	(46,015.13)	(91.99)	-	-	(46,107.12)
	(45,069.01)	**610.70**	**(168.90)**	**-**	**(44,627.20)**

Components of deferred tax asset (liability)	As at 31 March 2021	Statement of profit and loss	Other comprehensive income	Derecognition on account of loss of control	As at 31 March 2022
Deferred tax asset/ (liability) in relation to -					
Proprty, plant and equipments	36.91	(254.73)	-	207.29	(10.52)
Impairment on financial assets	534.82	190.03	-	-	724.85
Provision for employee benefits	321.88	208.99	0.63	(383.58)	147.92
Unamortised processing fee income (net)	300.36	(639.40)	-	-	(339.04)
Others	40.68	108.10	23.27	(73.72)	98.33
Business Loss	186.55	138.03	-	-	324.59
Gain on loss / dilution of control	-	(46,015.13)	-	-	(46,015.13)
	1,421.21	**(46,264.11)**	**23.90**	**(250.00)**	**(45,069.01)**

36 Earnings per share

	Year ended 31 March 2023	Year ended 31 March 2022
Net (loss) / profit after tax for the year	**(12,169.57)**	**155,326.65**
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	16,772,776	12,485,534
Effect of dilutive potential equity shares:		
Convertible preference shares	76,796,265	71,402,633
Employee stock options	2,311,856	2,909,817
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	95,880,897	86,797,984
Face value per share	10.00	10.00
Earnings per share (in Rs.)		
- Basic	(72.56)	1,244.05
- Diluted	(72.56)	178.95

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37 Change in ownership interests in Credavenue Private Limited (CAPL)

A Shareholder related transactions

On 12 August 2021, the Company had received an offer for subscribing to the rights issue of 13,336,000 equity shares of its then wholly owned subsidiary "Credavenue Private Limited" ("CAPL") at an issue price of INR 15 per share. The management of CAPL had obtained a fair valuation report from a registered valuer with value of INR 15 per share and a fairness opinion from another independent chartered accountant firm on the aforesaid report.

In view of its strategic outlook and regulatory aspects, the Company did not seek to subscribe to such rights and renounced the rights entitlement on the aforesaid date in favor of the promoters in their capacity as founder shareholders of the Company ("Founder shareholders") without any consideration (to be received by VCPL) for the rights renunciation. This has been approved / ratified subsequently by the Board of directors including the investor shareholders of the Company.

Subsequently, on 13 August 2021, the founder shareholders subscribed to the rights issue of equity shares of CAPL and consequently, the holding in CAPL reduced from 100% to 80%.

During the same time, CAPL was also in discussion with various external investors for its first round of fund raising and subsequently, during September 2021, concluded the fund raise through issue of Series A CCPS at an issue price of INR 351 per share (also refer note B

The Company has evaluated the aforesaid shareholder transactions forming part of equity and believes that there are no material financial reporting / tax implications arising therefrom.

B Loss / Dilution of control

Consequent to the Series A funding in CAPL and on basis the shareholders' agreement dated 20 September 2021, VCPL did not retain control over CAPL and CAPL became an associate. As a result, VCPL's shareholding in CAPL on a fully diluted basis, reduced to 58.33%. In the consolidated financial results, considering the loss of control, the Company has fair valued its investment in CAPL in accordance with Ind AS 110 – 'Consolidated Financial Statements' and accordingly an amount of INR 170,534 lakhs was recorded as gain on loss of control.

Further, pursuant to the subsequent funding arrangements in March 2022, VCPL's shareholding on a fully diluted basis, has further reduced to 50.52% as at 31 March 2022 and an incremental amount of INR 28,948 lakhs was recorded as dilution gain. Thus the aggregate gain on loss / dilution of control recorded in the year ended 31 March 2022 is INR 200,680 lakhs. During the current year an incremental amount of INR 384.58 lakhs has been recorded as dilution gain for further reduction in holding from 50.52% to 50.45%. The resultant deferred tax charge on aforesaid gains has been created aggregating to INR 46,287 lakhs.

Further, during the current year, pursuant to further issuance of shares by CAPL and sale of 151,526 CAPL shares by VCPL, the shareholding of VCPL in CAPL stands at 50.30% as at 31 March 2023

Up to September 2021, the Company has consolidated CAPL on a line-by-line consolidation basis and thereafter accounted on an equity method basis with effect from date of loss of control.

37.1 Investment in Associate

(i) Below is the Associate Company of the Group which, in the opinion of the Management, is material to the Group which has been accounted as per Equity Method of Accounting.

Particulars	As at			
	31 March 2023		31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Credavenue Private Limited	49,858,474	175,781.30	50,010,000	201,880.27
Total Carrying value	**49,858,474**	**175,781.30**	**50,010,000**	**201,880.27**

Particulars	Principal place of business	Proportion of ownership's interest As at	
		31 March 2023	31 March 2022
Credavenue Private Limited	India	50.30%	50.52%

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Principal activities of the business:

Credavenue Private Limited is financial-technology company that through its online platform supports corporate borrowers and debt investors to interact transparently and efficiently. The Company delivers an integrated enterprise debt platform and a one stop solution for prospecting, evaluating, executing and monitoring debt through a dynamic credit underwriting engine that uses cutting-edge data analytics lo facilitate credit decision making.

(ii) Summarised financial information of Associate company

The summarised financial information given below represents amount shown in the Associate's consolidated financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

Particulars	As at	
	31 March 2023	31 March 2022
Non-current assets	61,251.69	30,725.53
Current assets	112,949.87	160,542.77
Non-current liabilities	28,133.12	15,836.69
Current liabilities	14,778.74	6,468.32

Particulars	For the year ended	
	31 March 2023	31 March 2022
Revenue	32,691.26	16,564.94
Loss for the year	(51,011.27)	(5,741.49)
Other Comprehensive income	(454.00)	(40.49)
Total Comprehensive income	(51,465.27)	(5,781.98)

(iii) Reconciliation of the above summarised financial information to the carrying amount of the interest in Credavenue Private Limited (CAPL) recognised in consolidated financial statements is given below:

Particulars	As at	
	31 March 2023	31 March 2022
Net assets of CAPL	131,289.70	168,963.29
Proportion of the Group's ownership interest in CAPL	50.30%	50.52%
Group's ownership interest in CAPL	**66,038.72**	**85,360.25**
Adjustment on account of loss/dilution of control as referred in note 37B	109,742.58	116,520.02
Carrying amount of the Group's interest in CAPL	**175,781.30**	**201,880.27**

(iv) Commitments and Contingent Liabilities in respect of Associate Company

Particulars	As at	
	31 March 2023	31 March 2022
Group Share in Commitments in respect of Associate Companies not being included in Note No. 42	-	-
Group Share in Contingent Liabilities in respect of Associate Companies not being included in Note No. 42	-	-

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38 Employee benefits

38.1 Defined contribution plan

The Group makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Group's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service. The Group has recognised INR 270.91 Lakhs (As at 31 March 2022 : INR 152.90 Lakhs) as contribution to provident fund in the statement of profit and loss account.

38.2 Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The Calculation of the Group's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Risks associated with defined benefit plan
Gratuity is a defined benefit plan and Group is exposed to the following risks:
Interest rate risk: A fall in the discount rate, which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level may increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

	Year ended 31 March 2023	Year ended 31 March 2022
A. Change in present value defined benefit of obligations		
Change in defined benefit obligations during the year		
Present value of defined benefit obligation at the beginning of the year	44.68	83.72
Current service cost	65.88	41.70
Interest cost	3.12	1.34
Acquisitions/Divestures/Transfer	-	-
Benefits paid	(6.36)	-
Actuarial loss / (gain) recognised in other comprehensive income	43.47	6.72
Derecognition on account of loss of control		(88.80)
Present value of defined benefit obligation at the end of the year	**150.79**	**44.68**
B. Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer contributions	6.36	-
Benefits paid	(6.36)	-
Actuarial loss / (gain) recognised in other comprehensive income	-	-
Fair value of plan assets at the end of the year	-	-
C. Actual return on plan assets		
Expected return on plan assets	-	-
Actuarial gain / (loss) on plan assets	-	-
Actual return on plan assets	-	-
D. Reconciliation of present value of the defined benefit obligation and the fair value of the plan assets		
Present value of defined benefit obligations at the end of the year	150.79	44.68
Fair value of plan assets	-	-
Net liability recognised in balance sheet	**150.79**	**44.68**

The liability in respect of the gratuity plan comprises of the following non-current and current

Current	4.03	0.05
Non-current	146.76	44.63

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	Year ended 31 March 2023	Year ended 31 March 2022
E. Expense recognised in statement of profit and loss		
Current service cost	65.88	41.70
Interest cost	3.12	1.34
Expected return on plan assets	-	-
Net cost recognized in the statement of profit and loss	**69.00**	**43.04**
F. Remeasurements recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	43.47	6.72
Return on plan assets excluding interest income	-	-
	43.47	**6.72**

	As at 31 March 2023	As at 31 March 2022
G. Assumptions as at balance sheet date		
Discount rate (refer note (b))	7.55% to 7.6%	7.50% to 7.56%
Interest rate (rate of return on assets)	-	-
Future salary increase (refer note (a))	7.00% to 9.00%	7.00% to 8.00%
Mortality table	2.00% to 12.00%	2.00% to 12.50%
Attrition rate (refer note (a))	15.00% to 17.37%	10.00% to 15.00%

Notes:

a) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Further, the Management re-visits the assumptions such as attrition rate, salary escalation etc., taking into account, the business conditions, various external / internal factors affecting the Group.

b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

c) Experience adjustments:

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Defined benefit obligation	150.79	44.68	83.72	27.57	4.97
Fair value of plan assets	-	-	-	-	-
Surplus / (deficit)	(150.79)	(44.68)	(83.72)	(27.57)	(4.97)
Experience adjustments on plan liabilities - (loss) / gain	(43.47)	(6.72)	(15.12)	12.47	-
Experience adjustments on plan assets - loss / (gain)	-	-	-	-	-

d) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	As at 31 March 2023	As at 31 March 2022
Discount rate		
-1% increase	(16.68)	(5.09)
-1% decrease	18.25	5.48
Future salary growth		
-1% increase	13.23	4.43
-1% decrease	(12.49)	(4.31)
Employee Turnover		
-1% increase	(3.44)	(0.72)
-1% decrease	3.54	0.73

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

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39 Segment disclosures

Operating segments are defined as components of an enterprise for which discrete financial information is available and evaluated regularly by Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance.

The Group has considered business segment as reportable segment for disclosure. The products and services included in each of the reported business segments are as follows:

Segment	Activities
NBFC	Non-Bank Financial Services
Fund Management	Fund Management
Technology	Financial technology

Information about Business Segments

1. Segment Revenue

	Year ended 31 March 2023			Year ended 31 March 2022		
	External	Inter-Segment	Total	External	Inter-Segment	Total
NBFC	67,054.43	66.94	**67,121.37**	34,828.15	338.76	**35,166.91**
Fund Management	3,516.04	78.95	**3,594.99**	1,067.06	-	**1,067.06**
Technology	-	-	-	5,152.08	914.51	**6,066.59**
Segment Revenue	**70,570.47**	**145.89**	**70,716.36**	**41,047.29**	**1,253.27**	**42,300.56**
Less: Inter-Segment Revenue			(145.89)			(1,253.27)
Total			**70,570.47**			**41,047.29**
Add: Gain on loss / dilution of control			384.58			200,680.31
Less: Differential gain elimination on sale of shares of associate			(596.52)			-
Total Income			**70,358.53**			**241,727.60**

2. Segment Results

	Year ended 31 March 2023	Year ended 31 March 2022
NBFC	17,284.47	9,095.48
Fund Management	31.98	(547.48)
Technology	-	(589.79)
Subtotal	**17,316.45**	**7,958.21**
Add: Intersegment results	686.85	(409.39)
Add: Gain on loss / dilution of control	384.58	200,680.31
Less: Differential gain elimination on sale of shares of associate	(596.52)	-
Profit before tax	**17,791.36**	**208,229.13**
Less: Exceptional item	-	(2,173.13)
Less: Income taxes	(4,302.26)	(48,146.81)
Less: Share of loss from associate (net of income tax)	(25,658.67)	(2,582.54)
Net (loss) / profit after tax for the year	**(12,169.57)**	**155,326.65**

	As at 31 March 2023	As at 31 March 2022
3. Segment Assets		
NBFC	655,853.27	467,532.35
Fund Management	16,904.10	10,969.75
Inter Segment elimination	(2,797.14)	(623.65)
Other unallocable assets *	175,781.30	201,880.27
Total	**845,741.53**	**679,758.72**
4. Segment Liabilities		
NBFC	512,115.57	358,669.69
Fund Management	4,464.99	1,621.77
Inter Segment elimination	(2,791.35)	170.20
Other unallocable liabilities	45,957.00	45,915.65
Total	**559,746.21**	**406,377.31**

* pertains to Investment in Associate accounted under equity method

Information about Geographical Segments

The Group is domiciled in India. Hence, there are no separate reportable geographical segments as per Ind AS 108 on 'Operating Segment'.

Information about major customers

No customer contributed more than 10% to the Group's revenue during the year ended 31 March 2023 and 31 March 2022.

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39B Revenue from contracts with customers

	Year ended 31 March 2023	Year ended 31 March 2022
Type of service		
Fee and commission income	4,172.71	1,825.87
Platform fees	-	4,883.64
Total	**4,172.71**	**6,709.51**
Geographical market		
In India	4,172.71	6,709.51
Outside India	-	-
Total	**4,172.71**	**6,709.51**
Timing of recognition of revenue		
Performance obligation satisfied at a point in time	4,172.71	6,709.51
Performance obligation satisfied over a period in time	-	-
Total	**4,172.71**	**6,709.51**
Contract receivables		
Trade receivables	1,417.13	742.05
Other receivables	-	-
Total	**1,417.13**	**742.05**

40 Related Party information

40.1 Names of related parties and nature of relationship

Associate	Credavenue Private Limited (also refer note 37)
Subsidiary of associate	Credavenue Securities Private Limited Spocto Solutions Private Limited (w.e.f. 25 February 2022) Bluevine Technologies Private Limited (w.e.f. 26 April 2022) Credavenue Spocto Technology Limited (w.e.f. 11 August 2022)
Key Managerial Personnel	Mr. Vineet Sukumar, Managing Director Mr. Gaurav Kumar, (Non-executive Director w.e.f. 5 August 2021) Ms. Namrata Kaul, Independent Director Ms. Anita P Belani, Independent Director (w.e.f 07 May 2021) Mr. Santanu Paul, Independent Director (w.e.f 9 February 2023) Mr. John Tyler Day, Nominee Director Mr. Kenneth Dan Vander Weele, Nominee Director (till 9 February 2023) Mr. Kartik Srivatsa, Nominee Director Mr. Gopal Srinivasan, Nominee Director (w.e.f 27 May 2022) Mr. Lazar Zdrakovic, Additional Director (w.e.f 31 March 2023) Mr. Narayan Ramachandran, Independent Director of the subsidiary
Entity in which KMP of the Company / Subsidiary company is a Director or Shareholder	QED Business Solutions Private Limited (w.e.f. 1 February 2023) Epimoney Private Limited (w.e.f. 27 May 2022) Smartcoin Financials Private Limited Aye Finance Private Limited Shapos Services Private Limited Sonata Finance Private Limited (till 9 February 2023) UC Inclusive Credit Private Limited

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40.2 Transactions during the year

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest Income		
Aye Finance Private Limited	32.47	-
Epimoney Private Limited	59.57	-
Shapos Services Private Limited	292.49	27.73
Sonata Finance Private Limited	363.18	329.60
UC Inclusive Credit Private Limited	326.05	97.47
Rent income		
Credavenue Private Limited	50.07	84.00
Reimbursement of expenses		
Credavenue Private Limited	349.09	655.78
Platform fees expense:		
Credavenue Private Limited	1,149.99	2,811.69
Credavenue Securities Private Limited	2,927.13	-
Bluevine Technologies Private Limited	15.92	-
Servicer fee		
Smartcoin Financials Private Limited	1,421.18	-
Sale of fixed assets		
Credavenue Private Limited	175.62	640.80
Employee share option recoverable		
Credavenue Private Limited	29.79	194.59
Fees and commission income:		
Credavenue Private Limited	767.99	1,136.09
Credavenue Securities Private Limited	648.60	-
Sonata Finance Private Limited	1.28	-
Smartcoin Financials Private Limited	3.75	-
Processing fee received		
Aye Finance Private Limited	4.00	-
Shapos Services Private Limited	12.50	8.00
Sonata Finance Private Limited	11.28	16.50
UC Inclusive Credit Private Limited	18.50	7.50
Rental Deposit recoverable		
Credavenue Private Limited	-	150.00
Loans given		
Aye Finance Private Limited	4,000.00	-
Shapos Services Private Limited	6,902.00	1,600.00
Sonata Finance Private Limited	3,700.00	2,300.00
UC Inclusive Credit Private Limited	2,000.00	1,500.00

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Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Loans repaid		
Epimoney Private Limited	500.00	-
Shapos Services Private Limited	5,481.24	150.00
Sonata Finance Private Limited	2,473.43	2,019.78
UC Inclusive Credit Private Limited	1,300.00	400.00
Investments in Debentures		
Aye Finance Private Limited	4,340.00	-
Secondary purchase of investments in MLDs of other entities		
Credavenue Private Limited	1,713.74	-
Credavenue Securities Private Limited	8,999.74	-
Secondary sale of investment in MLDs of other entities		
Credavenue Private Limited	1,885.88	-
Credavenue Securities Private Limited	16,983.73	-
Subscription of Company's debt securities (borrowings)		
Credavenue Private Limited	5,670.00	7,930.07
Credavenue Securities Private Limited	21,000.00	-
Advisory fee expense		
QED Business Solutions Private Limited	8.00	-
Business Support services		
Bluevine Technologies Private Limited	3.00	-
Distribution expenses		
Credavenue Securities Private Limited	38.80	-
Deal execution services		
Credavenue Securities Private Limited	11.70	-
First Loss Default Guarantee (FLDG) settlement		
Epimoney Private Limited	440.87	-
Smartcoin Financials Private Limited	4,760.67	-
Directors Sitting fees		
Ms. Namrata Kaul	17.08	11.00
Ms. Anita P Belani	14.17	9.00
Mr. Santanu Paul	2.18	-
Mr. Narayan Ramachandran	4.00	6.00
Reimbursement of withholding taxes		
Mr. Vineet Sukumar	492.31	-
Mr. Gaurav Kumar	492.31	-
Remuneration paid (short-term employment benefits)		
Mr. Vineet Sukumar	249.56	292.19
Mr. Gaurav Kumar	-	241.35

Also refer note 37 for renunciation of rights

Note:
Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the Group as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.

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40.3 Balances as at the year-end:

Particulars	As at 31 March 2023	As at 31 March 2022
Investment in Equity		
Credavenue Private Limited	175,781.30	201,880.27
Loans		
Epimoney Private Limited	167.75	-
Aye Finance Private Limited	4,014.46	-
Shapos Services Private Limited	2,804.42	1,461.54
Sonata Finance Private Limited	4,011.54	2,790.38
UC Inclusive Credit Private Limited	2,784.84	2,064.14
Investments in Debentures		
Aye Finance Private Limited	1,870.00	-
Debt Securities (Borrowings)		
Credavenue Private Limited	-	7,930.07
Credavenue Securities Private Limited	6,870.00	-
Trade payables		
Credavenue Private Limited	775.98	535.42
Smartcoin Financials Private Limited	490.34	-
Credavenue Securities Private Limited	66.05	-
Bluevine Technologies Private Limited	0.28	-
Receivables		
Credavenue Private Limited	83.85	172.40
Credavenue Securities Private Limited	382.05	-
Other financial assets		
Credavenue Private Limited	133.35	172.40
Epimoney Private Limited	51.29	-
Smartcoin Financials Private Limited	384.54	-

Notes:

1. There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
2. The transactions disclosed above are exclusive of GST.

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41 Micro and small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 has been made in the financial statements based on information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date.

	As at 31 March 2023	As at 31 March 2022
The principal amount and the interest due thereon (to be shown separately)		
- Principal	14.80	1.72
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

		Year ended 31 March 2023	Year ended 31 March 2022
42	**Contingent liabilities, commitments and other litigations**		
42.1	**Contingent liabilities**		
	Guarantees issued to third party	1,139.18	4,156.80
42.2	**Commitments**		
	Capital commitments	971.10	1,171.11
	Undrawn committed sanctions to borrowers	7,725.00	6,905.17
42.3	**Pending litigations**		
	Suits filed by the Group against counterparties	1,553.20	1,553.20

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43 Employee Stock Option Scheme (ESOS)

The Company constituted the Vivriti ESOP Trust (the Trust) to administer the Employee Stock Options (ESOP) scheme and allotted 1,000,000 (31 March 2022: Nil) equity shares to Trust. The Trust has granted 1,293,800 (31 March 2022: 681,000) options under the Employee Stock Option Scheme to employees spread over a vesting period of 2 to 5 years. The details of which are as follows:

Plan	Grant date	Number of options	Exercise price in Rs.	Vesting period	Vesting condition
ESOP - Scheme 1	29-Jun-18	444,100	10.00	5 Years	Time based vesting
	19-Jul-19	207,100	47.48	5 Years	Time based vesting
ESOP - Scheme 2	19-Jul-19	166,900	47.48	5 Years	Time based vesting
	18-Nov-19	330,850	71.67	5 Years	Time based vesting
ESOP - Scheme 3	15-Dec-19	35,000	71.67	4 Years	Time based vesting
ESOP - Scheme 4	30-Jun-20	540,500	173.66	4 Years	Time based vesting
	30-Sep-20	64,000	173.66	4 Years	Time based vesting
	31-Dec-20	9,500	173.66	4 Years	Time based vesting
	31-Mar-21	147,500	173.66	4 Years	Time based vesting
	30-Jun-21	205,000	173.66	4 Years	Time based vesting
	31-Dec-21	361,125	173.66	4 Years	Time based vesting
ESOP - Scheme 5	1-Jul-22	661,050*	815.00	4 Years	Time based vesting
	31-Dec-22	356,400	950.00	4 Years	Time based vesting
	16-Jan-23	260,000	950.00	4 Years	Time based vesting

* Scheme approved by the shareholders at their meeting held on 22 September 2022 with relevant effective grant date.

43.1 Reconciliation of outstanding options

The details of options granted under the above schemes are as follows.

Particulars	As at 31 March 2023		As at 31 March 2022	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Outstanding at beginning of year	107.48	3,471,515	85.97	3,983,750
Forfeited during the year	154.64	(528,150)	109.80	(558,000)
Exercised during the year	55.04	(448,140)	48.17	(635,235)
Granted during the year	880.41	1,293,800	173.66	681,000
Outstanding as at end of year	**370.44**	**3,789,025**	**107.48**	**3,471,515**
Vested and exercisable as at end of year	**107.48**	**947,256**	**82.73**	**651,915**

43.2 Fair value methodology

The fair value of the options is estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions:

	As at 31 March 2023	As at 31 March 2022
Share price on Grant date (In Rs.)	10.00 - 950.00	10.00 - 356.89
Exercise price (In Rs.)	10.00 - 950.00	10.00 - 173.66
Fair value of options at grant date	2.40 - 362.12	2.40 - 230.80
Expected dividends*	Nil	Nil
Option term	5 Years	5 Years
Risk free interest rate	4.09%- 8.32%	4.09%- 8.32%
Expected volatility**	14.70%- 33.04%	14.70%- 33.04%
Weighted average remaining contractual life (in years)	2.16	3.10

* Company has not paid any dividend till date.

** Company is a unlisted entity and having no listed peer companies, so volatility of BSE Finance Index for the historical period as per the time to maturity in each vesting has been considered.

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44 Leases

The disclosures as required under Ind AS 116 are as follows;

(i) Measurement of Lease Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Lease Liabilities	3,078.20	997.48

The Company has considered weighted average rate of borrowings for discounting.

The Company has entered into leasing arrangements for premises. ROU has been included after the line 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

(ii) Amounts recognised in the Balance sheet

Particulars	As at 31 March 2023	As at 31 March 2022
a) Right-of-use assets (net)	2,893.48	969.06
b) Lease liabilities		
Current	488.42	156.76
Non-current	2,589.78	840.72
Total Lease liabilities	**3,078.20**	**997.48**
c) Additions to the Right-of-use assets	2,510.66	1,974.51

(iii) Amounts recognised in the Statement of Profit and Loss

Particulars	As at 31 March 2023	As at 31 March 2022
a) Depreciation charge for right-of-use assets	424.82	409.81
b) Interest expense (included in finance cost)	214.58	175.67
c) Expense relating to short-term leases	212.30	2.51

(iv) Cash Flows

Particulars	As at 31 March 2023	As at 31 March 2022
The total cash outflow of leases	575.99	434.20

(v) Maturity analysis of undiscounted lease liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Not later than one year	674.88	253.83
Later than one year and not later than five years	2,894.59	1,017.35
Later than five years	49.61	-

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45 Financial Instruments

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e, exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2023 were as follows:

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments						
- Pass-through certificates	-	32,936.58	-	-	32,936.58	32,936.58
- Non convertible debentures	-	40,730.34	-	-	40,730.34	40,730.34
- Alternative Investment Funds	38,541.39	-	-	38,541.39	-	38,541.39
- Market Linked debentures	15,740.98	-	-		15,740.98	15,740.98
- Mutual Funds	7,167.58	-	7,167.58	-	-	7,167.58
Derivative financial instruments	-	384.32	-	-	384.32	384.32
Financial liabilities:						
Derivative financial instruments	-	-	-	-	-	-

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2022 were as follows:

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments						
- Pass-through certificates	-	29,841.50	-	-	29,841.50	29,841.50
- Non convertible debentures	-	22,496.10	-	-	22,496.10	22,496.10
- Alternative Investment Funds	17,484.64	-	-	-	17,484.64	17,484.64
- Market Linked debentures	20,155.04	-	-	-	20,155.04	20,155.04
- Mutual Funds	3,010.85	-	3,010.85	-	-	3,010.85
Derivative financial instruments	-	-	-	-	-	-
Financial liabilities:						
Derivative financial instruments	-	382.00	-	-	382.00	382.00

Reconciliation of fair value measurement is as follows

Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Financial assets measured at FVOCI		
Balance at the beginning of the year	242.58	135.47
Total gains/(losses) measured through OCI	(723.34)	107.11
Balance at the end of the year	**(480.76)**	**242.58**
Financial assets measured at FVTPL		
Fair value adjustment (unrealised)	934.11	303.44

Sensitivity analysis - Increase/ decrease of 100 basis points

Particulars	**As at 31 March 2023**		**As at 31 March 2022**	
	Increase	**Decrease**	**Increase**	**Decrease**
Financial assets:				
Investments				
- Pass through securities	(197.17)	200.93	(161.10)	158.18
- Non convertible debentures	(673.89)	697.90	(514.99)	494.00
- Alternative Investment Funds	385.41	(385.41)	174.85	(174.85)
- Market linked debentures	157.41	(157.41)	201.55	(201.55)
- Mutual funds	71.68	(71.68)	30.11	(30.11)
Derivative financial instruments	3.84	(3.84)	-	-
Financial liabilities:				
Derivative financial instruments	-	-	3.82	(3.82)

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A Fair value measurement (continued)

The carrying value and fair value of other financial instruments by categories as of 31 March 2023 were as follows:

	Carrying Value				
Particulars	**Amortised cost**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets not measured at fair value:					
Cash and cash equivalents	29,573.90	-	-	-	-
Bank balances other than cash and cash equivalents	26,496.00	-	-	-	-
Trade receivables	1,417.13	-	-	-	-
Loans	453,295.43	-	-	-	-
Investments	3,974.40	-	-	-	-
Other financial assets	3,496.81	-	-	-	-
Financial liabilities not measured at fair value:					
Trade payables					
-total outstanding dues of micro and small enterprises	14.80	-	-	-	-
-total outstanding dues of creditors other than micro and small enterprises	2,145.94	-	-	-	-
Debt securities	151,887.19	-	-	-	-
Borrowings (Other than debt securities)	350,698.27	-	-	-	-
Other financial liabilities	8,158.10	-	-	-	-

The carrying value and fair value of financial instruments by categories as of 31 March 2022 were as follows:

	Carrying Value				
Particulars	**Amortised cost**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets not measured at fair value:					
Cash and cash equivalents	47,357.92	-	-	-	-
Bank balances other than cash and cash equivalents	31,894.68	-	-	-	-
Trade receivables	741.18	-	-	-	-
Loans	296,048.09	-	-	-	-
Other financial assets	1,821.22	-	-	-	-
Investments	-	-	-	-	-
Financial liabilities not measured at fair value:					
Derivative financial instruments					
Trade payables					
-total outstanding dues of micro and small enterprises					
-total outstanding dues of creditors other than micro and small enterprises	1,110.25	-	-	-	-
Debt securities	107,051.35	-	-	-	-
Borrowings (Other than debt securities)	247,962.03	-	-	-	-
Other financial liabilities	2,632.83	-	-	-	-

Note:
Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

B Measurement of fair values

Valuation methodologies of financial instruments not measured at fair value
Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities
For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities without a specific maturity.

Borrowings
The debt securities, borrowings and subordinated liabilities are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Loans
The Loans are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

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Transfers between levels I and II

There has been no transfer in between level I and level II. The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Group determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the Group and other valuation models.
The Group measures financial instruments, such as investments (other than equity investments in Subsidiaries, etc.) at fair value.

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

46 Capital management

The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI.
The Group has complied in full with all its externally imposed capital requirements over the reported period.

The primary objectives of the Group's capital management policy is to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group monitors capital using debt to equity ratio.

Particulars	As at 31 March 2023	As at 31 March 2022
Total Debt*	477,243.05	331,429.12
Total equity	280,359.82	268,689.44
Debt equity ratio	1.70	1.23

* Debt-equity ratio is (Debt Securities+Borrowings (Other than debt securities) - Bank overdrafts - Unamoritzed issues expenses) / net worth i.e. Equity share capital + Other equity + Convertible preference share capital

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

46.1 Financial risk management objectives and policies

The Group has operations in India. Whilst risk is inherent in the Group's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

46.1.1 Risk Management structure

The Group's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Group's risk management policies.

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

The Group's risk management committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

The Group's policy is that risk management processes throughout the Group are audited annually by the Internal Auditors, who examine both the adequacy of the procedures and the Group's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Supervisory Board and Audit Committee.

The Group has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business, the Group is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the Group's effective management practice.

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46.1.2 Risk Measurement and reporting systems

The Group's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Group also runs worst-case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept, with additional emphasis on selected industries. In addition, the Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the businesses is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Board of Directors, the Risk Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, VaR, liquidity ratios and risk profile changes. On a monthly basis, detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for credit losses on a monthly basis. The Supervisory Board receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Group.

At all levels of the Group's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up–to–date information.

It is the Group's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Group on the utilisation of market limits, analysis of VaR, proprietary investments and liquidity, plus any other risk developments.

Stress testing is a fundamental pillar of the Group's risk management toolkit, to simulate various economic stress scenarios to help the Group set and monitor risk appetite and to ensure that the Group maintains a conservative risk profile. The outcome of tests is embedded into the individual credit, liquidity and funding risk profiles through limits and mitigation contingency plans and includes both financial and regulatory measures.

It is the Group's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Group is exposed to that they decide to take on. The Group's continuous training and development emphasises that employees are made aware of the Group's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Group's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

46.2 Credit Risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit risk department of the Group's independent Risk Controlling Unit. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit risk managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit risk manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

46.2.1 Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

Grouping

As per Ind AS 109, the Group is required to group the portfolio based on the shared risk characteristics. The Group has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups namely Loans, investments in pass through securities, investment in non-convertible debentures, colending and partial guarantees towards pooled bond & loan issuances.

Expected Credit Loss("ECL")

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components: a. Marginal probability of default ("MPD") b. Loss given default ("LGD") c. Exposure at default ("EAD") d. Discount factor ("D")

Expected Credit Losses are measured via a combination of Monte Carlo Simulations across three major cohorts of exposure and the losses across these three cohorts are then added and loss distribution is used to arrive at Expected Credit Loss (ECL)

- 12 month expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments on Stage I assets
- Lifetime expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments which have either become NPA (Stage III) or have displayed significant increase in credit risk (Stage II assets)
- Partial Guarantee product losses wherein a partial guarantee is extended to a pool of issuers- in this case; the entire EAD of all the issuances is considered to arrive at expected credit losses.

a) Marginal probability of default: PD is defined as the probability of whether borrowers will default on their obligations in the future. PD is derived from the external rating of the borrower by following steps:

1) To arrive at the PD, the annual default study published by rating agencies is relied upon. The default numbers published against each rating category in different studies are then aggregated to arrive at internal PD matrix for each rating category

2) The PD numbers published are on an annual scale and since the exposure of the instruments are on monthly basis, the monthly PD is then interpolated on a monthly basis by fitting the data points from annual PD curve using cubic splines.

3) Finally, the Through the Cycle (TTC) PDs are converted to Point in Time (PIT) PDs using forward looking variables (GDP etc) using combinations of correlation of underlying sectors asset quality and Pluto Tasche model.

4) The PDs derived from the methodology described above, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to 12 month marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

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46.2.1 Impairment assessment (continued)

b) Loss Given Default (LGD): LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD.

The formula for the computation is as below:
The Group has considered an LGD of 65% on unsecured exposures and 50% on secured exposures as recommended by the Foundation Internal Ratings Based (FIRB) approach under Basel II guidelines issued by RBI.

c) Exposure at Default (EAD): As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments.

The Group has considered outstanding expected future cash flows (including interest cashflows) , SLCE for all the loans at DPD bucket level for each of the risk segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. So discounting was done for computation of expected credit loss.

EAD is taken as the gross exposure under a facility upon default of an obligor. The amortized principal and the interest accrued is considered as EAD for the purpose of ECL computation
The advances have been bifurcated into following three stages:
Stage I – Advances with low credit risk and where there is no significant increase in credit risk. Hence, the advances up to 0 to 29 days are classified as Stage I.

Stage II – Advances with significant increase in credit risk. Hence the advances from 30 to 89 days are classified as Stage II.
Stage III – Advances that have defaulted / Credit impaired advances. Hence the advances with 90 days past due or Restructured Advances are classified as Stage III. Another loan of the same borrower whether in Stage I or Stage II is also considered as Stage III loan.

Note:- Days past due has been computed after considering the RBI Circular dated March 27, 2020, for the aforesaid classification into Stage I, Stage II and Stage III Loans.

The Group had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers. The Group has recognised for interest on interest for the moratorium cases.

d) Discounting Factor: As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate which is obtained from the underlying yield (inclusive of processing fee) for each instrument.

Additionally, the model also uses correlation matrix for deriving correlation in events of stress between different borrowers in same segment.

Correlation Matrix: This provides correlation between different entities/sectors which are present in the structure. When defaults are simulated on the portfolio, these entities in same or different sectors default together to the extent of strength of correlation. The correlation between two entities is derived as follows:

- Inherently, the entire NBFC sector carries a bit of correlation in terms of liquidity risk- in event of stress, we see the liquidity vanishing from NBFC sector very quickly
- There is slight overlap between entities operating in the same sector- for example event like GST and demonetization did impact all small business loans establishments, although to a varying extent
- For microfinance sector, since the loans are more homogenous, geopolitical, and social issues do tend to dominate majority of stress events and hence geographically exclusivity will help
- Occupation profiles of the underlying borrowers served by entities

ECL computation: Conditional ECL at DPD pool level was computed with the following method: Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

Particulars	Provisions	As at 31 March 2023	As at 31 March 2022
Stage 1	12 month provision	2,826.49	1,749.30
Stage 2	Life time provision	208.03	876.52
Stage 3	Life time provision	1,350.41	842.11
Amount of expected credit loss provided for		**4,384.93**	**3,467.93**

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Group's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.

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46.2.1 Impairment assessment (continued)

Analysis of changes in the gross carrying amount of loans:

Particulars	As at 31 March 2023				As at 31 March 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**296,298.25**	**1,569.55**	**1,091.69**	**298,959.49**	**163,211.25**	-	**592.52**	**163,803.77**
New assets originated *	730,432.40	-	-	730,432.40	435,440.73	-	-	435,440.73
Asset derecognised or repaid	(569,880.24)	(783.24)	(1,732.06)	(572,395.54)	(300,273.85)	-	(11.16)	(300,285.01)
Transfer from stage 1	-	3,631.43	-	3,631.43	-	1,569.55	510.33	2,079.88
Transfer from stage 2	(3,631.43)	-	2,444.34	(1,187.09)	(1,569.55)	-	-	(1,569.55)
Transfer from stage 3	-	(2,444.34)	-	(2,444.34)	(510.33)	-	-	(510.33)
Write offs	-	-	-	-	-	-	-	-
As at the end of the year	**453,218.97**	**1,973.40**	**1,803.97**	**456,996.34**	**296,298.25**	**1,569.55**	**1,091.69**	**298,959.49**

* New assets originated are those assets which have originated during the year.

As at the balance sheet date, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, except for the following:

Extent of delay	As at 31 March 2023			As at 31 March 2022		
	Number of customers / borrowers	Amount (INR Lakhs)	Due Date	Number of customers / borrowers	Amount (INR Lakhs)	Due Date
Up to 30 days	8	2,995.42	Various due dates	8	366.72	Various due dates
31 – 89 days	4	48.38	Various due dates	6	1,569.55	Various due dates
More than 90 days	11	1,803.97	Various due dates	9	1,091.69	Various due dates

Analysis of changes in the ECL allowance

Particulars	As at 31 March 2023				As at 31 March 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**1,749.30**	**876.52**	**842.11**	**3,467.93**	**1,418.46**	-	**855.02**	**2,273.48**
Additions	1,085.07	200.11	150.58	1,435.76	409.08	870.33	255.01	1,534.42
Reversals	-	(500.21)	(18.55)	(518.76)	(72.05)		-	(72.05)
Transfer from stage 1	-	7.88	-	7.88	-	-	-	-
Transfer from stage 2	(7.88)	-	376.27	368.39	(6.19)	-	-	(6.19)
Transfer from stage 3	-	(376.27)	-	(376.27)	-	6.19	-	6.19
Write offs	-	-	-	-	-	-	(267.92)	(267.92)
As at the end of the year	**2,826.49**	**208.03**	**1,350.41**	**4,384.93**	**1,749.30**	**876.52**	**842.11**	**3,467.93**

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are, vehicles, loan portfolios and mortgaged properties based on the nature of loans. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.

Investments

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The exposure to credit risk for investments is to other non-banking finance companies and financial institutions.

The risk committee has established a credit policy under which each new investee pool is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc. For investments the collateral is the underlying loan pool purchased from the financial institutions.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the investments are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments. Further, the risk management committee periodically assesses the credit rating information.

Cash and cash equivalent and Bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the Group generally invests in term deposits with banks

46.3 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Group's exposure to market risk is a function of asset liability management activities. The Group is exposed to interest rate risk and liquidity risk.

The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the Group's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

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46.4 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

The operational risks of the Group are managed through comprehensive internal control systems and procedures and key backup processes. In order to further strengthen the control framework and effectiveness, the Group has established risk control self assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The Group also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The Group has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Group's readiness.

46.5 Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Group has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The Group also has lines of credit that it can access to meet liquidity needs.

Refer Note No 47 for the summary of maturity profile of undiscounted cashflows of the Group's financial assets and financial liabilities as at reporting period.

46.6 Interest Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the Group is providing loans to Institutional Finance. The Group borrows through various financial instruments to finance its core lending activity. These activities expose the Group to interest rate risk.
Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis. Substantially all loans reprice frequently, with interest rates reflecting current market pricing.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Group's statement of profit and loss and equity.

46.7 Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Group arises majorly on account of foreign currency borrowings. The Group manages this foreign currency risk by entering into cross currency interest rate swaps. When a derivative is entered into for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Group holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

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47 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/ or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	As at 31 March 2023			As at 31 March 2022		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	29,573.90	-	29,573.90	47,357.92	-	47,357.92
Bank balances other than cash and cash equivalents	19,671.49	6,824.51	26,496.00	29,492.68	2,412.00	31,904.68
Derivative financial instruments	384.32	-	384.32	-	-	-
Receivables	1,417.13	-	1,417.13	742.05	-	742.05
Loans	282,841.39	170,454.04	453,295.43	208,878.91	87,197.03	296,075.94
Investments	65,591.67	249,280.89	314,872.57	242,535.57	52,332.83	294,868.40
Other financial assets	2,936.23	560.58	3,496.81	796.20	369.56	1,165.76
Current tax assets (net)	-	3,499.35	3,499.35	91.88	1,859.81	1,951.69
Deferred tax assets (net)	-	1,329.80	1,329.80	-	355.36	355.36
Investment Property	-	932.84	932.84	-	948.61	948.61
Property, plant and equipment	-	2,575.01	2,575.01	-	777.81	777.81
Capital work-in-progress	400.08	-	400.08	-	-	-
Right of use asset	-	2,893.48	2,893.48	-	43.08	43.08
Intangible assets under development	-	564.65	564.65	-	969.06	969.06
Other intangible assets	-	267.95	267.95	-	317.99	317.99
Other non- financial assets	3,650.11	92.10	3,742.21	2,252.70	27.67	2,280.37
Total Assets	**406,466.33**	**439,275.21**	**845,741.53**	**532,147.91**	**147,610.81**	**679,758.72**
Liabilities						
Derivative financial instruments	-	-	-	-	382.00	382.00
Trade payables			-			
-total outstanding dues of micro and small enterprises	14.80	-	14.80	-	-	-
-total outstanding dues of creditors other than micro and small enterprises	2,145.94	-	2,145.94	2,505.81	-	2,505.81
Debt securities	67,307.91	84,579.28	151,887.19	63,392.47	44,348.56	107,741.03
Borrowings (Other than debt securities)	206,223.05	144,475.22	350,698.27	133,607.22	114,354.81	247,962.03
Other financial liabilities	4,927.19	3,230.91	8,158.10	1,120.45	522.99	1,643.44
Deferred tax liabilities (net)	-	45,957.00	45,957.00	-	45,424.37	45,424.37
Provisions	361.23	146.76	507.99	198.52	54.45	252.97
Other non-financial liabilities	376.92	-	376.92	465.66	-	465.66
Total Liabilities	**281,357.04**	**278,389.17**	**559,746.21**	**201,290.13**	**205,087.18**	**406,377.31**
Total equity			**285,995.33**			**273,381.41**

47A Change in Liabilities arising from financing activities

Particulars	As at 1 April 2022	Cash flows	Exchange difference	Others*	As at 31 March 2023
Debt Securities	107,741.03	38,679.75	-	5,466.41	151,887.19
Borrowings (other than debt securities)	247,962.03	100,722.18	781.00	1,233.06	350,698.27

Particulars	As at 1 April 2021	Cash flows	Exchange difference	Others*	As at 31 March 2022
Debt Securities	40,219.33	64,329.88	-	3,191.82	107,741.03
Borrowings (other than debt securities)	98,446.05	148,483.95	71.78	960.25	247,962.03

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48 Impact of hedging activities

a) Disclosure of effects of hedge accounting on financial position:

As at 31 March 2023								
Type of hedge risks	Nominal Value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Change in the value of hedged item as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Cross currency interest rate swaps	-	8,293.85	384.32	-	30-Nov-26	766.32	754.62	Borrowings (other than debt securities)

As at 31 March 2022								
Type of hedge risks	Nominal Value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Change in the value of hedged item as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Cross currency interest rate swaps	-	7,639.68	-	382.00	30-Nov-26	(382.00)	57.23	Borrowings (other than debt securities)

b) Disclosure of effects of hedge accounting on financial performance:

For the year ended 31 March 2023				
Type of hedge Cash flow hedge	Change in value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cross currency interest rate swaps	(11.70)	-	-	Not applicable

For the year ended 31 March 2022				
Type of hedge Cash flow hedge	Change in value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cross currency interest rate swaps	(324.77)	-	-	Not applicable

49 Additional Regulatory Information

i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
ii) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall (a) 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 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
viii) The Group has not been declared as wilful defaulters by any bank or financial institution or government or any other government authority.
ix) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
x) The Group has not entered into any scheme of arrangement as per sections 230 to 237 of the Companies Act, 2013.

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50 Subsequent events

There are no subsequent events that have occurred after the reporting period till the date of approval of these consolidated financial statements.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 4 May 2023

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited

Vineet Sukumar
Managing Director
DIN 06848801

Gaurav Kumar
Director
DIN 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 4 May 2023

B S R & Co. LLP
Chartered Accountants

KRM Tower, 1st and 2nd Floor
No.1, Harrington Road, Chetpet
Chennai - 600 031, India.

Telephone +91 44 4608 3100
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Independent Auditor's Report

To the Members of Vivriti Capital Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Vivriti Capital Private Limited (the "Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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 is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of matter

As more fully described in Note 79 to the standalone financial statements, the extent to which the COVID-19 pandemic will have impact on the Company's financial performance is dependent on future developments, which are highly uncertain.

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

B S R & Co. (a partnership firm with Registration No. Ba61223) converted into B S R & Co. LLP
(a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
Impairment of loans and advances including off balance sheet elements Charge: INR 1,462.38 lakhs for year ended 31 March 2022 Provision: INR 3,132.16 lakhs as at 31 March 2022	
Refer Notes 3.6, 7, 19, 28 and 79 to the standalone financial statements	
Under Ind AS 109 - Financial Instruments, credit loss assessment is based on expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. Further, in relation to COVID-19 pandemic, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the economy The determination of impairment loss allowance is inherently judgmental and relies on managements' best estimate due to the following: • Segmentation of loans given to the customer • Criteria selected to identify significant increase in credit risk, specifically in respect of moratorium benefit given to eligible borrowers, as per the Company's board approved policy, read with the RBI COVID 19 regulatory package • Increased level of data inputs for capturing the historical data to calculate the Probability of Default ('PDs') and Loss	In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence: • Performed process walkthroughs to identify the controls used in the impairment allowance processes. • Assessed the design and implementation of controls in respect of the Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance. • Obtained understanding of management's revised processes, compliance with the RBI circulars pertaining to impairment loss allowance, systems and controls implemented in relation to impairment allowance process, specifically in view of providing moratorium as per board approved policy read with RBI COVID-19 regulatory package including management rationale for determination of criteria of significant increase in credit risk. • Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings.

Key audit matter	How the matter was addressed in our audit
Given Default ("LGD") and the completeness and accuracy of that data. • Use of management overlay for considering the forward looking macro-economic factors, economic environment and timing of cash flows. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment loss allowance on the standalone financial statements, we have considered this as a key audit matter.	• Tested the periods considered for capturing underlying data as base to PD and LGD calculations are in line with Company's recent experience of past observed periods. • Tested the accuracy of the key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made. • Challenged completeness and validity of impairment allowance including the management overlays, particularly in response to the pandemic with assistance of our financial risk modelling experts by critically evaluating the risks that have been addressed by management. • Performed test of details, on a sample basis, on underlying data relating to segmentation, staging as at 31 March 2022 and other key inputs for computation of ECL. • Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the standalone financial statements are appropriate and sufficient.

Key audit matter	How the matter was addressed in our audit
Investment in subsidiaries and associates *Refer notes 3.3, 8, 22 and 36 to the standalone financial statements.*	
Credavenue Private Limited ('CAPL') was a subsidiary of Vivriti Capital Private Limited ('VCPL') as at the beginning of the financial year. During the year, there were various shareholder transactions in respect of CAPL. These shareholder transactions included two rounds of fund raise at CAPL, renunciation of rights entitlement by VCPL in favour of founders in their capacity as founder shareholders etc. Such transactions and other shareholder arrangements resulted in dilution and loss of control of VCPL in respect of its investment in CAPL. Thus, CAPL became an associate. The investment continued to be accounted at cost in the standalone financial statements. We identified assessing the accounting of investment in subsidiaries and associate as a key audit matter because of the degree of complexity involved in financial reporting, judgements and estimates involved in valuation at various points in time, assessing loss / dilution of control, implications of related party transactions, tax considerations, disclosures etc.	In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence: • Performed process walkthroughs to identify the controls used over identification, compliance and disclosure of shareholder and investment related transactions/arrangements. • Evaluated the design and tested the operating effectiveness of controls over identification, compliance and disclosure of such transactions/arrangements. • Obtained and reviewed the shareholders agreements. • Inquired with those charged with governance, the substance and sequence of events/transactions and board decisions etc. • Obtained and confirmed the approvals / ratification of Audit Committee / Board of Directors on the shareholder / related party transactions. • Obtained and read the valuation reports, fairness opinion etc received by the Company from CAPL in connection with the related transactions and the timing thereof. • Reviewed management's evaluation of the financial reporting aspects of shareholder transactions and implications thereof to be within equity. • Obtained and read the legal opinion on the tax implications, if any, with respect to the Company together with founder shareholder support arrangements. • Assessed whether appropriate accounting and adequate disclosures regarding fund raise at CAPL, renunciation of rights to founders in their capacity as shareholders, dilution/loss of control etc have been made in the standalone financial statements. • Communicated the key implications of the shareholder transactions / arrangements to those charged with governance.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon. Such other information is expected to be made available to us after the date of auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and 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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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.
- 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 expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 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.

Other Matter

The standalone financial statements of the Company for the year ended 31 March 2021 were audited by the predecessor auditor who had expressed an unmodified opinion vide their report dated 28 April 2021.

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 Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.

   b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Notes 7, 14 and 19 to the standalone financial statements.

   c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 45 to the standalone financial statements, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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 to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 45 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 from or on behalf of the Ultimate Beneficiaries.

(iii) Based on audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) contain any material misstatement.

e) The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022

S Sethuraman
Partner
Membership No. 203491
UDIN: 22203491AJTVMP1293

Place: Chennai
Date: 27 May 2022

Annexure A to the Independent Auditor's Report
To the Members of Vivriti Capital Private Limited on the Standalone financial statements for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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(i) (a)

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

b. The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment wherein computer and accessories are verified once in a year and other property, plant and equipments are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment, computer and accessories were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right of use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is a Non-Banking Financial Company without accepting deposits (NBFC-ND), primarily engaged in lending activities. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of certain current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

Annexure A to the Independent Auditor's Report
To the Members of Vivriti Capital Private Limited on the Standalone financial statements for the year ended 31 March 2022

Page 2 of 6

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties in respect of which the requisite information is as below:

a. Based on the audit procedures carried on by us and as per the information and explanations given to us, the principal business of the Company is to give loans. Accordingly, Clause 3(iii)(a) of the order is not applicable.

b. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interests of the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amounts, due date for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause) in this Annexure A, in respect of loans and advances which were not repaid/ paid when they were due or were repaid/ paid with a delay, in the normal course of lending business.

Further, except for those instances where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, in respect of which the Company has disclosed asset classification in note 42.3 (and summarised below) to the standalone financial statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

Number of customers / borrowers	Amount (INR Lakhs)	Due Date	Extent of delay
8	366.72	Various due dates	Up to 30 days
6	1,569.55	Various due dates	31 – 89 days
9	1,091.69	Various due dates	More than 90 days

Further, the Company has not given any advance in the nature of loan to any party during the year.

d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given except an amount of INR 1,091.69 lakhs (Principal amount) overdue for more than ninety days as at 31 March 2022. In our opinion, reasonable steps have been taken by the Company for recovery of the principal and interest. Further, the Company has not given any advances in the nature of loans to any party during the year.

e. Based on the audit procedures carried on by us and as per the information and explanations given to us, the principal business of the Company is to give loans. Accordingly, Clause 3(iii)(e) of the order is not applicable.

f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the provisions of Section 185 of the Companies Act, 2013 ("the Act") is not applicable to the Company. In relation to investments made by the Company, the Company has complied with the provisions of section 186 of the Act, to the extent applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, income tax and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, employees state insurance, duty of excise, duty of customs, value added tax and cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, provident fund and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Income-Tax, and other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that 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 (as defined under Companies Act, 2013) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associate or joint ventures (as defined under Companies Act, 2013) during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment of shares or fully or partly convertible debentures during the year. In respect of private placement of equity and preference shares made during the year, the Company has duly complied with the requirements of section 42 and section 62 of the Companies Act, 2013. The proceeds from issue of equity and preference shares have been used for the purposes for which the funds were raised.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been 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) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable.

(xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company. According to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) Based on the information and explanations provided to us, we have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us by the Company, non-cash transactions with its directors or persons connected to its directors, to the extent considered applicable, are in accordance with the provisions of Section 192 of the Companies Act. Also refer Note 8.1 to the standalone financial statements.

(xvi) (a) In our opinion and according to the information and explanation provided to us, the Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained the registration.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

Annexure A to the Independent Auditor's Report
To the Members of Vivriti Capital Private Limited on the Standalone financial statements for the year ended 31 March 2022

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) The previous statutory auditors of the Company have resigned during the year pursuant to the requirements of the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated 27 April 2021, issued by the Reserve Bank of India, and there are no issues, objections or concerns raised by the outgoing auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
ICAI UDIN: 22203491AJTVMP1293

Place : Chennai
Date : 27 May 2022

Annexure "B" to the Independent Auditors' report on the standalone financial statements of Vivriti Capital Private Limited for the year ended 31 March 2022

Page 1 of 2

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 *(Referred to in paragraph 2A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)*

Opinion

We have audited the internal financial controls with reference to financial statements of Vivriti Capital Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

Annexure "B" to the Independent Auditors' report on the standalone financial statements of Vivriti Capital Private Limited for the year ended 31 March 2022

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 with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022

S Sethuraman
Partner
Membership No. 203491
UDIN: 22203491AJTVMP1293

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Standalone Balance Sheet as at 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Financial assets			
Cash and cash equivalents	4	43,391.04	13,817.64
Bank balances other than cash and cash equivalents	5	31,894.68	9,511.80
Receivables	6	423.41	424.44
Loans	7	296,048.09	162,044.92
Investments	8	98,544.16	29,397.85
Other financial assets	9	1,821.22	297.58
Total financial assets		**472,122.60**	**215,494.23**
Non-financial assets			
Current tax assets (Net)	10	1,859.81	943.23
Deferred tax assets (Net)		590.76	1,011.24
Investment property	11	948.61	-
Property, plant and equipment	12.1	719.41	527.82
Right of use assets	12.2	602.98	874.73
Intangible assets under development	12.3	14.06	48.96
Other intangible assets	12.4	317.99	93.28
Other non-financial assets	13	1,108.13	522.10
Total non-financial assets		**6,161.75**	**4,021.36**
Total assets		**478,284.35**	**219,515.59**
EQUITY AND LIABILITIES			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	14	382.00	-
Trade Payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		-	1.72
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		954.58	821.11
Debt securities	16	107,051.35	39,953.41
Borrowings (other than debt securities)	17	247,962.03	96,864.64
Other financial liabilities	18	1,756.13	1,517.50
Total financial liabilities		**358,106.09**	**139,158.38**
Non-financial liabilities			
Provisions	19	191.49	469.84
Other non-financial liabilities	20	372.11	173.18
Total non-financial liabilities		**563.60**	**643.02**
Total liabilities		**358,669.69**	**139,801.40**
EQUITY			
Equity share capital	21	1,252.24	1,146.39
Convertible preference share capital	21A	8,739.15	8,350.17
Other equity	22	109,623.27	70,217.63
Total equity		**119,614.66**	**79,714.19**
Total equity and liabilities		**478,284.35**	**219,515.59**

Significant accounting policies 2 and 3
The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited Chennai 600 035

Vivriti Capital Private Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations			
Interest income	23	32,344.09	20,124.26
Fees and commission income	24	1,359.31	1,728.03
Net gain on fair value change on financial instruments	25	739.71	73.90
Net gain on derecognition of financial instruments		44.08	12.00
Total revenue from operations		**34,487.19**	**21,938.19**
Other income	26	679.72	574.05
Total income		**35,166.91**	**22,512.24**
Expenses			
Finance costs	27	19,905.55	9,435.22
Impairment on financial instruments	28	1,462.38	2,989.74
Employee benefits expenses	29	2,309.07	3,668.93
Depreciation and amortisation	30	487.07	680.38
Other expenses	31	1,938.79	1,671.45
Total expenses		**26,102.86**	**18,445.72**
Profit before tax		**9,064.05**	**4,066.52**
Tax expense	32		
- Current tax		1,882.70	1,481.97
- Deferred tax charge/(benefit)		444.37	(415.96)
Total tax expense		**2,327.07**	**1,066.01**
Net profit after tax		**6,736.98**	**3,000.51**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit asset/ (liability)		(2.48)	(15.12)
Income tax relating to items that will not be reclassified to profit or loss		0.62	3.81
Sub-total (A)		**(1.86)**	**(11.31)**
Items that will be reclassified to profit or loss			
Net gain / (loss) on financial instruments through OCI		232.31	165.71
Cash flow hedge reserve		(324.77)	-
Income tax relating to items that will be reclassified to profit or loss		23.27	(41.71)
Sub-total (B)		**(69.19)**	**124.00**
Other comprehensive income (A + B)		**(71.05)**	**112.69**
Total comprehensive income for the year, net of income tax		**6,665.93**	**3,113.20**
Earnings per equity share (Face value INR 10 per share)	33		
Basic (₹)		53.96	19.46
Diluted (₹)		7.76	3.57
Significant accounting policies	2 and 3		

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited Chennai 600 035

Vivriti Capital Private Limited
Standalone Statement of Cash flows for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from operating activities		
Profit before tax	9,064.05	4,066.52
Adjustments for:		
Depreciation & amortisation	487.07	680.38
Gain on sale of fixed assets	(222.44)	-
Gain on termination of finance leases	(220.65)	-
Impairment on financial instruments (net)	1,462.38	2,989.74
Fair valuation gain on derivative contract	382.00	-
Unrealised change in fair value of financial instruments	309.07	-
Net gain on derecognition of financial instruments	44.08	-
Employee share based payment expenses	78.49	138.40
Finance costs	19,905.55	9,435.22
Interest income on bank balances other than cash and cash equivalents	(445.98)	(629.14)
Stock compensation expenses	407.50	-
Operating Profit before working capital changes	**31,251.12**	**16,681.12**
Changes in working capital and other changes		
Increase in loans	(136,458.24)	(82,501.34)
Decrease in trade receivables	0.15	231.71
Increase in other financial assets	(1,185.52)	-
(Increase)/Decrease in other non-financial assets	(586.03)	124.27
Increase in trade payables and financial liability	131.75	628.51
(Increase)/Decrease in other liability	647.41	(472.81)
Increase in other non-financial liability	158.18	92.76
(Decrease)/Increase in provisions	(280.83)	221.04
Cash used in operating activities	**(106,322.01)**	**(64,994.74)**
Finance cost paid	(15,346.83)	(7,366.73)
Income tax paid (net)	(2,799.28)	(1,603.30)
Net Cash flows generated from / (used in) operating activities	**(124,468.12)**	**(73,964.77)**
Cash flows from investing activities		
Investment in bank balances other than cash and cash equivalents (net)	(22,382.88)	36,791.71
Interest received on bank balances other than cash and cash equivalents	342.58	629.14
Purchase of property plant and equipment	(1,016.36)	(209.62)
Sale of property plant and equipment	644.77	
Intangible assets under development (net)	34.90	(13.84)
Purchase of investments other than alternative investment funds (net)	(58,172.18)	(18,497.79)
Investment in alternative investment funds (net)	(11,375.66)	(813.01)
Net cash flows generated from / (used in) investing activities	**(91,924.84)**	**17,886.59**
Financing activities		
Proceeds from issue of share capital including securities premium	32,554.59	9,912.22
Proceeds from issue of debt securities	84,473.03	34,500.00
Repayment of debt securities	(20,832.83)	(28,431.70)
Proceeds from borrowings (other than debt securities issued)	219,786.08	80,900.00
Repayment of borrowings (other than debt securities issued)	(69,619.41)	(29,747.73)
Payments of lease liabilities	(395.10)	(461.28)
Net cash flows generated from financing activities	**245,966.35**	**66,671.51**
Net increase/(decrease) in cash and cash equivalents (A) + (B) + (C)	**29,573.40**	**10,593.33**
Cash and cash equivalents at the beginning of the year	13,817.64	3,224.31
Cash and cash equivalents at the end of the year	**43,391.04**	**13,817.64**

BSR & Co. LLP Chartered Accountants

Vivriti Capital Private Limited Chennai 600 035

Vivriti Capital Private Limited
Standalone Statement of Cash flows for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
Components of cash and cash equivalents			
Balances with banks			
In current accounts	4	43,391.04	13,817.64
Total cash and cash equivalents		**43,391.04**	**13,817.64**

Significant accounting policies 2 and 3
The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Chennai
600 035

Vivriti Capital Private Limited
Standalone Statement of changes in equity for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

A. Equity share capital

Particulars	Note	Equity Share capital
Balance as at 31 March 2020		**1,130.02**
Changes in equity share capital during the period		16.37
Balance as at 31 March 2021	21	**1,146.39**
Changes in equity share capital during the period		105.85
Balance as at 31 March 2022	21	**1,252.24**

B. Other Equity

Particulars	Compulsorily Convertible Preference Shares	Optionally Convertible Redeemable Preference Shares	Other Equity						Total
			Reserves and Surplus				Other Comprehensive Income		
			Statutory Reserve	Securities Premium	Employee Stock Option outstanding account	Retained Earnings	Financial Instruments through OCI	Cash flow hedge reserve	
Balance as at 31 March 2020	**7,762.37**	**8.11**	**242.38**	**56,753.60**	**84.46**	**365.09**	-	-	**65,216.01**
Changes in equity for the year ended 31 March 2021									
Shares issued during the year	579.69	-	-	11,371.50	-	-	-	-	11,951.19
Share issue expenses	-	-	-	(154.72)	-	-	-	-	(154.72)
Shares held by ESOP Trust (also refer note 39)	-	-	-	(1,873.12)	-	-	-	-	(1,873.12)
Stock compensation expense during the year	-	-	-	-	138.40	-	-	-	138.40
Stock compensation expense - recoverable from related parties	-	-	-	-	176.85	-	-	-	176.85
Remeasurement of defined benefit liability	-	-	-	-	-	(11.31)	-	-	(11.31)
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	124.00	-	124.00
Transfer from retained earnings	-	-	-	-	-	(11.47)	11.47	-	(0.00)
Profit for the year	-	-	-	-	-	3,000.51	-	-	3,000.51
Transfer to statutory reserve	-	-	600.10	-	-	(600.10)	-	-	-
Balance as at 31 March 2021	**8,342.06**	**8.11**	**842.48**	**66,097.26**	**399.71**	**2,742.71**	**135.47**	-	**78,567.80**
Changes in equity for the year ended 31 March 2022 (also refer note 8.1)									
Shares issued during the year	388.98	-	-	32,434.19	-	-	-	-	32,823.17
Share issue expenses	-	-	-	(7.68)	-	-	-	-	(7.68)
Stock Compensation expense during the year	-	-	-	-	78.49	-	-	-	78.49
Stock compensation expense - recoverable from related parties	-	-	-	-	234.71	-	-	-	234.71
Remeasurement of defined benefit liability	-	-	-	-	-	(1.86)	-	-	(1.86)
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	173.84	-	173.84
Cash flow hedge reserve	-	-	-	-	-	-	-	(243.03)	(243.03)
Profit for the year	-	-	-	-	-	6,736.98	-	-	6,736.98
Transfer to statutory reserve	-	-	1,347.40	-	-	(1,347.40)	-	-	-
Balance as at 31 March 2022	**8,731.04**	**8.11**	**2,189.88**	**98,523.77**	**712.91**	**8,130.43**	**309.31**	**(243.03)**	**118,362.419**

The notes referred to above form an integral part of the Standalone Financial Statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

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Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Chennai
600 035

1 Corporate Information

Vivriti Capital Private Limited (the Company) is a private limited Company domiciled in India and incorporated on June 22, 2017 under the provisions of the Companies Act, 2013 ("the Act"). The Company is registered with the Reserve Bank Of India ('RBI') under Section 45 IA of the RBI Act, 1934 as Non-Banking Financial Company (Non Deposit Accepting or Holding) (NBFC-ND) with effect from January 5, 2018.The Company is a systematically important Non Banking Finance Company - Investment & Credit Company (ICC) pursuant to circular dated February 22, 2019, issued by the RBI, which is engaged in financing to various corporates through enterprise financing and retail financing through co-lending and supply chain financing.

2 Basis of preparation

2.1 Statement of compliance

These Standalone Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of the Act, other relevant provisions of the Act and in compliance with RBI requirements in this regard.

These standalone financial statements were authorised for issue by the Company's Board of Directors on 27 May 2022.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Details of the Company's accounting policies are disclosed in note 3.

2.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity, are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non-Banking Financial Company ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows. The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented separately in the notes to these financial statements.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis.

2.3 Functional and presentational currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs (two decimals), unless otherwise indicated.

2.4 Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Investments in Mutual Funds, Alternative Investment funds and Market Linked Debentures	Fair value
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from novel coronavirus 2019 ('COVID-19'):
The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of loans and fair value of investments. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports, related information and economic forecasts. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

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2.5 Use of estimates and judgements (continued)

Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model test and the solely payments of principal and interest ('SPPI') test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income or fair value through profit and loss that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii) Effective Interest Rate ('EIR') method

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iv) Impairment of financial assets

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

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

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.
b) Development of ECL models, including the various formulas and the choice of inputs.
c) Determination of associations between macroeconomic scenarios and economic inputs, such as consumer spending, lending interest rates and collateral values, and the effect on probability of default ('PD'), exposure at default ('EAD') and loss given default ('LGD').
d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

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v) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory inspections in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable.

vi) Other assumptions and estimation uncertainities

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:
a) Measurement of defined benefit obligations: key actuarial assumptions;
b) Estimated useful life of property, plant and equipment and intangible assets;
c) Recognition of deferred taxes;
d) Upfront recognition of Excess Interest Spread (EIS) in relation to assignment transactions.

3 Significant accounting policies

3.1 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 :

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

A. Recognition of interest income on loans

Under Ind AS 109, interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost, financial instrument measured at Fair value through other comprehensive income ('FVOCI') and financial instrument measured at Fair Value Through Profit and Loss ('FVTPL'). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

In case of the penal interest relating to the loans are accounted on the collection basis.

B. Interest income on deposits

Interest income on deposits is recognised on a time proportionate basis.

C. Fees and commission income

Arranger fees and advisory fees are recognised after the performance obligation in the contract is fulfilled and commission income such as guarantee commission, service income etc. are recognised on point in time or over the period basis, as applicable.

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D. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

E. Other income

All items of other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

F. Foreign Currency Transactions

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Income and expenses in foreign currencies are initially recorded by the Company at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.2 Financial instruments - Initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from this amount.

C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

i) Amortised cost

ii) Fair value through other comprehensive income ('FVOCI')

iii) Fair value through profit and loss ('FVTPL')

3.3 Financial assets and liabilities

A. Financial assets

Business model assessment

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

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

a) The performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

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

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Sole Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of a financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since the financial assets are held to sale and collect contractual cash flows, they are measured at FVOCI.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL. The Company records investments in Alternative investment funds (AIF), mutual funds and market linked debentures at FVTPL.

iv) Investment in subsidiaries and associate

The Company has accounted for its investments in subsidiaries and associates at cost.

3.3 Financial assets and liabilities (continued)

B. Financial liability

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair valued through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the Effective Interest Rate Method.

3.4 Reclassification of financial assets and liabilities

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, to the extent that an impairment loss has not already been recorded.

B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss. Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

ii) Financial Liability

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

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3.6 Impairment of financial assets

A. Overview of Expected Credit Loss ('ECL') principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Lifetime expected credit losses (LTECL) (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

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

Stage 1:

When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL.

Stage 3:

Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

B. Calculation of ECLs

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

PD:

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

EAD:

Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise expected drawdowns on committed facilities and accrued interest from missed payments. In case of stage 3 loans, EAD represents exposure when the default occurred.

LGD:

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

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1:

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

Stage 2:

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

Stage 3:

For financial assets considered credit-impaired, the Company recognises the lifetime expected credit losses for these financial assets.

C. Financial Assets measured at FVOCI

The ECLs for financial assets measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Loan Commitment

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

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E. Forward looking information

The Company considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macroeconomic factors on the Company's ECL estimates. The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

3.7 Write-offs

The gross carrying amount of a financial asset is written off when there is no reasoable expectation of recovering the asset. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

3.8 Determination of fair value

The Company measures financial instruments such as derivatives, investments etc at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole.

3.9 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight Line method, and is generally recognised in the statement of profit and loss.

The Company follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Estimated Useful life
Computers and accessories	3 years
Leasehold improvements	3 years
Servers	6 years
Office equipment	5 years
Furniture and fixtures	10 years

Leasehold improvements are depreciated on a straight line basis over the remaining period of lease or estimated useful life of the assets, whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

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3.10 Intangible assets

i. Intangible assets

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in statement of profit and loss.

Asset category	Estimated Useful life
Computer softwares	4 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.11 Investment property

Investment property represents property held to earn rentals or for capital appreciation or both. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Company's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Sch II to the Companies Act 2013.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

3.12 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

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3.13 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Company's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit or loss.

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

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

iv. Share Based Payments

The Company operates an Employee Stock Option Scheme for its employees through a trust (ESOP Trust) formed for the purpose. Equity shares are issued to the trust on the basis of the Company's expectation of the number of options that may be exercised by employees. 'Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) is determined by the fair value at the date when the grant is made using Black-Scholes option pricing valuation model. For each stock option, the measurement of fair value is performed on the grant date.

The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees. This cost is recognised, together with a corresponding increase in Employee Stock Option outstanding reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each installment has a different vesting period.

The balance equity shares not exercised and held by the ESOP Trust are disclosed as a reduction from the share capital and securities premium account with an equivalent adjustment to the subscription loan advanced to the Trust.

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3.14 Income tax

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

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.
Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

ii. Deferred tax

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.15 Leases

The Company as lessee:
The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration to assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.
Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay for its borrowings.

3.16 Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward looking estimates.

3.17 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the Effective Interest Rate Method.

3.18 Hedge Accounting policy

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve).
The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognized in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognized in OCI at that time remains in OCI and is recognized when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.19 Cash and cash equivalents

Cash and cash equivalents comprises current account balances and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.20 Segment reporting- Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

All activities of the Company revolve around the main business of financing. The Company does not have any separate geographic segment other than India. Therefore, there are no separate reportable segments as per Ind AS 108 on "Operating Segments".

3.21 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

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3.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

3.23 Securities Premium Account

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

3.24 Goods and Services Input Tax Credit

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted to the extent permitted as per the applicable regulatory laws and when there is no uncertainty in availing / utilising the same. The ineligible input credit is charged off to the respective expense or capitalised as part of asset cost as applicable.

3.25 Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised only when:
(i) The Company has a present obligation (legal or constructive) as a result of a past event;
(ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
(iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

Contingent liability is disclosed in case of:
(i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
(ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.26 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:
a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
b) Uncalled liability on shares and other investments partly paid; and
c) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

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	Particulars	As at 31 March 2022	As at 31 March 2021
4	**Cash and cash equivalents**		
	Balances with banks		
	In current accounts	43,391.04	13,817.64
		43,391.04	**13,817.64**
5	**Bank balances other than cash and cash equivalents**		
	Bank balances other than cash and cash equivalents		
	- In deposit accounts - under lien*	31,894.68	9,511.80
		31,894.68	**9,511.80**

*These deposits are earmarked against the bank overdraft and borrowings availed by the Company stated in Note 17 and earns interest at fixed rate ranging from 2.75% p.a to 8.3% p.a.

6	**Receivables**		
	Trade receivables considered good - secured	-	-
	Trade receivables considered good - unsecured	423.41	438.01
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables credit impaired	196.24	141.55
		619.65	**579.56**
	Loss allowance		
	Less: Impairment loss allowance	(196.24)	(155.12)
	Net trade receivables	**423.41**	**424.44**
	Note:		
	Of the above, receivable from related parties are as below		
	Total receivables from related parties (refer note 36)	172.40	
	Less: Impairment loss allowance	-	-
	Net receivables from related parties	**172.40**	-

	Particulars	As at 31 March 2022	As at 31 March 2021
7	**Loans (At Amortised cost)**		
A	**Based on nature**		
	Term loans	280,887.85	160,308.18
	Supply chain finance	17,809.14	3,319.45
	Others	234.65	64.47
	Total - Gross	**298,931.64**	**163,692.10**
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,048.09	**162,044.92**
B	**Based on security**		
	(i) Secured*	212,147.41	145,128.93
	(ii) Unsecured	86,784.23	18,563.17
	Total - Gross	**298,931.64**	**163,692.10**
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,048.09	**162,044.92**
C	**Based on region**		
	(i) Loans in India		
	(a) Public Sector	-	-
	(b) Others	298,931.64	163,692.10
	Total		
	(ii) Loans outside India	-	-
	Total - Gross	**298,931.64**	**163,692.10**
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,048.09	**162,044.92**

*These loans are secured by way of hypothecation of underlying loan/book debts receivables.

Loans or advances in the nature of loans are granted to promoters, directors, Key managerial personnels (KMPs), and the related parties, either serverally or jointly with any other person.

Promoters	-	-
Directors	-	-
KMPs	-	-
Related parties (refer note 36)	-	-
	-	-

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	Particulars	As at 31 March 2022	As at 31 March 2021
8	**Investments**		
	Investment in subsidiaries at cost (Unquoted)		
	- Vivriti Asset Management Private Limited 1,68,92,746 Equity shares of INR 10 each fully paid up (As at 31 March 2021: 1,68,92,746 shares of INR 10 each)	2,751.00	2,751.00
	- Vivriti Asset Management Private Limited 28,03,738 Compulsorily convertible preference shares shares of INR 10 each fully paid up (As at 31 March 2021: Nil)	3,000.00	-
	Investment in associate at cost (Unquoted)		
	Credavenue Private Limited 5,00,10,000 Equity shares of INR 10 each fully paid up (As at 31 March 2021: 5,00,10,000 Equity shares of INR 10 each) (Credavenue Private Limited was a subsidiary till 20 September 2021) (Also refer note 8.1 below)	5,001.00	5,001.00
		10,752.00	**7,752.00**
	Investments in Alternate investment fund - FVTPL (Unquoted)		
	- Vivriti Samarth Bond Fund - 2,500 Class A units (31 March 2021 :1,000 units)	342.73	99.49
	- Vivriti Short Term Bond Fund - Nil (31 March 2021 : 4,625 units)	-	462.50
	- Vivriti India Impact Bond Fund - 12,686.08 units (31 March 2021: 3,353.79 units)	1,421.84	351.02
	- Vivriti Emerging Corporate Bond Fund - 34,054.32 Class A1 units (31 March 2021: Nil)	7,964.00	-
	- Vivriti Alpha debt fund enhanced - 3,930.83 Class B1 units (31 March 2021: Nil)	391.51	-
	- Vivriti Alpha debt fund enhanced - 1472.97 Class B1 units (31 March 2021: Nil)	146.71	-
	- Vivriti Promising lenders fund - 203,000 Class B units (31 March 2021: Nil)	2,021.88	-
		12,288.67	**913.01**
	Investments in Mutual Funds - FVTPL (Quoted)		
	IDFC Overnight Fund Direct plan - Growth 88,461.68 units (31 March 2021: Nil)	1,002.96	-
	Axis Overnight Fund Direct Plan - Growth 89,508.18 units (As at 31 March 2021: Nil)	1,005.93	-
	Nippon India Overnight Fund Direct Plan - Growth 8,77,472.17 units (As at 31 March 2021: Nil)	1,001.95	-
		3,010.85	-
	Aggregate book value of quoted investments	3,005.29	-
	Aggregate market value of quoted investments	3,010.85	-
	Aggregate amount of fair value changes in investments	5.56	-
	Investments in Market Linked Debentures - FVTPL (Unquoted)	20,155.04	640.00
	Others - Unquoted - FVOCI		
	- Non convertible debentures	22,496.10	11,245.29
	- Pass through certificates	29,841.50	8,847.55
		98,544.16	**29,397.85**

All investments disclosed above represents investments made in India.

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8.1 Change in ownership interests in Credavenue Private Limited (CAPL)

A. Shareholder related transactions

On 12 August 2021, the Company had received an offer for subscribing to the rights issue of 13,336,000 equity shares of its then wholly owned subsidiary "Credavenue Private Limited" ("CAPL") at an issue price of INR 15 per share. The management of CAPL had obtained a fair valuation report from a registered valuer with value of INR 15 per share and a fairness opinion from another independent chartered accountant firm on the aforesaid report.

In view of its strategic outlook and regulatory aspects, the Company did not seek to subscribe to such rights and renounced the rights entitlement on the aforesaid date in favor of Vineet Sukumar and Gaurav Kumar, in their capacity as founder shareholders of the Company ("Founder shareholders") without any consideration (to be received by VCPL) for the rights renunciation. This has been approved / ratified subsequently by the Board of directors including the investor shareholders of the Company.

Subsequently, on 13 August 2021, the founder shareholders subscribed to the rights issue of equity shares of CAPL and consequently, the holding in CAPL reduced from 100% to 80%.

During the same time, CAPL was also in discussion with various external investors for its first round of fund raising and subsequently, during September 2021, concluded the fund raise through issue of Series A CCPS at an issue price of INR 351 per share (also refer note B below).

The Company has evaluated the aforesaid shareholder transactions forming part of equity and believes that there are no material financial reporting / tax implications arising therefrom.

B. Loss / Dilution of control

CAPL did its first round of fund raise of INR 66,100 lakhs in September 2021 through issue of 19,115,999 number of Series A CCPS shares to various external investors at an issue price of INR 351 (including a premium of INR 301 per share). Consequent to the Series A funding in CAPL, VCPL's shareholding on a fully diluted basis, reduced to 58% and on the basis of the shareholders' agreement dated 20 September 2021, VCPL did not retain control over CAPL. As a consequence, CAPL became an associate of VCPL with effect from such date. Accordingly, the Company has elected to continue measuring its investment in CAPL at cost.

Further, on 6 March 2022, CAPL did another round of fund raise of INR 102,800 lakhs, through issue of 10,590,170 number of Series B CCPS to various external investors at an issue price per of INR 971 (including a premium of INR 921 per share). Consequent to the Series B funding, VCPL's shareholding on a fully diluted basis, has further reduced to 51%.

		As at 31 March 2022	As at 31 March 2021
9	**Other financial assets**		
	Security deposits	257.74	255.42
	Dues from related parties	1,303.34	30.16
	Receivable from assigned loans	9.86	12.00
	Other advances	250.28	-
		1,821.22	**297.58**
10	**Current tax assets (net)**		
	Advance income tax (net of provisions)	1,859.81	943.23
		1,859.81	**943.23**
11	**Investment Property**		
	Investment Property	948.61	-
		948.61	**-**

The Fair value of the investment property is based on the valuation by registered valuer as defined under rule 2 of Companies (Registered Valuer and Valuations) Rules, 2017. All the title deeds of immovable property are held in the name of the Company.

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6.1 The ageing schedule of Trade receivables is as follows

i) As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	423.41	-	-	-	-	423.41
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	28.98	167.26	-	196.24
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	**423.41**	-	**28.98**	**167.26**	-	**619.65**
Impairment loss allowance							(196.24)
Total Receivables							**423.41**

ii) As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	438.01	-	-	-	-	438.01
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	141.55	-	-	141.55
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	**438.01**	-	**141.55**	-	-	**579.56**
Impairment loss allowance							(155.12)
Total Receivables							**424.44**

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12.1 Property, plant and equipment

Particulars	Leasehold improvements	Furniture and fixtures	Office equipments	Computers and accessories	Total
Cost					
Balance as at 31 March 2020	**364.98**	**346.60**	**128.65**	**355.85**	**1,196.08**
Additions	56.34	16.32	-	136.84	209.50
Disposals	-	-	-	(232.05)	(232.05)
Balance as at 31 March 2021	**421.32**	**362.92**	**128.65**	**260.64**	**1,173.53**
Additions	-	477.57	29.77	198.69	706.03
Adjustments*	38.19	11.79	29.62	28.06	107.66
Disposals	(459.51)	(374.71)	(158.27)	(10.20)	(1,002.69)
Balance as at 31 March 2022	**-**	**477.57**	**29.77**	**477.19**	**984.53**
Accumulated depreciation					
Balance as at 31 March 2020	**210.38**	**69.00**	**54.16**	**133.03**	**466.57**
Additions	107.69	38.09	29.55	75.91	251.24
Disposals	-	-	-	(72.10)	(72.10)
Balance as at 31 March 2021	**318.07**	**107.09**	**83.71**	**136.84**	**645.71**
Additions	-	26.31	3.80	65.80	95.91
Adjustments*	36.51	11.97	14.68	40.71	103.87
Disposals	(354.58)	(119.06)	(98.39)	(8.34)	(580.37)
Balance as at 31 March 2022	**-**	**26.31**	**3.80**	**235.02**	**265.12**
Net block					
As at 31 March 2021	**103.25**	**255.83**	**44.94**	**123.80**	**527.82**
As at 31 March 2022	**-**	**451.26**	**25.97**	**242.17**	**719.41**

*Adjustments represents the presentation of the gross block and accumulated depreciation of fully depreciated assets as per asset category wise details maintained in the fixed asset register.

Notes

1. The Company has not revalued any of its property, plant and equipment.

12.2 Right of use assets ('ROUA')

Particulars	Office premises	Total
Gross block value		
Balance as at 31 March 2020	**1,587.32**	**1,587.32**
Additions	-	-
Deletions	-	-
Balance as at 31 March 2021	**1,587.32**	**1,587.32**
Additions	1,575.43	1,575.43
Deletions	(2,453.27)	(2,453.27)
Balance as at 31 March 2022	**709.48**	**709.48**
Accumulated depreciation		
Balance as at 31 March 2020	**322.67**	**322.67**
Additions	389.93	389.93
Deletions	-	-
Balance as at 31 March 2021	**712.61**	**712.61**
Additions	309.40	309.40
Deletions	(915.51)	(915.51)
Balance as at 31 March 2022	**106.49**	**106.49**
Net block value		
As at 31 March 2021	**874.71**	**874.71**
As at 31 March 2022	**602.98**	**602.98**

Note : The Company has not revalued any of its right of use assets.

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12.3 Intangible assets under development

Particulars	Software under development	Total
Balance as at 31 March 2020	**35.12**	**35.12**
Additions	13.84	13.84
Capitalized during the year	-	-
Balance as at 31 March 2021	**48.96**	**48.96**
Additions	14.06	14.06
Capitalized during the year	48.96	48.96
Balance as at 31 March 2022	**14.06**	**14.06**

As at 31 March 2022

CWIP Amount	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	14.06	-	-	-	14.06
Projects suspended	-	-	-	-	-

As at 31 March 2021

CWIP Amount	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	48.96	-	-	-	48.96
Projects suspended	-	-	-	-	-

The Company does not have any intangibles under development which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

12.4 Intangible Assets

Particulars	Softwares and websites	Total
Cost		
Balance as at 31 March 2020	**165.52**	**165.52**
Additions	0.12	0.12
Disposals	-	-
Balance as at 31 March 2021	**165.64**	**165.64**
Additions	310.33	310.33
Disposals	-	-
Balance as at 31 March 2022	**475.97**	**475.97**
Accumulated depreciation		
Balance as at 31 March 2020	**33.14**	**33.14**
Additions	39.21	39.21
On disposals	-	-
Balance as at 31 March 2021	**72.35**	**72.35**
Additions	81.77	81.77
Adjustments*	3.86	3.86
On disposals	-	-
Balance as at 31 March 2022	**157.98**	**157.98**
Net block		
As at 31 March 2021	**93.29**	**93.29**
As at 31 March 2022	**317.99**	**317.99**

*Refer note under 12.1 above.

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Particulars	As at 31 March 2022	As at 31 March 2021
13 Others non financial assets		
Prepaid expenses	152.06	227.35
Advance to vendors	654.71	133.69
Balance with Government authorities	273.68	134.18
Deferred lease rentals	27.67	26.88
	1,108.13	**522.10**
14 Derivative Financial Instruments		
Currency derivatives		
Cross currency interest rate swaps - Refer Note 44	382.00	-
	382.00	**-**
15 Trade payables		
- Total outstanding dues of micro enterprises and small enterprises - Refer Note 37	-	1.72
- Total outstanding dues of creditors other than micro enterprises and small enterprises	954.58	821.11
	954.58	**822.83**

15.1 The ageing schedule of Trade payables is as follows

i) As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	585.52	-	-	-	585.52
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	369.06	-	-	-	-	369.06
	369.06	**585.52**	-	-	-	**954.58**

ii) As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	1.72	-	-	-	1.72
(ii) Others	-	565.08	-	-	-	565.08
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	256.03	-	-	-	-	-
	256.03	**566.80**	-	-	-	**566.80**

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Particulars	As at 31 March 2022	As at 31 March 2021
16 Debt securities		
Measured at amortised cost		
Redeemable Non-convertible debentures	98,693.74	39,953.41
Commercial papers	8,357.61	-
Total debt securities	**107,051.35**	**39,953.41**
Debt securities in India	107,051.35	39,953.41
Debt securities outside India	-	-
Total	**107,051.35**	**39,953.41**

16.1 Security

(i) Redeemable Non-convertible debentures are secured by way of exclusive charge over identified loan portfolio.
(ii) The Company has not defaulted in the repayment of dues to its lenders during the current or previous period

(iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 16.2 based on the Contractual terms basis.
(iv) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

16.2 Details of terms of redemption / repayment provided in respect of debt securities:

Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2022	As at 31 March 2021
11.50% Vivriti Capital Private Limited	NA	16-Aug-21	Principal is Quarterly payment and Interest is Monthly payment	-	1,004.46
Market Linked Debentures - II	NA	13-Aug-21	Principal and interest is Bullet payment	-	603.04
10.00% Vivriti Capital Private Limited	< 1 year	16-Jun-21	Principal is Quarterly payment and Interest is Monthly payment	1,002.79	3,996.84
10.75% Vivriti Capital Private Limited	NA	31-Jul-23	Principal and interest is Half yearly payment	-	2,500.25
10.48% Vivriti Capital Private Limited	NA	31-Jul-23	Principal is Quarterly payment and Interest is Monthly payment	-	1,923.38
Market Linked Debentures - III	1-2 years	27-Nov-22	Principal and interest is Bullet payment	1,135.81	1,023.46
10.25% Vivriti Capital Private Limited	1-2 years	16-Jun-22	Principal is Quarterly payment and Interest is Monthly payment	1,997.66	1,995.58
10.71% Vivriti Capital Private Limited	1-2 years	5-Jul-22	Principal is bullet payment and interest is monthly payment	4,011.74	3,972.53
9.90% Vivriti Capital Private Limited	1-2 years	25-Aug-22	Principal is monthly payment and interest in monthly payment	2,479.88	7,500.00
10.50% Vivriti Capital Private Limited	1-2 years	25-Aug-22	Principal is bullet payment and interest in monthly payment	3,004.04	-
9.25% Vivriti Capital Private Limited	1-2 years	28-Feb-23	Principal and interest in Bullet payment	7,973.85	-
9.40% Vivriti Capital Private Limited	1-2 years	6-Jan-23	Principal and interest in Bullet payment	5,204.36	-
9.40% Vivriti Capital Private Limited	1-2 years	6-Feb-23	Principal and interest in Bullet payment	5,205.74	-
10.39% Vivriti Capital Private Limited	1-2 years	30-Dec-22	Principal is bullet payment and interest in monthly payment	5,495.74	-
8.90% Vivriti Capital Private Limited	1-2 years	3-Apr-23	Principal and interest in Bullet payment	5,049.47	-
9.00% Vivriti Capital Private Limited	1-2 years	24-Apr-23	Principal and interest in Bullet payment	5,046.45	-
8.65 % Vivriti Capital Private Limited	1-2 years	4-Jun-23	Principal and interest in monthly payment	9,870.17	-
10.39 % Vivriti Capital Private Limited	1-2 years	28-Feb-23	Principal and interest in Bullet payment	3,027.23	-
8.50% Vivriti Capital Private Limited	1-2 years	14-Jul-23	Principal and interest in Bullet payment	9,852.61	-
8.50% Vivriti Capital Private Limited	1-2 years	14-Jul-23	Principal and interest in Bullet payment	9,645.24	-
12.96% Vivriti Capital Private Limited	NA	3-Mar-23	Principal is bullet payment and interest is monthly payment	-	2,541.54

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Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2022	As at 31 March 2021
12.12% Vivriti Capital Private Limited	1-2 years	26-Aug-22	Principal is Bullet payment and Interest is Half yearly payment	2,022.66	2,036.25
10.57% Vivriti Capital Private Limited	2-3 years	10-Feb-24	Principal is Quarterly payment and Interest is Monthly payment	675.21	1,013.19
Market Linked Debentures - IV	1-2 years	29-Jul-22	Principal and interest is Bullet payment	5,519.46	4,947.58
Market Linked Debentures - V	1-2 years	16-Oct-22	Principal and interest is Bullet payment	5,479.08	4,895.33
9.78% Vivriti Capital Private Limited	2-3 years	30-Sep-24	Principal and Interest is Quarterly payment	4,994.55	-
Commercial Paper I	< 1 year	28-Apr-22	Principal in Bullet Payment	993.86	-
Commercial Paper II	< 1 year	10-Aug-22	Principal in Bullet Payment	2,425.06	-
Commercial Paper V	< 1 year	23-May-22	Principal in Bullet Payment	987.57	-
Commercial Paper VI	< 1 year	23-May-22	Principal in Bullet Payment	2,967.38	-
Commerical Paper VII	< 1 year	30-Jun-22	Principal in Bullet Payment	983.74	-
Total				**107,051.35**	**39,953.41**

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	Particulars	As at 31 March 2022	As at 31 March 2021
17	**Borrowings (Other than Debt Securities)**		
	Measured at amortised cost		
	(i) Term loans (secured) (Refer note 17.1 and 17.2)		
	From banks	159,606.23	58,882.55
	From other parties	59,081.86	26,734.63
		218,688.09	**85,617.18**
	(ii) Loans repayable on demand (secured) (Refer note 17.1 and 17.2)		
	- From Banks (Overdrafts)	24,273.94	7,247.46
	- Working capital demand loan from banks (Cash credit)	5,000.00	4,000.00
		29,273.94	**11,247.46**
		247,962.03	**96,864.64**
	Borrowings in India	240,322.35	96,864.64
	Borrowings outside India	7,639.68	-
		247,962.03	**96,864.64**

17.1 Security

(i) Loans from banks and financial institutions are secured by first ranking and exclusive charge over identified receivables and guaranteed by directors of the Company.

(ii) The Company has not defaulted in the repayment of principal and interest to its lenders during the current or previous period

(iii) Rate of interest payable on bank overdraft is 3.3% p.a (31 March 2021: 3.05% p.a to 3.4% p.a). The Company has taken bank overdraft against the deposit balances (also refer note 5)

(iv) Rate of interest payable on cash credit loans is 7.00-7.80% p.a. (31 March 2021: 10.30% p.a.)

(v) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

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17.2 Details of terms loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 1	< 1 year	11.50%	1 Feb-22	Monthly	Monthly	0.00	419.51
Term Loan 2	< 1 year	12.00%	20-Feb-22	Monthly	Monthly	-	730.80
Term Loan 3	< 1 year	10.50%	28-Mar-23	Monthly	Monthly	3,319.16	6,907.67
Term Loan 4	< 1 year	10.90%	30-Jun-22	Monthly	Monthly	199.82	996.52
Term Loan 5	< 1 year	11.25%	28-Jul-22	Monthly	Monthly	453.04	1,808.33
Term Loan 6	< 1 year	9.95%	3-Oct-22	Monthly	Monthly	733.58	1,986.03
Term Loan 7	1-2 years	10.30%	29-Sep-23	Monthly	Monthly	1,003.00	1,658.51
Term Loan 8	2-3 years	10.30%	22-Mar-25	Monthly	Quarterly	3,406.41	3,964.91
Term Loan 9	< 1 year	9.60%	27-Oct-22	Monthly	Monthly	729.47	1,989.17
Term Loan 10	< 1 year	7.80%	2-Feb-21	Bullet	Monthly	2,508.15	1,500.00
Term Loan 11	< 1 year	9.50%	21-Dec-22	Monthly	Monthly	935.98	2,188.46
Term Loan 12	2-3 years	10.25%	30-Apr-24	Monthly	Quarterly	1,863.16	2,475.96
Term Loan 13	1-2 years	11.35%	31-Dec-23	Monthly	Monthly	1,484.75	2,358.08
Term Loan 14	< 1 year	10.30%	30-Dec-21	Monthly	Annualy	2,447.09	2,466.00
Term Loan 15	< 1 year	9.65%	21-Dec-21	Monthly	Quarterly	-	538.88
Term Loan 16	< 1 year	9.85%	10-Dec-22	Monthly	Monthly	748.52	1,761.30
Term Loan 17	< 1 year	9.85%	14-Dec-22	Monthly	Monthly	374.04	878.89
Term Loan 18	< 1 year	10.30%	31-Jan-23	Monthly	Monthly	623.38	1,367.83
Term Loan 19	2-3 years	11.15%	3-May-24	Monthly	Monthly	3,528.90	4,886.36
Term Loan 20	< 1 year	10.75%	15-Feb-23	Monthly	Monthly	622.48	1,438.78
Term Loan 21	< 1 year	10.00%	3-Mar-23	Monthly	Monthly	753.57	1,503.18
Term Loan 22	1-2 years	11.70%	15-Mar-24	Monthly	Monthly	981.74	1,503.52
Term Loan 23	1-2 years	9.90%	12-Mar-24	Monthly	Monthly	1,759.40	2,505.95
Term Loan 24	2-3 years	10.45%	28-Feb-25	Quarterly	Monthly	7,543.93	9,926.21
Term Loan 25	< 1 year	10.75%	24-Mar-23	Monthly	Monthly	528.22	1,049.19
Term Loan 26	1-2 years	10.30%	31-Aug-23	Monthly	Monthly	605.32	1,000.28
Term Loan 27	1-2 years	9.45%	13-Jul-23	Quarterly	Monthly	3,925.23	-
Term Loan 28	< 1 year	5.75%	10-Jun-22	Quarterly	Monthly	5,016.65	-
Term Loan 29	1-2 years	10.00%	31-Jan-24	Quarterly	Monthly	1,992.73	-
Term Loan 30	2-3 years	9.90%	18-Aug-24	Quarterly	Monthly	2,499.25	-
Term Loan 31	1-2 years	9.95%	31-Aug-23	Monthly	Monthly	1,411.03	-
Term Loan 32	1-2 years	9.00%	30-Sep-23	Monthly	Monthly	1,142.77	-
Term Loan 33	2-3 years	9.50%	24-Sep-24	Monthly	Monthly	4,160.61	-
Term Loan 34	1-2 years	9.95%	24-Sep-23	Monthly	Monthly	1,492.63	-
Term Loan 35	2-3 years	9.35%	30-Sep-24	Monthly	Monthly	4,139.70	-
Term Loan 36	1-2 years	9.73%	30-Sep-23	Monthly	Monthly	4,479.98	-
Term Loan 37	2-3 years	11.15%	30-Jan-25	Monthly	Monthly	883.63	-
Term Loan 38	2-3 years	9.00%	30-Sep-24	Monthly	Monthly	4,011.89	-
Term Loan 39	2-3 years	10.00%	31-Oct-24	Monthly	Monthly	997.34	-
Term Loan 40	1-2 years	9.90%	3-Nov-23	Monthly	Monthly	2,508.04	-
Term Loan 41	2-3 years	11.15%	3-Jan-25	Monthly	Monthly	2,086.58	-
Term Loan 42	1-2 years	9.25%	15-Nov-23	Monthly	Monthly	2,514.06	-
Term Loan 43	2-3 years	9.70%	8-Dec-24	Monthly	Monthly	2,503.92	-
Term Loan 44	2-3 years	10.65%	10-Dec-24	Monthly	Monthly	2,492.68	-
Term Loan 45	3-4 years	10.45%	31-Mar-26	Monthly	Monthly	3,760.34	-
Term Loan 46	< 1 year	10.45%	27-Dec-22	Bullet	Monthly	997.07	-
Term Loan 47	2-3 years	9.00%	31-Dec-24	Monthly	Monthly	4,536.72	-
Term Loan 48	1-2 years	9.25%	27-Dec-23	Monthly	Monthly	670.02	-
Term Loan 49	1-2 years	9.75%	8-Feb-24	Monthly	Monthly	2,349.83	-
Term Loan 50	2-3 years	9.25%	28-Feb-25	Monthly	Monthly	2,408.09	-
Term Loan 51	1-2 years	9.40%	24-Feb-24	Monthly	Monthly	7,198.79	-
Term Loan 52	1-2 years	10.15%	25-Feb-24	Monthly	Monthly	1,945.56	-
Term Loan 53	1-2 years	9.95%	25-Feb-24	Monthly	Monthly	1,908.44	-
Term Loan 54	1-2 years	9.90%	28-Dec-23	Monthly	Monthly	1,464.21	-
Term Loan 55	1-2 years	9.30%	8-Mar-24	Monthly	Monthly	6,160.50	-
Term Loan 56	2-3 years	9.75%	22-Mar-25	Monthly	Monthly	10,444.79	-
Term Loan 57	3-4 years	9.75%	30-Mar-26	Monthly	Monthly	5,869.27	-
Term Loan 58	2-3 years	7.75%	10-Mar-25	Monthly	Monthly	11,989.10	-
Term Loan 59	2-3 years	7.75%	10-Mar-25	Monthly	Monthly	14,989.10	-
Term Loan 60	1-2 years	9.40%	31-Mar-24	Monthly	Monthly	2,491.81	-
Term Loan 61	2-3 years	10.00%	1-Dec-24	Monthly	Monthly	2,693.09	-
Term Loan 62	< 1 year	11.25%	27-Apr-22	Bullet	Monthly	1,499.80	-
Term Loan 63	< 1 year	8.41%	27-Feb-22	Bullet	Monthly	-	-
Term Loan 64	< 1 year	9.95%	24-Feb-23	Monthly	Monthly	913.22	1,902.74
Term Loan 65	1-2 years	9.50%	26-Nov-23	Monthly	Monthly	2,206.65	-

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17.2 Details of terms loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 66 - External commercial borrowing from outside India	3-4 years	9.70%	30-Nov-26	Half Yearly	Half yearly	7,639.68	-
Term Loan 67	1-2 years	10.40%	28-Feb-24	Monthly	Monthly	1,412.42	-
Term Loan 68	< 1 year	11.30%	1-Dec-22	Monthly	Monthly	428.79	-
Term Loan 69	< 1 year	11.50%	28-Feb-22	Monthly	Monthly	0.00	689.43
Term Loan 70	1-2 years	11.00%	30-Jun-23	Half Yearly	Monthly	2,620.59	-
Term Loan 71	2-3 years	10.50%	30-Sep-24	Monthly	Monthly	2,563.33	-
Term Loan 72	2-3 years	12.75%	31-Mar-25	Monthly	Monthly	1,800.00	-
Term Loan 73	1-2 years	11.00%	28-Dec-23	Monthly	Monthly	529.41	789.13
Term Loan 74	2-3 years	9.60%	19-Jun-24	Monthly	Monthly	3,711.10	-
Term Loan 75	< 1 year	7.00%	31-Mar-21	Bullet	Monthly	4,000.00	-
Term Loan 76	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.15	306.91
Term Loan 77	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.02	241.28
Term Loan 78	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.40	306.91
Term Loan 79	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.11	241.28
Term Loan 80	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.40	306.49
Term Loan 81	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.07	240.87
Term Loan 82	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.23	306.49
Term Loan 83	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.11	240.87
Term Loan 84	1-2 years	10.90%	25-Sep-23	Monthly	Monthly	2,255.77	-
Term Loan 85	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 86	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 87	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 88	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 89	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 90	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 91	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 92	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 93	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 94	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 95	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	114.64
Term Loan 96	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 97	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 98	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 99	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 100	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 101	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 102	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 103	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 104	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 105	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 106	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 107	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 108	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 109	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	44.00	216.81
Term Loan 110	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.35	170.35
Term Loan 111	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	30.07	216.81
Term Loan 112	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.35	170.35
Term Loan 113	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	43.83	216.81
Term Loan 114	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	46.57	170.35
Term Loan 115	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	45.04	216.81
Term Loan 116	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.37	170.35
Term Loan 117	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 118	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	69.04	206.02
Term Loan 119	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 120	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	70.10	206.02
Term Loan 121	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 122	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	68.96	206.02
Term Loan 123	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 124	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	69.32	206.02
Term Loan 125	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	169.91	336.69
Term Loan 126	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	139.10	288.76
Term Loan 127	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	97.10
Term Loan 128	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	164.99	336.69
Term Loan 129	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	288.46
Term Loan 130	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	96.79
Term Loan 131	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	168.25	336.68

17.2 Details of terms loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 132	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	288.46
Term Loan 133	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	95.57
Term Loan 134	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	161.09	335.16
Term Loan 135	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	287.23
Term Loan 136	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	48.64	95.57
Term Loan 137	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 138	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 139	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 140	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 141	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 142	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 143	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 144	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 145	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 146	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 147	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 148	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.97	-
Term Loan 149	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 150	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 151	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	307.58	-
Term Loan 152	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	307.58	-
Term Loan 153	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	305.89	-
Term Loan 154	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	309.61	-
Term Loan 155	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 156	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 157	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	315.31	-
Term Loan 158	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	317.22	-
Term Loan 159	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	322.02	-
Term Loan 160	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	132.58	-
Term Loan 161	1-2 years	10.40%	9-Feb-24	Monthly	Monthly	2,871.54	-
Term Loan 162	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 163	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 164	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 165	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 166	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 167	2-3 years	10.30%	1-Jan-25	Quartely	Monthly	2,992.84	-
Term Loan 168	1-2 years	11.25%	1-Sep-23	Quarterly	Monthly	1,501.60	2,518.47
Term Loan 169	< 1 year	12.00%	31-Jul-22	Monthly	Monthly	166.54	498.73
Term Loan 170	1-2 years	11.40%	30-Nov-23	Monthly	Monthly	921.33	1,350.33
Term Loan 171	2-3 years	11.75%	31-Jan-25	Quarterly	Monthly	1,279.92	-
Term Loan 172	< 1 year	11.75%	3-Jun-21	Monthly	Monthly	-	296.98
Term Loan 173	< 1 year	11.50%	30-Apr-22	Monthly	Monthly	113.80	638.74
Term Loan 174	1-2 years	10.75%	22-Aug-23	Monthly	Monthly	1,817.02	-
Term Loan 175	< 1 year	10.50%	31-Mar-23	Monthly	Monthly	649.12	1,194.66
Term Loan 176	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	1,653.67	-
Term Loan 177	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	566.68	-
Term Loan 178	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	246.00	-
Term Loan 179	< 1 year	11.00%	15-Jan-22	Monthly	Monthly	-	722.45
Term Loan 180	< 1 year	10.50%	30-Nov-22	Monthly	Monthly	399.57	995.85
Term Loan 181	< 1 year	9.85%	2-May-21	Monthly	Monthly	-	229.00
Term Loan 182	< 1 year	11.25%	30-Jun-21	Monthly	Monthly	-	218.48
Term Loan 183	< 1 year	9.75%	30-Sep-21	Monthly	Monthly	-	2,336.43
Term Loan 184	< 1 year	6.57%	10-Apr-21	Monthly	Monthly	-	280.92
Term Loan 185	< 1 year	12.80%	20-Feb-22	Monthly	Monthly	-	738.96
Term Loan 186	< 1 year	11.00%	23-Feb-22	Monthly	Monthly	-	2,816.15
					Total	**223,688.09**	**89,617.18**

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Vivriti Capital Private Limited
Notes to the standalone financial statements for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
18	**Other financial liabilities**		
	Lease Liability	620.63	1,038.49
	Employee benefits payable	286.78	250.00
	Advances received against loan agreements	259.83	27.36
	Dues to partners towards collections from co-lending loans	588.66	-
	Remittances payable on assets derecognised	0.23	189.27
	Payable to capital creditors	-	12.38
		1,756.13	**1,517.50**
19	**Provisions**		
	Provision for employee benefits		
	- Gratuity (refer note 34)	34.64	18.08
	- Compensated absences	104.48	59.42
	Provision on non-fund exposure	52.37	392.34
		191.49	**469.84**
20	**Other non financial liabilities**		
	Statutory dues payable	372.11	173.18
		372.11	**173.18**

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Particulars	As at 31 March 2022	As at 31 March 2021
21 Equity share capital		
Authorised		
20,900,000 (As at 31 March 2021: 15,900,000 shares) Equity Shares of Rs 10 each	2,090.00	1,590.00
	2,090.00	**1,590.00**
Issued, subscribed and fully paid up		
16,326,754 (As at 31 March 2021: 15,641,010 shares) Equity shares of Rs. 10 each	1,632.67	1,564.10
Less: Shares held under Vivriti ESOP trust	(380.43)	(417.71)
	1,252.24	**1,146.39**

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	15,641,010	1,564.10	14,489,700	1,448.97
Issued during the year	685,744	68.57	1,151,310	115.13
As at the end of the year	**16,326,754**	**1,632.67**	**15,641,010**	**1,564.10**

Equity shares held by the trust

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	4,177,060	417.71	3,189,500	318.95
Issued during the year	-	-	987,560	98.76
Transferred during the year	(372,735)	(37.27)	-	-
As at the end of the year	**3,804,325**	**380.43**	**4,177,060**	**417.71**

B. Details of shareholders holding more than 5 percent shares in the Company are given below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	4,900,000	30.01%	4,900,000	31.33%
Gaurav Kumar	4,900,000	30.01%	4,900,000	31.33%
Vivriti ESOP Trust	3,934,425	24.10%	4,177,060	26.71%

C. Details of shares held by the promoter at the end of the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	4,900,000	30.01%	4,900,000	31.33%
Gaurav Kumar	4,900,000	30.01%	4,900,000	31.33%

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

D. Terms/Rights attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Particulars	As at 31 March 2022	As at 31 March 2021
21A Convertible preference share capital		
Authorised		
87,937,063 (As at 31 March 2021: 83,437,063) Compulsorily convertible preference shares of Rs. 10 each	8,793.71	8,343.71
850,000 (As at 31 March 2021: 850,000 shares) Optionally convertible redeemable preference shares of Rs. 60 each	510.00	510.00
	9,303.71	**8,853.71**
Issued, subscribed and fully paid up		
87,310,410 (As at 31 March 2021: 83,420,634) 0.001% Compulsorily convertible preference shares of Rs. 10 each	8,731.04	8,342.06
Issued, subscribed and partially paid up		
811,402 (As at 31 March 2020: 811,402) Optionally convertible redeemable preference shares of INR 60 each (Amount paid up INR 1 per share)	8.11	8.11
	8,739.15	**8,350.17**

A. Reconciliation of number of convertible preference shares outstanding at the beginning and at the end of the reporting period

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	83,420,634	8,342.06	77,623,698	7,762.37
Issued during the year	3,889,776	388.98	5,796,936	579.69
As at the end of the year	**87,310,410**	**8,731.04**	**83,420,634**	**8,342.06**

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	811,402	8.11	811,402	8.11
Issued during the year	-	-	-	-
As at the end of the year	**811,402**	**8.11**	**811,402**	**8.11**

B. Details of convertible preference shareholders holding more than 5 percent shares in the Company are given below:

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Creation Investments LLC	64,124,177	73.44%	63,266,409	75.84%
Lightrock Growth Fund I S.A (Formerly known as Lightstone Fund SA)	11,593,166	13.28%	10,077,112	12.08%
Financial Investments SPC (affiliate of Lightrock Growth Fund I S.A., SICAV-RAIF)	11,593,067	13.28%	10,077,113	12.08%

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	405,701	50.00%	405,701	50.00%
Gaurav Kumar	405,701	50.00%	405,701	50.00%

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C. Details of convertible preference shares held by the promoters at the beginning and at end of the reporting period

i. Compulsorily convertible preference shares
Promoters do not hold any compulsorily convertible preference shares.

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	405,701	50.00%	405,701	50.00%
Gaurav Kumar	405,701	50.00%	405,701	50.00%

D. Terms/rights attached to convertible preference shares
i. Compulsorily convertible preference shares
During the year ended, the Company has issued 38,89,776, 0.001% Compulsorily Convertible Preference Shares ("CCPS") of face value Rs. 10/- aggregating Rs. 388.98 Lakhs which are convertible into equity shares at the option of CCPS holder during the conversion period.

Conversion of CCPS into equity shares will be as per the respective shareholders agreement and are treated pari-passu with equity shares on all voting rights. The CCPS if not converted by the preference shareholders shall be compulsorily converted into equity shares upon any of the following events:
a. In connection with an IPO, immediately prior to the filing of red herring prospectus (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable law at the relevant time; and
b. By delivering a Conversion Notice at any time during the relevant Conversion Period as per the respective shareholders agreement.
The CCPS holders have a right to receive dividend, prior to the Equity shareholders and will be cumulative if preference dividend is not declared or paid in any year.

Lightstone Fund SA has changed its name to Lightrock Growth Fund I S.A., SICAV-RAIF, with effective from March 9, 2021.

ii. Optionally convertible redeemable preference shares ('OCRPS')
The OCRPS shall not carry any voting rights, until such OCRPS is converted into Equity Share(s) in accordance with the terms of the OCRPS. The right to convert OCRPS shall be exercisable by the holder at any time during the Conversion Period by delivering to the Company a notice in writing, subject to payment of balance subscription price. The OCRPS, shall be entitled to divided equivalent to 0.001% per annum of the paid-up portion of such OCRPS.

As at the balance sheet date, these OCRPS held by the promoters have been paid up to the extent of INR 1 per share. Subsequent to the year end, these OCRPS have been fully paid up on 26 April 2022. Further, these 811,402 OCRPS of face value INR 60 per share are converted into 4,227,828 equity shares of INR 10 per share ranking pari passu with existing fully paid-up equity shares of the Company.

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	Particulars	As at 31 March 2022	As at 31 March 2021
22	**Other Equity**		
	Statutory reserve	2,189.88	842.48
	Share options outstanding account	712.91	399.71
	Securities premium	98,523.77	66,097.26
	Other comprehensive income	66.28	135.47
	Retained earnings	8,130.43	2,742.71
		109,623.27	**70,217.63**
i	**Statutory reserve**		
	Balance at the beginning of the year	842.48	242.38
	Add: Transfer from retained earnings	1,347.40	600.10
	Balance at the end of the year	**2,189.88**	**842.48**
ii	**Employee stock options outstanding account**		
	Balance at the beginning of the year	399.71	84.46
	Add: Share based payment expenses incurred during the year	78.49	138.40
		234.71	176.85
	Add: Stock compensation expense - recoverable from related parties (also refer note 36)		
	Balance at the end of the year	**712.91**	**399.71**
iii	**Securities premium**		
	Balance at the beginning of the year	66,097.26	56,753.60
	Add: Premium on shares issued during the year	32,067.44	11,371.50
	Add: Stock compensation expenses (refer note 31.2)	366.75	-
	Less: Utilised during the year for share issue expenses	(7.68)	(154.72)
	Less: Premium on shares issued to Vivriti ESOP trust	-	(1,873.12)
	Balance at the end of the year	**98,523.77**	**66,097.26**
iv	**Other Comprehensive Income**		
	Balance at the beginning of the year	135.47	-
	Add/ (Less) : Fair valuation of investment in debt instruments (net)	255.58	124.00
	Add/ (Less) : Cash flow hedge reserve	(324.77)	-
	Add: Transfer from retained earnings pertaining to prior years	-	11.47
	Balance at the end of the year	**66.28**	**135.47**
v	**Retained earnings**		
	Balance at the beginning of the year	2,742.71	365.09
	Add : Profit/ (Loss) for the year	6,736.98	3,000.51
	Add/ (Less) : Remeasurement of net defined benefit liability	(1.86)	(11.31)
	Add/ (less) : Transfer to other comprehensive income	-	(11.47)
	Less: Transfer to statutory reserve	(1,347.40)	(600.10)
	Balance at the end of the year	**8,130.43**	**2,742.71**
	Also refer Note 8.1		

Statutory Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")

Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc in accordance with the provisions of the Companies Act, 2013.

Employee stock option outstanding account

The Company has stock option schemes under which options to subscribe for the Company's shares have been granted to eligible employees and key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments.

Other comprehensive income

a. The Company has elected to recognise changes in the fair value of investments in other comprehensive income. These changes are accumulated within the FVOCI reserve within equity - financial instruments through OCI.

b. The Company has applied hedge accounting for designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity as cash flow hedge reserve.

Retained earnings

Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. This reserve is free reserves which can be utilised for any purpose as may be required

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23 Interest income

	Year ended 31 March 2022			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	28,634.13	-	-	28,634.13
Interest income from investments	1,713.68	1,550.30	-	3,263.98
Interest on deposits	445.98	-	-	445.98
	30,793.79	1,550.30	-	32,344.09

	Year ended 31 March 2021			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	17,192.40	-	-	17,192.40
Interest income from investments	1,785.62	517.10	-	2,302.72
Interest on deposits	629.14	-	-	629.14
	19,607.16	**517.10**	-	**20,124.26**

	Year ended 31 March 2022	Year ended 31 March 2021
24 Fee and commission income		
Fee and commission income	1,359.31	1,728.03
	1,359.31	**1,728.03**
25 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss		
On alternative investment funds	656.27	12.92
On mutual funds investments	73.80	-
Profit on sale of investments in NCD's and PTC's	9.64	60.98
	739.71	**73.90**
Fair value changes		
Realised	430.64	60.98
Unrelaised	309.07	12.92
	739.71	**73.90**
26 Other income		
Gain/Loss on sale of fixed assets	222.44	-
Gain on termination of finance leases	220.65	-
Rental income (refer note 36)	104.30	171.10
Interest on rental deposit	1.95	12.43
Interest on income tax refund	-	11.43
Reimbursement of expenses (refer note 36)	130.38	379.09
	679.72	**574.05**
27 Finance costs		
Interest on borrowings	13,303.39	5,745.42
Interest on debt securities	6,107.58	3,377.59
Interest on bank overdraft	324.78	164.56
Interest on lease liability	164.76	135.67
Finance cost on rental deposit	5.04	11.98
	19,905.55	**9,435.22**
28 Impairment on financial instruments		
Impairment loss allowance on		
- Loans	1,236.37	582.67
- Investments	256.94	53.05
- Guarantees	(72.05)	392.34
- Receivables	41.12	79.20
Write off on		
- Loans	-	950.51
- Investments	-	389.86
- Guarantees	-	542.11
Less: Recovery	-	-
	1,462.38	**2,989.74**

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		Year ended 31 March 2022	Year ended 31 March 2021
29	**Employee benefits expenses**		
	Salaries and bonus	2,075.91	3,423.99
	Contribution to provident and other funds	41.70	80.04
	Staff training and welfare expenses	98.88	17.72
	Gratuity expenses	14.09	8.78
	Share based payments to employees	78.49	138.40
		2,309.07	**3,668.93**
30	**Depreciation and amortisation expense**		
	Depreciation and amortisation expense		
	Property, plant and equipment	95.91	251.24
	Right of use assets	309.40	389.93
	Intangible assets	81.77	39.21
		487.07	**680.38**
31	**Other expenses**		
	Information technology cost	196.28	375.43
	Maintenances of premises	148.11	181.62
	Professional fees (refer note 31.2)	922.69	523.93
	Auditor's remuneration (refer note 31.1)	60.00	44.65
	Communication Expenses	34.36	49.83
	Director sitting fees	21.80	26.16
	Corporate social responsibility expenditure (refer note 31.3)	44.00	10.94
	Insurance	78.33	93.16
	Rates and Taxes	59.07	20.71
	Recruitment related Fees	34.63	47.71
	Subscription expenses	12.20	7.98
	Administrative expenses	5.08	6.82
	Travelling expenses	152.35	109.46
	Miscellaneous expenses	169.89	173.05
		1,938.79	**1,671.45**
31.1	**Auditors' Remuneration**		
	Statutory audit including limited review	57.00	22.00
	Tax audit	-	2.00
	Other services and reimbursement of expenses	3.00	20.65
		60.00	**44.65**

31.2 Stock compensation expenses

Professional fees for year ended 31 March 2022 includes share based payment of INR 407.50 lakhs to one advisor by allotment of Series 1C shares in May 2021considering the fair value on the date of such allotment.

31.3	**Details of expenditure on corporate social responsibility (CSR)**		
	(a) Gross amount required to be spent by the Company during the year	37.94	10.94
	(b) Amount approved by the Board to be spent during the year	38.00	-
	(c) Amount spent during the year (in cash):		
	(i) Construction/ acquisition of any asset	-	-
	(ii) On purposes other than (i) above	44.00	8.11
	(d) Contribution to related parties	-	-
	(e) Excess amount spent / Shortfall	**(6.06)**	**2.83**

	As at 31 March 2022	As at 31 March 2021
Opening balance	2.83	-
Amount required to be spent during the year	37.94	10.94
Amount spent during the year	(44.00)	(8.11)
Closing balance	**(3.23)**	**2.83**

Nature of CSR activities

The expenditure on CSR activities are spent through contributing towards Bhumi Foundation and Care Earth Trust.

32	**Income tax**		
	The component of income tax expenses:		
	Current tax	1,882.70	1,481.97
	Deferred tax relating to origination and reversal of temporary differences	444.37	(415.96)
		2,327.07	**1,066.01**

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32.1 Reconciliation of total tax expenses

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years March 31, 2022 and 2021 are, as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Accounting profit before tax	9,064.05	4,066.52
Applicable tax rate	25.17%	25.17%
Computed tax expense	2,281.42	1,023.54
Tax effect of :		
Permanent differences	45.65	42.47
Income tax expense recognised in statement of profit and loss excluding change in estimates relating to previous years	**2,327.07**	**1,066.01**
Effective tax rate	**25.67%**	**26.21%**

32.2 Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expenses

Components of deferred tax asset (liability)	As at 31 March 2021	Statement of profit and loss	Other comprehensive income	As at 31 March 2022
Deferred tax asset/ (liability) in relation to -				
Fixed assets	52.96	(64.49)	-	(11.53)
Impairment on financial assets	534.82	190.03	-	724.85
Provision for employee benefits	82.42	24.77	0.62	107.81
Unamortised processing fee income (net)	300.36	(639.40)	-	(339.04)
Others	40.68	44.72	23.27	108.67
	1,011.24	**(444.37)**	**23.89**	**590.76**

Components of deferred tax asset (liability)	As at 31 March 2020	Statement of profit and loss	Other comprehensive income	As at 31 March 2021
Deferred tax asset/ (liability) in relation to -				
Fixed assets	21.15	31.81	-	52.96
Impairment on financial assets	235.38	299.44	-	534.82
Provision for employee benefits	46.80	31.81	3.81	82.42
Unamortised processing fee income (net)	288.03	12.33	-	300.36
Others	41.82	40.57	(41.71)	40.68
	633.18	**415.96**	**(37.90)**	**1,011.24**

33 Earnings per share

	Year ended 31 March 2022	Year ended 31 March 2021
Profit for the year	**6,736.98**	**3,000.51**
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	12,485,534	15,420,211
Effect of dilutive potential equity shares:		
Convertible preference shares	71,402,633	65,773,841
Employee stock options	2,909,817	2,790,515
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	86,797,984	83,984,567
Face value per share	10.00	10.00
Earnings per share (in Rs.)		
- Basic	53.96	19.46
- Diluted	7.76	3.57

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34 Employee benefits

34.01 Defined contribution plan

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service. The company has recognised Rs.41.70 Lakhs (As at 31 March 2021 : Rs. 80.04 Lakhs) as contribution to provident fund in the statement of profit and loss account.

34.02 Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The Calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Risks associated with defined benefit plan
Gratuity is a defined benefit plan and company is exposed to the following risks:
Interest rate risk: A fall in the discount rate, which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level may increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

	Year ended 31 March 2022	Year ended 31 March 2021
A. Change in present value defined benefit of obligations		
Change in defined benefit obligations during the year		
Present value of defined benefit obligation at the beginning of the year	18.08	35.82
Current service cost	12.81	6.25
Interest cost	1.28	2.53
Acquisitions/Divestures/Transfer	-	(41.63)
Benefits paid	-	-
Actuarial loss / (gain) recognised in other comprehensive income	2.48	15.12
Present value of defined benefit obligation at the end of the year	**34.64**	**18.08**
B. Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Actuarial loss / (gain) recognised in other comprehensive income	-	-
Fair value of plan assets at the end of the year	-	-
C. Actual return on plan assets		
Expected return on plan assets	-	-
Actuarial gain / (loss) on plan assets	-	-
Actual return on plan assets	-	-
D. Reconciliation of present value of the defined benefit obligation and the fair value of the plan assets		
Present value of defined benefit obligations at the end of the year	34.64	18.08
Fair value of plan assets	-	-
Net liability recognised in balance sheet	**34.64**	**18.08**

The liability in respect of the gratuity plan comprises of the following non-current and current

Current	1.61	0.04
Non-current	33.03	18.03
	34.64	**18.08**

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	Year ended 31 March 2022	Year ended 31 March 2021
E. Expense recognised in statement of profit and loss		
Current service cost	12.81	6.25
Interest cost	1.28	2.53
Expected return on plan assets	-	-
Net cost recognized in the statement of profit and loss	**14.09**	**8.78**
F. Remeasurements recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	2.48	15.12
Return on plan assets excluding interest income	-	-
	2.48	**15.12**

G. Assumptions as at balance sheet date	As at 31 March 2022	As at 31 March 2021
Discount rate (refer note (b))	7.50%	6.79%
Interest rate (rate of return on assets)	-	-
Future salary increase (refer note (a))	8.00%	3.00%
Mortality table	2 - 12.5%	0.9 - 3.82%
Attrition rate (refer note (a))	15.00%	5.00%

Notes:

a) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Further, the Management re-visits the assumptions such as attrition rate, salary escalation etc., taking into account, the business conditions, various external / internal factors affecting the Company.

b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

c) Experience adjustments:

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Defined benefit obligation	34.64	18.08	35.82	27.57	4.97
Fair value of plan assets	-	-	-	-	-
Surplus / (deficit)	(34.64)	(18.08)	(35.82)	(27.57)	(4.97)
Experience adjustments on plan	-	-	-	-	-
Experience adjustments on plan assets	-	-	-	-	-

d) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	As at 31 March 2022	As at 31 March 2021
Discount rate		
-1% increase	(3.51)	-1.91
-1% decrease	4.17	2.26
Future salary growth		
-1% increase	3.13	2.23
-1% decrease	(2.76)	-1.91
Employee Turnover		
-1% increase	(0.42)	0.33
-1% decrease	0.43	(0.43)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

34.03 Note on Social Security code

The Code on Social Security, 2020 (' The Code') relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders, which are under consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

35 Segment information

The Company has been operating only in one segment viz, financing activities and the operations being only in India, the disclosure requirements of Ind AS 108 is not applicable.

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36 Related Party information

36.1 Names of related parties and nature of relationship

Subsidiary Companies	Vivriti Asset Management Private Limited
Associate	Credavenue Private Limited (Subsidiary till September 20, 2021 - also refer note 8.1)
Key Managerial Personnel	Mr. Vineet Sukumar, Managing Director Mr. Gaurav Kumar, Non Executive Director (w.e.f. August 5, 2021) Mr. John Tyler Day, Nominee Director Mr. Kenneth Dan Vander Weele, Nominee Director Ms. Namrata Kaul, Independent Director Mr. Kartik Srivatsa, Nominee Director Ms. Anita P Belani, Independent Director (w.e.f May 07, 2021) Mr. Sridhar Srinivasan, Independent Director (resigned on August 28, 2020)
Entity in which KMP is a Director	**Mr. Vineet Sukumar** Managing Director, Vivriti Asset Management Private Limited Director, Credavenue Private Limited **Mr. Gaurav Kumar** Director, Vivriti Asset Management Private Limited Managing Director, Credavenue Private Limited

36.2 Transactions during the year

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest Income		
Vivriti Asset Management Private Limited	20.46	201.65
Rent income		
Vivriti Asset Management Private Limited	13.92	2.48
Credavenue Private Limited	84.00	168.62
Reimbursement of expenses		
Vivriti Asset Management Private Limited	1,605.05	3.36
Credavenue Private Limited	655.78	374.62
Platform fees expense:		
Credavenue Private Limited	2,811.69	396.84
Sale of fixed assets		
Vivriti Asset Management Private Limited	4.93	-
Credavenue Private Limited	640.80	159.95
Transfer of Provision for Employee Benefits		
Credavenue Private Limited	-	329.51
Employee share option recoverable		
Vivriti Asset Management Private Limited	40.14	16.25
Credavenue Private Limited	194.59	160.60
Fees and commission income:		
Vivriti Asset Management Private Limited	33.30	11.45
Credavenue Private Limited	1,136.09	69.71
Rental Deposit recoverable		
Credavenue Private Limited	150.00	-
Loan Given		
Vivriti Asset Management Private Limited	550.00	500.00
Loans repaid		
Vivriti Asset Management Private Limited	550.00	1,400.00
Debt Securities		
Credavenue Private Limited	7,930.07	-

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Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Equity contribution		
Vivriti Asset Management Private Limited	3,000.00	2,750.00
Credavenue Private Limited	-	5,001.00
Directors Sitting fees		
Mr. Sridhar Srinivasan	-	8.25
Ms. Namrata Kaul	11.00	13.80
Ms. Anita P Belani	9.00	-
Remuneration paid		
Mr. Vineet Sukumar	292.19	194.69
Mr. Gaurav Kumar	241.35	194.69

Also refer Note 8.1 for renunciation of rights

Note:
Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the company as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.

36.3 Balances as at the year-end:

Loan outstanding		
Vivriti Asset Management Private Limited	-	-
Interest accrued but not due on loan		
Vivriti Asset Management Private Limited	-	-
Debt Securities		
Credavenue Private Limited	7,930.07	-
Trade payables		
Credavenue Private Limited	535.42	131.09
Receivables from related parties		
receivables		
Credavenue Private Limited	172.40	
Other financial assets		
Vivriti Asset Management Private Limited	874.88	298.56
Credavenue Private Limited	428.46	-

Notes:
1. There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
2. The transactions disclosed above are exclusive of GST.

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37 Micro,small and Medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2022 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal	-	1.72
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

		As at 31 March 2022	As at 31 March 2021
38	**Contingent Liabilities and Commitments**		
38.1	**Contingent liabilities**		
	Guarantees issued to third party	4,156.80	4,946.13
38.2	**Commitments**		
	Capital commitments	1,171.11	98.83
	Undrawn committed sanctions to borrowers	6,905.17	325.00
38.3	**Pending litigations**		
	Suits filed by the Company against counterparties	1,553.20	592.52

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39 Employee Stock Option Scheme (ESOS)

The Company constituted the Vivriti ESOP Trust (the Trust) to administer the Employee Stock Options (ESOP) scheme and allotted 6,81,000 (31 March 2021: 15,19,000) equity shares to Trust. The Trust has granted 6,81,000 (31 March 2021: 15,19,000) options under the Employee Stock Option Scheme to employees spread over a vesting period of 2 to 5 years. The details of which are as follows;

Plan	Grant date	Number of options	Exercise price in Rs.	Vesting period	Vesting condition
Scheme 1	30-Jun-18	745,250	10.00	2 to 5 years	Time based vesting
Scheme 2	19-Jul-19	246,700	47.48	1 to 5 years	Time based vesting
Scheme 3	18-Nov-19	47,500	71.67	1 to 5 years	Time based vesting
Scheme 4	15-Dec-19	5,000	71.67	1 to 5 years	Time based vesting
Scheme 5	18-Nov-19	188,700	47.48	4 Years	Time based vesting
Scheme 6	30-Sep-20	465,625	71.67	4 Years	Time based vesting
Scheme 7	31-Dec-20	1,772,740	173.66	4 Years	Time based vesting

39.1 Reconciliation of outstanding options

The details of options granted under the above schemes are as follows.

Particulars	As at 31 March 2022		As at 31 March 2021	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Outstanding at beginning of year	85.97	3,983,750	38.85	2,905,900
Forfeited during the year	109.80	(558,000)	108.11	(314,500)
Exercised during the year	48.17	(635,235)	27.11	(126,650)
Granted during the year	173.66	681,000	173.66	1,519,000
Outstanding as at end of year	**107.48**	**3,471,515**	**85.97**	**3,983,750**
Vested and exercisable as at end of year	**82.73**	**651,915**	**66.94**	**350,375**

39.2 Fair value methodology

The fair value of the options is estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions:

	As at 31 March 2022	As at 31 March 2021
Share price on Grant date (In Rs.)	10.00 - 356.89	10.00 - 173.66
Exercise price (In Rs.)	10.00 - 173.66	10.00 - 173.66
Fair value of options at grant date	2.40 - 230.80	2.40 - 59.98
Expected dividends*	Nil	Nil
Option term	2 - 6 years	2 - 6 years
Risk free interest rate	4.09%- 8.32%	4.09%- 8.32%
Expected volatility**	14.70%- 33.04%	14.70%- 31.75%
Weighted average remaining contractual life (in years)	3.10	3.73

* Company has not paid any dividend till date.

** Company is a unlisted entity and having no listed peer companies, so volatility of BSE Finance Index for the historical period as per the time to maturity in each vesting has been considered.

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40 Leases

The disclosures as required under Ind AS 116 are as follows;

(i) Measurement of Lease Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Lease Liabilities	620.63	1,038.49

The Company has considered weighted average rate of borrowings for discounting.

The Company has entered into leasing arrangements for premises. ROU has been included after the line 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

(ii) Amounts recognised in the Balance sheet

Particulars	As at 31 March 2022	As at 31 March 2021
a) Right-of-use assets (net)	602.98	874.73
b) Lease liabilities		
Current	97.64	422.46
Non-current	522.99	616.03
Total Lease liabilities	**620.63**	**1,038.49**
c) Additions to the Right-of-use assets	1,575.43	-

(iii) Amounts recognised in the Statement of Profit and Loss

Particulars	As at 31 March 2022	As at 31 March 2021
a) Depreciation charge for right-of-use assets	309.40	389.93
b) Interest expense (included in finance cost)	164.76	135.67
c) Expense relating to short-term leases	2.51	0.30

(iv) Cash Flows

Particulars	As at 31 March 2022	As at 31 March 2021
The total cash outflow of leases	395.10	843.07

(v) Maturity analysis of undiscounted lease liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Not later than one year	158.03	546.19
Later than one year and not later than five years	632.84	1,757.14
Later than five years	-	-

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41 Financial Instruments

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e, exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2022 were as follows

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments	-	-	-	-	-	-
- Pass-through certificates	-	29,841.50	-	-	29,841.50	29,841.50
- Non convertible debentures	-	22,496.10	-	-	22,496.10	22,496.10
- Alternative Investment Funds	12,288.67	-	-	-	12,288.67	12,288.67
-Market linked debentures	20,155.04	-	-	20,155.04	-	20,155.04
- Mutual funds	3,010.85	-	3,010.85	-	-	3,010.85
Financial liabilities:						
Derivative financial instruments	-	382.00	-	382.00	-	382.00

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2021 were as follows

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments						
- Pass-through certificates	-	8,847.55	-	-	8,847.55	8,847.55
- Non convertible debentures	-	11,885.29	-	-	11,885.29	11,885.29
- Alternative Investment Funds	913.01	-	-	-	913.01	913.01
-Market linked debentures	640.00	-	-	640.00	-	640.00
- Mutual funds	-	-	-	-	-	-

Reconciliation of fair value measurement is as follows

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Financial assets measured at FVOCI		
Balance at the beginning of the year	97.28	14.91
Total gains/(losses) measured through OCI	107.11	82.37
Balance at the end of the year	**204.39**	**97.28**
Financial assets measured at FVTPL		
Fair value adjustment	309.07	12.92

Sensitivity analysis - Increase/ decrease of 100 basis points

Particulars	**As at 31 March 2022**		**As at 31 March 2021**	
	Increase	**Decrease**	**Increase**	**Decrease**
Financial assets:				
Investments				
- Pass through certificates	(161.10)	158.18	(2.72)	95.63
- Non convertible debentures	(514.99)	494.00	(93.00)	194.63
- Alternative Investment Funds	122.89	(122.89)	17.43	8.42
- Market linked debentures	201.55	(201.55)	6.40	(6.40)
- Mutual funds	30.11	(30.11)	-	-
Financial liabilities:				
Derivative financial instruments	3.82	(3.82)	-	-

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A Fair value measurement (continued)

The carrying value of other financial instruments by categories as of 31 March 2022 were as follows:

Particulars	Carrying Value				
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value:					
Cash and cash equivalents	43,391.04				-
Bank balances other than cash and cash equivalents	31,894.68				-
Trade receivables	423.41				-
Loans	296,048.09				-
Investments	10,752.00				-
Other financial assets	1,821.22				-
Financial liabilities not measured at fair value:					
Trade payables					
-total outstanding dues of micro and small enterprises	-				-
-total outstanding dues of creditors other than micro and small enterprises	954.58				-
Debt securities	107,051.35				-
Borrowings (Other than debt securities)	247,962.03				-
Other financial liabilities	1,756.13				-

The carrying value of financial instruments by categories as of 31 March 2021 were as follows:

Particulars	Carrying Value				
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value:					
Cash and cash equivalents	13,817.64				-
Bank balances other than cash and cash equivalents	9,511.80				-
Trade receivables	424.44				-
Loans	162,044.92				-
Investments	7,752.00				-
Other financial assets	30.16				-
Financial liabilities not measured at fair value:					
Trade payables					
-total outstanding dues of micro and small enterprises					
-total outstanding dues of creditors other than micro and small enterprises	1,072.85				-
Debt securities	39,953.41				-
Borrowings (Other than debt securities)	96,864.64				-
Other financial liabilities	1,267.50				-

For all the financial assets and liabilities which are not carried at fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.

Note:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

B Measurement of fair values

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities without a specific maturity.

Borrowings

The debt securities, borrowings and subordinated liabilities are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Loans

The Loans are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Transfers between levels I and II

There has been no transfer in between level I and level II. The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models. The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, etc.) at fair value. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

42 Capital management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.The Company has complied in full with all its externally imposed capital requirements over the reported period.

The primary objectives of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The company monitors capital using adjusted net debt (total borrowings net of cash and cash equivalents) to equity ratio.

Particulars	As at 31 March 2022	As at 31 March 2021
Total Debt*	329,960.31	136,818.05
Total equity	119,614.66	79,714.19
Debt equity ratio	2.76	1.72

* Debt-equity ratio is (Debt Securities+Borrowings (Other than debt securities) - Bank overdrafts - Unamoritzed issues expenses) / net worth i.e. Equity share capital + Other equity + Convertible preference share capital

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

42.1 Regulatory Capital

The Company has to mandatorily comply with the capital adequacy requirements stipulated by Reserve Bank of India from time to time. Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.

Tier I capital comprised of share capital, share premium, retained earnings including current year profit and Tier II capital comprises of provision on standard assets. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk. Also refer note 47

42.2 Financial risk management objectives and policies

The Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

42.2.1 Risk Management structure

The Company's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Company's risk management policies.

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

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company's policy is that risk management processes throughout the Company are audited annually by the Internal Auditors, who examine both the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Board and Audit Committee.

The company has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business, the company is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the company's effective management practice.

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42.2.2 Risk Measurement and reporting systems

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Company also runs worst-case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Company. These limits reflect the business strategy and market environment of the Company as well as the level of risk that the Company is willing to accept, with additional emphasis on selected industries. In addition, the Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the businesses is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Board of Directors, the Risk Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, VaR, liquidity ratios and risk profile changes. On a monthly basis, detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for credit losses on a monthly basis. The Board receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Company.

At all levels of the Company's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up–to–date information.

It is the Company's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Company on the utilisation of market limits, analysis of VaR, proprietary investments and liquidity, plus any other risk developments.

Stress testing is a fundamental pillar of the Company's risk management toolkit, to simulate various economic stress scenarios to help the Company set and monitor risk appetite and to ensure that the Company maintains a conservative risk profile. The outcome of tests is embedded into the individual credit, liquidity and funding risk profiles through limits and mitigation contingency plans and includes both financial and regulatory measures.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

42.3 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit risk department of the Company's independent Risk Controlling Unit. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit risk managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit risk manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

42.3.1 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

Grouping

As per Ind AS 109, the Company is required to group the portfolio based on the shared risk characteristics. The Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups namely Loans, investments in pass through securities, investment in non-convertible debentures, colending and partial guarantees towards pooled bond & loan issuances.

Expected Credit Loss("ECL")

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probity is low. ECL is calculated based on the following components: a. Marginal probability of default ("MPD") b. Loss given default ("LGD") c. Exposure at default ("EAD") d. Discount factor ("D")

Expected Credit Losses are measured via a combination of Monte Carlo Simulations across three major cohorts of exposure and the losses across these three cohorts are then added and loss distribution is used to arrive at Expected Credit Loss (ECL)

- 12 month expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments on Stage I assets
- Lifetime expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments which have either become NPA (Stage III) or have displayed significant increase in credit risk (Stage II assets)
- Partial Guarantee product losses wherein a partial guarantee is extended to a pool of issuers- in this case; the entire EAD of all the issuances is considered to arrive at expected credit losses.

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42.3.1 Impairment assessment (continued)

a) Marginal probability of default: PD is defined as the probability of whether borrowers will default on their obligations in the future. PD is derived from the external rating of the borrower by following steps:

1) To arrive at the PD, the annual default study published by rating agencies is relied upon. The default numbers published against each rating category in different studies are then aggregated to arrive at internal PD matrix for each rating category

2) The PD numbers published are on an annual scale and since the exposure of the instruments are on monthly basis, the monthly PD is then interpolated on a monthly basis by fitting the data points from annual PD curve using cubic splines.

3) Finally, the Through the Cycle (TTC) PDs are converted to Point in Time (PIT) PDs using forward looking variables (GDP etc) using combinations of correlation of underlying sectors asset quality and Pluto Tasche model.

4) The PDs derived from the methodology described above, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to 12 month marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

b) Loss Given Default (LGD): LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD.

The formula for the computation is as below:
The Company has considered an LGD of 65% on unsecured exposures and 50% on secured exposures as recommended by the Foundation Internal Ratings Based (FIRB) approach under Basel II guidelines issued by RBI.

c) Exposure at Default (EAD): As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments.

The Company has considered outstanding expected future cash flows (including interest cashflows) , SLCE for all the loans at DPD bucket level for each of the risk segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. So discounting was done for computation of expected credit loss.

EAD is taken as the gross exposure under a facility upon default of an obligor. The amortized principal and the interest accrued is considered as EAD for the purpose of ECL computation
The advances have been bifurcated into following three stages:
Stage I – Advances with low credit risk and where there is no significant increase in credit risk. Hence, the advances up to 0 to 29 days are classified as Stage I.
Stage II – Advances with significant increase in credit risk. Hence the advances from 30 to 89 days are classified as Stage II.
Stage III – Advances that have defaulted / Credit impaired advances. Hence the advances with 90 days past due or Restructured Advances are classified as Stage III. Another loan of the same borrower whether in Stage I or Stage II is also considered as Stage III loan.

The Company had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers. The Company has recognised for interest on interest for the moratorium cases.

d) Discounting Factor: As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate which is obtained from the underlying yield (inclusive of processing fee) for each instrument.
Additionally, the model also uses correlation matrix for deriving correlation in events of stress between different borrowers in same segment.
Correlation Matrix: This provides correlation between different entities/sectors which are present in the structure. When defaults are simulated on the portfolio, these entities in same or different sectors default together to the extent of strength of correlation. The correlation between two entities is derived as follows:

- Inherently, the entire NBFC sector carries a bit of correlation in terms of liquidity risk- in event of stress, we see the liquidity vanishing from NBFC sector very quickly
- There is slight overlap between entities operating in the same sector- for example event like GST and demonetization did impact all small business loans establishments, although to a varying extent
- For microfinance sector, since the loans are more homogenous, geopolitical, and social issues do tend to dominate majority of stress events and hence geographically exclusivity will help
- Occupation profiles of the underlying borrowers served by entities

ECL computation: Conditional ECL at DPD pool level was computed with the following method: Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

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42.3.1 Impairment assessment (continued)

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

Particulars	Provisions	As at 31 March 2022	As at 31 March 2021
Stage 1	12 month provision	1,749.30	1,418.46
Stage 2	Life time provision	876.52	-
Stage 3	Life time provision	842.11	855.02
Amount of expected credit loss provided for		**3,467.93**	**2,273.48**

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.

Analysis of changes in the gross carrying amount of loans:

Particulars	As at 31 March 2022				As at 31 March 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**163,099.58**	-	**592.52**	**163,692.10**	**82,595.45**	-	**592.52**	**83,187.97**
New assets originated *	435,440.73	-	-	435,440.73	220,626.49	-	-	220,626.49
Asset derecognised or repaid	(300,190.03)	-	(11.16)	(300,201.19)	(139,163.77)	-	-	(139,163.77)
Transfer from stage 1	-	1,569.55	510.33	2,079.88	-	-	958.59	958.59
Transfer from stage 2	(1,569.55)	-	-	(1,569.55)	-	-	-	-
Transfer from stage 3	(510.33)	-	-	(510.33)	(958.59)	-	-	(958.59)
Write offs	-	-	-	-	-	-	(958.59)	(958.59)
As at the end of the year	**296,270.40**	**1,569.55**	**1,091.69**	**298,931.64**	**163,099.58**	-	**592.52**	**163,692.10**

* New assets originated are those assets which have originated during the year.

As at the balance sheet date, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, except for the following:

Extent of delay	Number of customers / borrowers	Amount (INR Lakhs)	Due Date
Up to 30 days	8	366.72	Various due dates
31 – 89 days	6	1,569.55	Various due dates
More than 90 days	9	1,091.69	Various due dates

Analysis of changes in the ECL allowance

Particulars	As at 31 March 2022				As at 31 March 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**1,418.46**	-	**855.02**	**2,273.48**	**675.52**	-	**495.97**	**1,171.49**
Additions	409.08	870.33	255.01	1,534.42	748.21	-	2,241.54	2,989.75
Reversals	(72.05)		-	(72.05)	-	-	-	-
Transfer from stage 1	-	-	-	-	-	-	5.27	5.27
Transfer from stage 2	(6.19)	-	-	(6.19)	-	-	-	-
Transfer from stage 3	-	6.19	-	6.19	(5.27)	-	-	(5.27)
Write offs	-	-	(267.92)	(267.92)	-	-	(1,887.76)	(1,887.76)
As at the end of the year	**1,749.30**	**876.52**	**842.11**	**3,467.93**	**1,418.46**	-	**855.02**	**2,273.48**

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are, vehicles, loan portfolios and mortgaged properties based on the nature of loans. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.

Investments

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The exposure to credit risk for investments is to other non-banking finance companies and financial institutions.

The risk committee has established a credit policy under which each new investee pool is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc. For investments the collateral is the underlying loan pool purchased from the financial institutions.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the investments are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments. Further, the risk management committee periodically assesses the credit rating information.

Cash and cash equivalent and Bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the Company generally invests in term deposits with banks

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42.4 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The company's exposure to market risk is a function of asset liability management activities. The company is exposed to interest rate risk and liquidity risk.

The Company continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

42.5 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

The operational risks of the company are managed through comprehensive internal control systems and procedures and key backup processes. In order to further strengthen the control framework and effectiveness, the company has established risk control self assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure.

The company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the company's readiness.

42.6 Liquidity Risk

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The company also has lines of credit that it can access to meet liquidity needs.

Refer Note No 43 for the summary of maturity profile of undiscounted cashflows of the company's financial assets and financial liabilities as at reporting period.

42.7 Interest Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the company is providing loans. The Company borrows through various financial instruments to finance its core lending activity. These activities expose the company to interest rate risk.
Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis. Substantially all loans reprice frequently, with interest rates reflecting current market pricing.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Company's statement of profit and loss and equity.

42.8 Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majorly on account of foreign currency borrowings. The Company manages this foreign currency risk by entering into cross currency interest rate swaps. When a derivative is entered into for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Company holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

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43 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/ or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	As at 31 March 2022			As at 31 March 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	43,391.04	-	43,391.04	13,817.64	-	13,817.64
Bank balances other than cash and cash equivalents	29,482.68	2,412.00	31,894.68	7,287.91	2,223.89	9,511.80
Receivables	423.41	-	423.41	424.44	-	424.44
Loans	208,851.06	87,197.03	296,048.09	107,781.14	54,263.79	162,044.93
Investments	51,443.27	47,100.88	98,544.16	11,394.70	18,003.15	29,397.85
Other financial assets	1,672.37	148.85	1,821.22	42.16	255.42	297.58
Current tax assets (net)	-	1,859.81	1,859.81	-	943.23	943.23
Deferred tax assets (net)	-	590.76	590.76	-	1,011.24	1,011.24
Investment Property	-	948.61	948.61	-	-	-
Property, plant and equipment	-	719.41	719.41	-	527.82	527.82
Right of use asset	-	14.06	14.06	-	48.96	48.96
Intangible assets under development	-	602.98	602.98	-	874.73	874.73
Other intangible assets	-	317.99	317.99	-	93.28	93.28
Other non- financial assets	1,080.46	27.67	1,108.13	495.22	26.88	522.10
Total assets	**336,344.29**	**141,912.39**	**478,284.35**	**141,243.21**	**78,272.39**	**219,515.59**
Liabilities						
Derivative financial instruments	-	382.00	382.00	-	-	-
Trade payables	-	-	-	-	-	-
-total outstanding dues of micro and small enterprises	-	-	-	1.72	-	1.72
-total outstanding dues of creditors other than micro and small e	954.58	-	954.58	821.11	-	821.11
Debt securities	63,020.52	44,030.83	107,051.35	11,746.22	28,207.19	39,953.41
Borrowings (Other than debt securities)	133,607.22	114,354.81	247,962.03	56,480.82	40,383.82	96,864.64
Other financial liabilities	1,233.14	522.99	1,756.13	1,517.50	-	1,517.50
Provisions	191.49	-	191.49	469.84	-	469.84
Other non-financial liabilities	372.11	-	372.11	173.18	-	173.18
Total Liabilities	**199,379.06**	**159,290.63**	**358,669.69**	**71,210.39**	**68,591.01**	**139,801.40**
Total equity			**119,614.66**			**79,714.19**

43A Change in Liabilities arising from financing activities

Particulars	As at 1 April 2021	Cash flows	Exchange difference	Others*	As at 31 March 2022
Debt Securities	39,953.41	63,640.19	-	3,457.75	107,051.35
Borrowings (other than debt securities)	96,864.64	150,166.67	71.78	858.94	247,962.03

Particulars	As at 1 April 2020	Cash flows	Exchange difference	Others*	As at 31 March 2021
Debt Securities	30,446.55	6,068.30	-	3,438.56	39,953.41
Borrowings (other than debt securities)	47,218.16	51,152.27	-	(1,505.79)	96,864.64

*Others includes effect of amortisation of processing fee and interest accruals.

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44 Impact of hedging activities

Disclosure of effects of hedge accounting on financial position:

As at 31 March 2022								
Type of hedge risks	Nominal Value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Change in the value of hedged item as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Cross currency interest rate swaps	-	7,639.68	-	382.00	30-Nov-26	382.00	57.23	Borrowings other than debt securities

As at 31 March 2021								
Type of hedge risks	Nominal Value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Change in the value of hedged item as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Cross currency interest rate swaps	-	-	-	-	-	-	-	-

Disclosure of effects of hedge accounting on financial performance:

For the year ended 31 March 2022				
Type of hedge Cash flow hedge	Change in value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cross currency interest rate swaps	(324.77)	-	-	Not applicable

For the year ended 31 March 2021				
Type of hedge Cash flow hedge	Change in value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cross currency interest rate swaps	-	-	-	Not applicable

45 Additional Regulatory Information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
ii) The Company does not have any transactions with companies struck off.
iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) 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
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

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Balance sheet disclosure as required under Master Direction - Non-banking Financial Company -Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

The following disclosures are made pursuant to Reserve Bank of India Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 (as amended), to the extent applicable to the Company.

46 Gold loan portfolio

The Company has not provided loan against gold during the year ended 31 March 2022 and 31 March 2021.

47 Disclosures Pursuant to Reserve Bank of India Guidelines on Liquidity Risk Management RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03/.10.001/2019-20 dated November 4, 2019

A As per the Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20, all non-deposit taking NBFCs with asset size more than INR 5,000 crores are required to maintain Liquidity Coverage Ratio (LCR) from December 1, 2020, with the minimum LCR to be 30%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024. The Company has not crossed the threshold limit for asset size of more INR 5,000 crores as at 31 March 2022. Therfore, the requirement of this disclosure is not applicable.

B Capital adequacy ratio

The Company's capital adequacy ratio, calculated in accordance with the Reserve Bank of India guidelines, is as follows:

Particulars	Tier 1 capital/ Tier 2 capital/Total Capital	Risk weighted assets	Current period	Previous reporting period	Variance	Reasons for variance (if above 25%)
As at 31 March 2022						
CRAR	120,466.32	407,202.41	29.57%	40.31%	-10.74%	-
Tier I Capital	118,236.67	407,202.41	29.03%	39.70%	-10.68%	-
Tier II Capital	2,229.65	407,202.41	0.54%	0.61%	-0.06%	-
As at 31 March 2021						
CRAR	79,049.94	196,087.45	40.31%	64.48%	-24.17%	-
Tier I Capital	77,860.24	196,087.45	39.70%	64.13%	-24.43%	-
Tier II Capital	1,189.70	196,087.45	0.61%	0.35%	0.26%	-

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48 Investments

Particulars	As at 31 March 2022	As at 31 March 2021
Value of investment		
Gross value of investments		
- In India	98,544.16	29,397.85
- Outside India	-	-
Provisions for investments		
- In India	-	-
- Outside India	-	-
Net value investments		
- In India	98,544.16	29,397.85
- Outside India	-	-
Movement of provisions held towards investments		
Opening balance	-	-
Add: Provisions made during the year	-	-
Less: Write off/ write back/ reversal of provision during the year	-	-
Closing balance	-	-

49 Derivatives

a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	As at 31 March 2022	As at 31 March 2021
The notional principal of swap agreements	7,500.00	-
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreemer	-	-
Collateral required by the Company upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book (Asset / (Liability))	-	-

b) Exchange Traded Interest Rate (IR) Derivatives

The Company has not entered into any exchange traded derivative.

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures

The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, basis risk etc.

Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run over the life of the underlying instrument, irrespective of profit or loss. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.

The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions are quarterly monitored and reviewed. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.

Quantitative Disclosures

Particulars	31 March 2022		31 March 2021	
	Currency Derivatives*	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
Derivatives (Notional Principal Amount)	-	7,639.68	-	-
- For hedging				
Marked to Market Positions	-	382.00	-	-
(a) Asset [+] Estimated gain				
(b) Liability [-] Estimated loss				
Credit exposure	-	-	-	-
Unhedged exposures	-	-	-	-

* Cross currency interest rate swap

50 Disclosure of frauds reported during the year ended 31 March 2022

Nature of Fraud	No of Cases	Amount of fraud	Amount written off
Cash misappropriation by employee	-	-	-
Fraudulent representation by customers	-	-	-

The above summary with respect to fraud is based on the information available with the Company which has been relied upon by the auditors.

51 Exposure to real estate sector

Particulars	As at 31 March 2022	As at 31 March 2021
A. Direct Exposure		
i. Residential Mortgages (refer note below)		
(Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented)	730.80	553.09
ii. Commercial Real Estate –		
(Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits)	-	-
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
a) Residential (refer note below)		
b) Commercial Real Estate	-	-
b. Indirect Exposure		
Fund and non fund based exposure to housing finance companies	4,173.85	8,090.25
Total exposure to real estate sector		

52 Exposure to capital market

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

53 Disclosures relating to Securitisation

53.1 Details of assignment transactions undertaken

Particulars	As at 31 March 2022	As at 31 March 2021
Number of Accounts	15.00	10.00
Aggregate value of account sold	1,682.95	844.95
Aggregate consideration	1,508.40	760.45
Additional consideration realised in respect of accounts transferred in earlier years	-	-
Aggregate gain/(loss) over net book value	-	-

53.2 Details of securitisation transactions undertaken

Particulars	As at 31 March 2022	As at 31 March 2021
No of SPVs sponsored by the NBFC for securitisation transactions	-	2.00
Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	-	5,248.33
Total amount of exposures retained by the NBFC to comply with MRR		738.16
a) Off-balance sheet exposures		
* First loss	-	-
* Others	-	-
b) On-balance sheet exposures		
* First loss	-	738.16
* Others - over collateral		-

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53.3 Details of securitisation transactions undertaken (Continued)

Particulars	As at 31 March 2022	As at 31 March 2021
Amount of exposures to securitisation transactions other than MRR		361.01
i) Exposure to own securitisations		
* First loss	-	-
* Others - corporate guarantee	-	-
ii) Exposure to third party securitisations		
* First loss	-	-
* Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
* First loss - cash collateral	-	-
* Others	-	-
ii) Exposure to third party securitisations		
* First loss	-	-
* Others	-	-

54 Details of non- performing financial assets purchases / sold
The Company has neither purchased nor sold any non- performing financial assets during the year.

55 Details of financing of Parent Company products
There are no such transactions of this nature in the current and previous year

56 Details of Single Borrower Limits (SBL)/ Group Borrower Limits (GBL) exceeded
The Company has not exceeded the borrower limit as set by Reserve Bank of India for the year ended 31 March 2022 and 31 March 2021.

57 Unsecured advances
The Company has unsecured advances amounting to INR 86,784.23 lakhs as at 31 March 2022 (31 March 2021 - INR 18,563.17).

58 Advances against intangible securities
The Company has not financed any unsecured advances against intangible securities such as rights, licenses, authority etc. as collateral security.

59 Registration/ licence/ authorisation obtained from financial sector regulators :

Registration / Licence	Authority issuing the registration / license	Registration / Licence reference
Certificate of Registration	Reserve Bank of India	N - 07.00836 dated 5 January 2018

60 Penalties imposed by RBI and other regulators
No penalties have been imposed by RBI and Other Regulators during the financial year ended 31 March 2022. (FY 2020-21 - Nil)

61 Ratings assigned by credit rating agencies and migration of ratings during the year

Particulars	Rating agency	As at 31 March 2022	As at 31 March 2021
Bank Term Loans	ICRA	A- (Positive)	A- (Stable)
Non Convertible Debentures	ICRA	A- (Positive)	A- (Stable)

62 Provisions and contingencies (Break up of 'provisions and contingencies' shown under the head expenditure)

	As at 31 March 2022	As at 31 March 2021
Provisions for depreciation on Investment	-	-
Provision towards NPA including write off	249.59	2,241.53
Provision made towards current income taxes	1,882.70	1,481.97
Other Provision and Contingencies	-	-
Provision for Standard assets	1,212.79	748.21

63 Draw down from reserves
The Company has not made any drawdown from existing reserves.

64 Concentration of advances

Total advances to twenty largest borrowers	56,692.00	49,640.64
Percentage of advances to twenty largest borrowers to total advances	18.96%	30.34%

65 Concentration of exposures

Total Exposure to twenty largest borrowers / customers	100,597.67	53,945.73
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	26.21%	29.17%

66 Concentration of NPA Contracts*

Total Exposure to top four NPA accounts (Gross exposure)	955.48	592.52

67 Sector-wise NPAs (Percentage of NPA's to total advances in that sector)

Agriculture & allied activities	0.00%	0.00%
MSME	0.86%	1.80%
Corporate borrowers	0.00%	0.00%
Services	0.00%	0.00%
Unsecured personal loans	0.00%	0.00%
Auto loans	0.00%	0.00%
Other loans	0.77%	0.00%

The above Sector-wise NPA and advances are based on the data available with the Company which has been relied upon by the auditors. NPA contracts represents the Stage 3 contracts (net of write offs). Also refer note 79.

Particulars	As at 31 March 2022	As at 31 March 2021
68 Movement of Non-Performing Assets (NPA's)		
(a) Net NPAs to net advances (%)		
(Net of provision for NPAs)	0.07%	0.00%
(b) Movement of gross NPAs		
Opening balance	592.52	619.96
Additions during the year	499.17	-
Reductions during the year	-	27.44
Closing balance	**1,091.69**	**592.52**
(c) Movement of net NPAs		
Opening balance	-	123.99
Additions during the year	249.59	-
Reductions during the year	-	123.99
Closing balance	**249.59**	**-**
(d) Movement of provisions for NPAs (excluding contingent provisions against standard assets)		
Opening balance	592.52	495.97
Additions during the year	249.59	96.55
Reductions during the year	-	-
Closing balance	**842.11**	**592.52**

Note : NPA represents financial instrument classified as stage 3 (net of write offs) and the NPA Provision represents the Loss allowance on Stage 3 assets. Also refer note 79

69 Movement of provisions held towards guarantees

	As at 31 March 2022	As at 31 March 2021
Opening balance	392.34	120.93
Add: Provisions made during the year	-	271.41
Less: Write off/ write back/ reversal of provision during the year	(72.05)	-
Less: Paid during the year	(267.92)	-
Closing balance	**52.37**	**392.34**

70 Overseas assets (for those with joint ventures and subsidiaries abroad)

There are no overseas asset owned by the Company	-	-

71 Off-balance sheet SPVs sponsored

There are no SPVs which are required to be consolidated as per accounting norms.	-	-

72 Customer complaints

No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	3,061	124
No. of complaints redressed during the year	3,061	124
No. of complaints pending at the end of the year	-	-

The above details are based on the information available with the Company regarding the complaints received from the customers which has been relied upon by the auditors.

73 Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 pertaining to Asset Classification and Provisioning in terms of COVID19 Regulatory Package

Particulars	As at 31 March 2022	As at 31 March 2021
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	-	-
Respective amount where asset classification benefits is extended	-	-
General provision made	-	-
General provision adjusted during the period against slippages and the residual provisions	-	-

74 Disclosure under clause 28 of the Listing Agreement for Debt Securities

Particulars	As at 31 March 2022	As at 31 March 2021
Loans and advances in the nature of loans to subsidiaries	-	-
Loans and advances in the nature of loans to associates	-	-
Loans and advances in the nature of loans where there is -	-	-
(i) no repayment schedule or repayment beyond seven years	-	-
(ii) no interest or interest below section 186 of Companies Act, 2013	-	-
Loans and advances in the nature of loans to firms/companies in which directors are interested	-	-

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75 Schedule to the Balance Sheet of a non deposit taking Non-Banking Financial Company (Pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016):

S.N.	Particulars	As at 31 March 2022		As at 31 March 2021	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	Liabilities side:				
1	**Loans and Advances availed by the NBFC inclusive of interest accrued**				
	(a) Debentures				
	'- Secured (net of unamortised borrowing cost)	98,693.74	-	39,953.41	-
	'- Unsecured (net of unamortised borrowing cost)	-	-	-	-
	(other than falling within the meaning of public deposits)	-	-	-	
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans (net of unamortised borrowing cost)	247,962.03	-	96,864.64	-
	(d) Inter-Corporate Loans and Borrowings	-	-	-	-
	(e) Commercial Paper	8,357.61	-	-	-
	(f) Public Deposits	-	-	-	-
	(g) Other Loans (net of unamortised borrowing cost)	-	-	-	-
	(Represents Working Capital Demand Loans and Cash Credit from Banks)	-	-	-	-
2	**Break-up of (1)(f)above (outstanding public deposits inclusive of interest**				
	(a) In the form of Unsecured debentures	-	-	-	-
	(b) In the form of partly secured debentures i.e debentures where there is a	-	-	-	-
	(c) Other public deposits	-	-	-	-

	Particulars	As at 31 March 2022	As at 31 March 2021
	Assets side:		
3	**Break-up of Loans and Advances * including Bills Receivables [other than those included in (4) below]:**		
	(a) Secured	212,147.41	145,128.93
	(b) Unsecured	86,784.23	18,563.17
	(Excludes loss allowance and includes unamortised fee)		
4	**Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities**		
	(i) Lease Assets including Lease Rentals Accrued and Due:		
	a) Financial Lease	-	-
	b) Operating Lease	-	-
	(ii) Stock on Hire including Hire Charges under Sundry Debtors:		
	a) Assets on Hire	-	-
	b) Repossessed Assets	-	-
	(iii) Other Loans counting towards AFC Activities		
	a) Loans where Assets have been Repossessed	-	-
	b) Loans other than (a) above	-	-

75.1 Disclosure Pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016: (continued)

	Particulars	As at 31 March 2022	As at 31 March 2021
5	**Break-up of Investments (net of provision for diminution in value):**		
	Current Investments:		
	I. Quoted:		
	i. Shares		
	a) Equity	-	-
	b) Preference	-	-
	ii. Debentures and bonds		
	iii. Units of Mutual Funds	3,010.85	-
	iv. Government Securities		
	v. Others		
	a) commercial paper	-	-

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Particulars	As at 31 March 2022	As at 31 March 2021
II. Unquoted:		
i. Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others		
a) pass through certificates	-	-
b) units of alternative investment fund	-	-
Long Term Investments:		
I. Quoted:		
i. Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds		
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others (please specify)	-	
II. Unquoted:		
i. Shares		
a) Equity	7,752.00	7,752.00
b) Preference	3,000.00	-
ii. Debentures and Bonds	42,651.14	11,885.29
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others		
a) pass through certificates	29,841.50	8,847.55
b) units of alternative investment fund	12,288.67	913.01
c) share warrants	-	-

6 Borrower Group-wise Classification of Assets Financed as in (3) and (4) above:

Category	As at 31 March 2022 (Net of provision for NPA)		As at 31 March 2021 (Net of provision for NPA)	
	Secured	Unsecured	Secured	Unsecured
1. Related parties				
(a) Subsidiaries	-		-	
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	209,611.00	86,437.09	143,481.75	18,563.17

75.2 Disclosure Pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016: (continued)

7 Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted)

Category	Market Value / Break up Value or Fair Value or Net Asset Value as on 31 March 2022	Book Value as on 31 March 2022 (Net of provisions)	Market Value / Break up Value or Fair Value or Net Asset Value as on 31 March 2021	Book Value as on 31 March 2021 (Net of provisions)
1. Related Parties				
(a) Subsidiaries	-	5,751.00	-	7,752.00
(b) Companies in the same Group	-	5,001.00	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	-	87,792.16	-	21,645.85
	-	**98,544.16**	-	**29,397.85**

8 Other Information (Also refer note xx)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i) Gross Non-Performing Assets	-	1,091.69	-	590.52
(ii) Net Non-Performing Assets	-	249.59	-	-
(iii) Assets acquired in satisfaction of debt	-	900.00	-	-

Note : NPA contracts represents the Stage 3 contracts (net of write offs). Also this excludes the impact of the fair value changes on the financial assets. Also refer note 79

76 Disclosure under clause 16 of the Listing Agreement for Debt Securities

The Debentures are secured by way of an exclusive hypothecation of loans, investment in pass through certificates and investment in debentures.

77 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019- 20 dated March 13, 2020 pertaining to Asset Classification as per RBI Norms

As at 31 March 2022

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) =(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	381,202.52	1,500.69	379,701.83	1,531.00	846.22
	Stage 2	1,546.46	876.52	669.94		
Subtotal for Standard		**382,748.98**	**2,377.21**	**380,371.76**	**1,531.00**	**846.22**
Non Performing Assets (NPA)						
Substandard	Stage 3	499.17	249.59	249.59	74.88	174.71
Doubtful - upto 1 year	Stage 3	-	-	-	-	-
1 - 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	592.52	592.52	-	592.52	-
Subtotal for NPA		**1,091.69**	**842.11**	**249.59**	**667.40**	**174.71**
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	11,061.97	52.37	11,009.60	-	52.37
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total	**Stage 1**	392,264.49	1,553.06	390,711.42	1,531.00	898.59
	Stage 2	1,546.46	876.52	669.94	-	-
	Stage 3	1,091.69	842.11	249.59	667.40	174.71
		394,902.64	**3,271.69**	**391,630.95**	**2,198.39**	**1,073.30**

As at 31 March 2021

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)					
Performing Assets						
Standard	Stage 1	184,745.43	1,137.51	183,607.92	738.98	398.53
	Stage 2	-	-	-		
Subtotal for Standard		**184,745.43**	**1,137.51**	**183,607.92**	**738.98**	**398.53**
Non Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - upto 1 year	Stage 3	-	-	-	-	-
1 - 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	592.52	592.52	-	592.52	-
Subtotal for NPA		**592.52**	**592.52**	-	**592.52**	-
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	5,271.13	392.34	4,878.79	-	392.34
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**5,271.13**	**392.34**	**4,878.79**	-	**392.34**
Total	**Stage 1**	190,016.56	1,529.85	188,486.71	738.98	790.87
	Stage 2	-	-	-	-	-
	Stage 3	592.52	592.52	-	592.52	-
		190,609.08	**2,122.37**	**188,486.71**	**1,331.50**	**790.87**

In terms of the requirement as per RBI notifications no. RBI/2019-20/170 DOR (NBFC).CC. PD No. 109/22.10.106/2019-20 dated March 13, 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 2022 and accordingly, no amount is required to be transferred to impairment reserve. Also refer note 79.

78 Asset Liability Management

Maturity Pattern of certain items of Assets and Liabilities:

As at 31 March 2022

Particulars	1 day to 30/31 days (1 Month)	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks and others	35,559.60	9,253.31	15,170.67	22,679.53	50,944.12	106,406.26	7,948.55	-	**247,962.03**
Debt Securities	1,292.64	4,306.86	4,252.73	18,562.20	34,606.08	44,030.83	-	-	**107,051.34**
Assets									
Advances	40,765.02	32,228.11	28,101.45	41,593.32	66,163.16	83,394.96	2,865.12	936.95	**296,048.09**
Investments	16,538.74	2,705.11	3,620.05	8,906.78	19,672.60	12,152.38	5,402.44	29,546.07	**98,544.16**

As at 31 March 2021

Particulars	1 day to 30/31 days (1 Month)	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks and others	13,437.99	4,666.70	4,354.30	12,341.70	21,680.30	36,263.70	4,119.95	-	**96,864.64**
Debt Securities	274.15	1,062.90	1,519.50	3,672.40	5,217.27	28,207.19	-	-	**39,953.41**
Assets									
Advances	13,549.24	12,521.69	14,069.56	28,258.23	39,382.62	50,644.93	3,137.28	481.37	**162,044.92**
Investments	1,110.81	1,189.69	1,043.95	3,018.96	5,031.29	3,714.03	6,537.12	7,752.00	**29,397.85**

B S R & Co. LLP * Chartered Accountants *

Vivriti Capital Private Limited Chennai 600 035 ★

79 Impact of COVID-19

The impact of COVID-19 including the economic and social consequences continues to be uncertain and the extent to which the ongoing COVID-19 pandemic will impact the Company's financial performance including the Company's estimates of impairment and fair valuation of financial instruments, are dependent on such future developments, the severity and duration of the pandemic, that are highly uncertain.

In respect of accounts where moratorium benefit have been granted, the staging of those accounts is based on the days past due status considering the benefit of moratorium period in accordance with the Reserve Bank of India Covid-19 Regulatory Package.

The Company has considered the aforesaid context of the pandemic in applying the assumptions used to determine the impairment and fair valuation of financial instruments. The Company has recognized impairment of financial instruments (including write offs) aggregating to INR 1,462.38 lakhs and INR 2,989.74 lakhs for the year ended 31 March 2022 and 31 March 2021 respectively. The impact assessment of COVID-19 is a continuing process. Given its uncertainty in nature and duration, this may have corresponding impact in the financial position and performance of the Company. The Company will continue to monitor any material changes to the future economic conditions.

80 Subsequent events

There are no subsequent events other than those disclosed in the financial statements that have occurred after the reporting period till the date of approval of these standalone financial statements.

81 Previous period's figures have been regrouped / reclassified wherever necessary, to conform with the current period presentation.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Chennai
600 035

B S R & Co. LLP
Chartered Accountants

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No.1, Harrington Road, Chetpet
Chennai - 600 031, India.

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Independent Auditor's Report

To the Members of Vivriti Capital Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Vivriti Capital Private Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 auditors on separate financial statements/financial information of an associate as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of the report of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of matter

As more fully described in Note 50 to the consolidated financial statements, the extent to which the COVID-19 pandemic will have impact on the Group's financial performance is dependent on future developments, which are highly uncertain.

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

B S R & Co. (a partnership firm with Registration No. Ba61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAD-0101) with effect from October 14, 2013

Registered Office:
14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of report of other auditors on separate financial statements of the component audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	**How the matter was addressed in our audit**
Impairment of loans and advances including off balance sheet elements Charge: INR 1,462.38 lakhs for year ended 31 March 2022 Provision: INR 3,132.16 lakhs as at 31 March 2022	
Refer Notes 3.6, 7, 19, 30 and 50 to the consolidated financial statements	
Under Ind AS 109 - Financial Instruments, credit loss assessment is based on expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. Further, in relation to COVID-19 pandemic, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the economy The determination of impairment loss allowance is inherently judgmental and relies on managements' best estimate due to the following: • Segmentation of loans given to the customer. • Criteria selected to identify significant increase in credit risk, specifically in respect of moratorium benefit given to eligible borrowers, as per the Holding Company's board approved policy, read with the Reserve Bank of India (RBI) COVID 19 regulatory package.	In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence: • Performed process walkthroughs to identify the controls used in the impairment allowance processes. • Assessed the design and implementation of controls in respect of the Holding Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance. • Obtained understanding of management's revised processes, compliance with the RBI circulars pertaining to impairment loss allowance, systems and controls implemented in relation to impairment allowance process, specifically in view of providing moratorium as per board approved policy read with RBI COVID-19 regulatory package including management rationale for determination of criteria of significant increase in credit risk. • Evaluated whether the methodology applied by the Holding Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings.

Key audit matter	How the matter was addressed in our audit
• Increased level of data inputs for capturing the historical data to calculate the Probability of Default ('PDs') and Loss Given Default ("LGD") and the completeness and accuracy of that data. • Use of management overlay for considering the forward looking macro-economic factors, economic environment and timing of cash flows. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Holding Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment loss allowance on the consolidated financial statements, we have considered this as a key audit matter.	• Tested the periods considered for capturing underlying data as base to PD and LGD calculations are in line with Holding Company's recent experience of past observed periods. • Tested the accuracy of the key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made. • Challenged completeness and validity of impairment allowance including the management overlays, particularly in response to the pandemic with assistance of our financial risk modelling experts by critically evaluating the risks that have been addressed by management. • Performed test of details, on a sample basis, on underlying data relating to segmentation, staging as at 31 March 2022 and other key inputs for computation of ECL. • Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the consolidated financial statements are appropriate and sufficient.

Key audit matter	How the matter was addressed in our audit
Investment of the Holding Company in subsidiaries and associates *Refer notes 3.3, 8, 22, 28, 37 and 40 to the consolidated financial statements.*	
Credavenue Private Limited ('CAPL') was a subsidiary of the Holding Company as at the beginning of the financial year. During the year, there were various shareholder transactions in respect of CAPL. These shareholder transactions included two rounds of fund raise at CAPL, renunciation of rights entitlement by the Holding Company in favour of founders in their capacity as founder shareholders etc. Such transactions and other shareholder arrangements resulted in dilution and loss of control of the Holding Company in respect of its investment in CAPL. Thus, CAPL became an associate.	In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence: • Performed process walkthroughs to identify the controls used over identification, compliance and disclosure of shareholder and investment related transactions/arrangements. • Evaluated the design and tested the operating effectiveness of controls over identification, compliance and disclosure of such transactions/arrangements. • Obtained and reviewed the shareholders agreements.

Key audit matter	How the matter was addressed in our audit
Upon loss of control and subsequent dilution of its investment in CAPL, the Holding Company recorded an aggregate gain on loss of control / dilution of INR 200,680 lakhs in the consolidated statement of profit and loss in accordance with Ind AS 110 – 'Consolidated Financial Statements'. The resultant deferred tax charge on aforesaid gains has also been created aggregating to INR 46,287 lakhs. We identified assessing the accounting of investment in subsidiaries and associate as a key audit matter because of the degree of complexity involved in financial reporting, judgements and estimates involved in valuation at various points in time, assessing loss / dilution of control, implications of related party transactions, tax considerations, disclosures etc.	• Inquired with those charged with governance, the substance and sequence of events/transactions and board decisions etc. • Obtained and confirmed the approvals / ratification of Audit Committee / Board of Directors on the shareholder / related party transactions. • Obtained and read the valuation reports, fairness opinion etc received by the Company from CAPL in connection with the related transactions and the timing thereof. • Obtained and reviewed the computation of gain on loss / dilution of control. • Reviewed management's evaluation of the financial reporting aspects of shareholder transactions and implications thereof to be within equity. • Obtained and read the legal opinion on the tax implications, if any, with respect to the Company together with founder shareholder support arrangements. • Assessed whether appropriate accounting and adequate disclosures regarding fund raise at CAPL, renunciation of rights to founders in their capacity as shareholders, dilution/loss of control etc have been made in the consolidated financial statements. • Communicated the key implications of the shareholder transactions / arrangements to those charged with governance.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon. Such other information is expected to be made available to us after the date of auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read the annual report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures and joint operations in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the 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 financial statements 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 financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates 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 and of its associates, joint ventures and joint operations are responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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.
- 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 expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures and joint operations to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors 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 paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Other Matters

(a) The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs. 71.93 lakhs for the year ended 31 March 2022, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of the other auditors.

(b) The consolidated financial statements of the Group for the year ended 31 March 2021 were audited by the predecessor auditor who had expressed an unmodified opinion vide their report dated 28 April 2021.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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 Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of an associate as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies, none of the directors of the Group and its associate is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its associate companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". One subsidiary company and an associate company is exempted from the requirement of its auditors' reporting with respect to adequacy of internal financial controls with reference to the financial statements.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of an associate, as noted in the "Other Matters" paragraph:

a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group and its associates. Refer Note 42 to the consolidated financial statements.

b) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Notes 7, 14 and 19 to the consolidated financial statements in respect of such items as it relates to the Group and its associate.

c) There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies during the year ended 31 March 2022.

d) (i) The respective managements of the Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of its knowledge and belief, as disclosed in note 49 to the consolidated financial statements, 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 or any of such subsidiaries and associates to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The respective managements of the Company and its subsidiaries and associates which are companies incorporated in India whose financial statements are audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of its knowledge and belief, as disclosed in note 49 to consolidated financial statements, no funds have been received by the Company or any of such subsidiaries and associates from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries and associates shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) contain any material misstatement.

e) The Holding Company and its subsidiary companies and associate companies incorporated in India have neither declared nor paid any dividend during the year.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the provisions of Section 197 of the Act are not applicable to the Holding Company, its subsidiary companies and associate companies incorporated in India since none of these companies is a public company.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022

S Sethuraman
Partner
Membership No. 203491
UDIN: 22203491AJTVRA3821

Place: Chennai
Date: 27 May 2022

Annexure A to the Independent Auditor's Report on the Consolidated financial statements of Vivriti Capital Private Limited

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements except for the following companies:

S. no.	Name of the entities	CIN	Holding Company/ Subsidiary/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Vivriti Capital Private Limited	U65929TN2017PTC117196	Holding Company	Clauses (iii) (c) and (iii) (d)
2	Vivriti Asset Management Private Limited	U65929TN2019PTC127644	Subsidiary	Clause (xvii)

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report:

Name of the entities	CIN	Holding Company/ Subsidiary/Associate
CredAvenue Private Limited*	U72900TN2020PTC137251	Associate

* As at the date of this report, audit of the statutory financial statements have not been completed for this entity for the period ended March 31, 2022 and the CARO report relating to this entity has not been issued by its auditor till the date of this auditor's report.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022

S Sethuraman
Partner
Membership No. 203491
UDIN: 22203491AJTVRA3821

Place: Chennai
Date: 27 May 2022

Annexure B to the Independent Auditors' report on the consolidated financial statements of Vivriti Capital Private Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Vivriti Capital Private Limited (hereinafter referred to as "the Holding Company") and a company incorporated in India under the Companies Act, 2013 which is its associate company, as of that date.

In our opinion, the Holding Company and a company incorporated in India which is its associate company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 the respective 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 (hereinafter referred to as "the Act").

Annexure B to the Independent Auditors' report on the consolidated financial statements of Vivriti Capital Private Limited for the period ended 31 March 2022

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Annexure B to the Independent Auditors' report on the consolidated financial statements of Vivriti Capital Private Limited for the period ended 31 March 2022

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022

S Sethuraman
Partner
Membership No. 203491
UDIN: 22203491AJTVRA3821

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Consolidated Balance Sheet as at 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Financial assets			
Cash and cash equivalents	4	47,357.92	14,835.49
Bank Balances other than cash and cash equivalents	5	31,904.68	11,511.80
Receivables	6	742.05	1,057.00
Loans	7	296,075.94	162,156.59
Investments	8	294,868.40	25,719.37
Other financial assets	9	1,165.76	341.19
Total financial assets		**672,114.75**	**215,621.44**
Non-financial assets			
Current tax assets (Net)	10	1,951.69	1,065.35
Deferred tax assets (Net)		355.36	1,421.21
Investment Property	11	948.61	-
Property, plant and equipment	12.1	777.81	736.74
Right of use asset	12.2	969.06	874.73
Intangible assets under development	12.3	43.08	492.30
Other intangible assets	12.4	317.99	475.83
Other non-financial assets	13	2,280.37	647.57
Total non-financial assets		**7,643.97**	**5,713.73**
Total assets		**679,758.72**	**221,335.17**
EQUITY AND LIABILITIES			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	14	382.00	-
Trade Payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		-	12.13
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,505.81	1,173.39
Debt securities	16	107,741.03	40,219.33
Borrowings (Other than debt securities)	17	247,962.03	98,446.05
Other financial liabilities	18	1,643.44	2,220.47
Total financial liabilities		**360,234.31**	**142,071.37**
Non-financial liabilities			
Deferred tax liabilities (net)		45,424.37	-
Provisions	19	252.97	821.29
Other non-financial liabilities	20	465.66	390.61
Total non-financial liabilities		**46,143.00**	**1,211.90**
Total liabilities		**406,377.31**	**143,283.27**
EQUITY			
Equity share capital	21	1,252.24	1,146.39
Convertible preference share capital	21A	8,739.15	8,350.17
Other equity	22	258,698.05	68,555.34
Equity attributable to the shareholders of the Company		**268,689.44**	**78,051.90**
Non-controlling interests	23	4,691.97	-
Total equity		**273,381.41**	**78,051.90**
Total equity and liabilities		**679,758.72**	**221,335.17**

Significant accounting policies 2 and 3

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date:27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations			
Interest income	23	32,952.72	20,360.93
Fees and commission income	24	6,709.51	3,975.95
Net gain on derecognition of financial instruments		44.30	12.00
Net gain on fair value change on financial instruments	25	790.52	63.16
Total revenue from operations		**40,497.05**	**24,412.04**
Other Income	26	550.25	154.59
Gain on loss / dilution of control		200,680.31	-
Total income		**241,727.61**	**24,566.63**
Expenses			
Finance costs	27	19,931.34	9,607.81
Impairment on financial instruments including write off	28	1,462.38	2,989.74
Employee benefit expense	29	6,673.39	6,119.48
Depreciation and amortisation expense	30	847.88	748.55
Other expenses	31	4,583.49	2,980.67
Total expenses		**33,498.48**	**22,446.25**
Profit before exceptional item and tax		**208,229.13**	**2,120.38**
Exceptional item	32	2,173.13	-
Profit before tax		**206,056.00**	**2,120.38**
Tax expense	33		
- Current tax		1,882.70	1,481.97
- Deferred tax		46,264.11	(803.87)
Total tax expense		**48,146.81**	**678.10**
Net profit after tax		**157,909.19**	**1,442.28**
Share of loss of equity accounted associate (net of income tax)		(2,582.54)	-
Net Profit after tax for the year		**155,326.65**	**1,442.28**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit asset/ (liability)		(6.73)	(15.12)
Income tax relating to items that will not be reclassified to profit or loss		1.69	3.81
Sub-total (A)		**(5.04)**	**(11.31)**
Items that will be reclassified to profit or loss			
Net gain / (loss) on financial instruments through OCI		232.31	-
Cash flow hedge reserve		(324.77)	165.71
Income tax relating to items that will be reclassified to profit or loss		23.27	(41.71)
Sub-total (B)		**(69.19)**	**124.00**
Other comprehensive income (A + B)		(74.23)	112.69
Share of other comprehensive loss from equity accounted associate (net of income tax)		(20.46)	-
Total other comprehensive income		**(94.69)**	-
Total comprehensive income for the year, net of income tax		**155,231.96**	**1,554.96**
Profit for the year attributable to			
Owners of the Company	23	**157,909.19**	**1,442.28**
Non-controlling interest		-	-
Other comprehensive income for the year, net of tax			
Owners of the Company	23	**(94.69)**	-
Non-controlling interest		-	-
Total comprehensive income for the year, net of income tax			
Owners of the Company	23	**155,231.96**	**1,554.96**
Non-controlling interest		-	-
Earnings per equity share	34		
Basic (₹)		1,244.05	9.35
Diluted (₹)		171.44	1.72

Significant accounting policies 2 and 3

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Kavitha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Consolidated Statement of Cash flows for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from operating activities			
Profit before tax		206,056.00	2,120.38
Adjustments for:			
Depreciation and amortisation		847.88	748.55
Share of loss post tax from associate		(2,582.54)	-
Fair valuation gain on derivative contract		382.00	-
Impairment on financial instruments (net)		1,462.38	2,910.54
Employee share based payment expenses		245.02	315.25
Finance costs		19,931.34	9,607.81
Interest income on bank balances and investments		(5,190.61)	(3,115.13)
Gain on loss / dilution of control		(200,680.31)	-
Net gain on derecognition of financial instruments		(44.30)	-
Gain on sale of investments		(9.42)	-
Unrealised gain on alternative investment funds designated at fair value through profit or loss		(299.26)	-
Gain on mutual funds investments designated at fair value through profit or loss		(78.45)	-
Gain on sale of fixed assets		(299.87)	-
Gain on derecognition of finance leases		(143.22)	-
Net loss on financial asset designated at FVOCI		-	112.69
Stock compensation expenses		2,580.63	-
Operating Profit before working capital changes		**22,177.28**	**12,700.09**
Changes in working capital and other changes			
(Increase) in other financial assets		(1,410.00)	-
(Increase) in loans		(134,149.59)	(96,672.90)
(Increase)/Decrease in trade receivables		273.83	(624.07)
(Increase) in other non-financial assets		(1,632.80)	(347.11)
(Increase)/Decrease in other bank balances		(20,293.00)	34,791.71
Increase/(Decrease) in trade payables, other liabilities and provisions		(950.43)	296.93
Cash used in operating activities		**(135,984.71)**	**(49,855.36)**
Finance cost paid		(15,531.83)	(7,363.20)
Income tax paid (net)		(2,542.93)	(1,448.15)
Net Cash flows generated from / (used in) operating activities	**(A)**	**(154,059.47)**	**(58,666.71)**
Cash flows from investing activities			
Purchase of property plant and equipment		(6,572.35)	(1,166.51)
Sale of property plant and equipment		722.97	-
Derecognition of finance lease		1,681.01	-
Derecognition of fixed assets on account of dilution of control		3,280.25	-
Investment in alternative investment funds (net)		17,783.90	-
Change in Investment in associate (net)		(1,199.96)	-
Investments in Mutual funds (net)		(2,932.40)	-
Investments other than Alternative investment funds and Mutual funds (net)		(81,711.73)	(14,733.42)
Interest received on bank balances and investments		5,069.33	16,063.43
Net cash flows generated from / (used in) investing activities	**(B)**	**(63,879.00)**	**163.50**
Financing activities			
Proceeds from issue of share capital including securities premium		37,863.72	9,873.77
Proceeds from issue of debt securities		84,473.03	34,500.00
Repayment of debt securities		(20,143.15)	(28,165.79)
Proceeds from borrowings (other than debt securities issued)		219,786.08	82,477.91
Repayment of borrowings (other than debt securities issued)		(71,302.13)	(28,111.24)
Payments of lease liabilities		(216.65)	(461.28)
Net cash flows generated from financing activities	**(C)**	**250,460.90**	**70,113.37**
Net increase in cash and cash equivalents (A) + (B) + (C)		**32,522.43**	**11,610.16**
Cash and cash equivalents at the beginning of the year		14,835.49	3,225.33
Cash and cash equivalents at the end of the year		**47,357.92**	**14,835.49**

BSR & Co. LLP ★ Chartered Accountants ★

Vivriti Capital Private Limited Chennai 600 035 ★

Vivriti Capital Private Limited
Consolidated Statement of Cash flows for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
Components of cash and cash equivalents			
Balances with banks			
In current accounts	4	47,357.92	14,835.49
Total cash and cash equivalents		**47,357.92**	**14,835.49**
Significant accounting policies	2 and 3		

The notes referred to above form an integral part of the consolidated financial statements

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Vivriti Capital Private Limited
Consolidated Statement of changes in equity for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

A. Equity share capital

Particulars	Note	Equity Share capital
Balance as at 31 March 2020		1,130.02
Changes in equity share capital during the period		16.37
Balance as at 31 March 2021	21	**1,146.39**
Changes in equity share capital during the period		105.85
Balance as at 31 March 2022	21	**1,252.24**

B. Other equity

Particulars	Compulsorily Convertible Preference Shares	Optionally Convertible Redeemable Preference Shares	Other Equity						Equity attributable to the shareholders of the Company	Total non-controlling interest	Total
			Reserves and Surplus				Other Comprehensive Income				
			Statutory Reserve	Securities Premium	Employee Stock Option outstanding account	Retained Earnings	Financial instruments through OCI	Cash flow hedge reserve			
Balance as at 31 March 2020	**7,762.37**	**8.11**	**242.38**	**56,753.60**	**84.46**	**299.48**	-	-	**65,150.40**	-	**65,150.40**
Changes in equity for the year ended 31 March 2021										-	-
Shares issued during the year	579.69	-	-	11,371.50	-	-	-	-	11,951.19	-	11,951.19
Share issue expenses	-	-	-	(193.18)	-	-	-	-	(193.18)	-	(193.18)
Shares held by ESOP Trust (also refer note 39)	-	-	-	(1,873.12)	-	-	-	-	(1,873.12)	-	(1,873.12)
Stock compensation expense during the year	-	-	-	-	138.40	-	-	-	138.40	-	138.40
Stock compensation expense - recoverable from related parties	-	-	-	-	176.85	-	-	-	176.85	-	176.85
Remeasurement of net defined benefit liability	-	-	-	-	-	(11.31)	-		(11.31)	-	(11.31)
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	124.00	-	124.00	-	124.00
Transfer from retained earnings	-	-	-	-	-	(11.47)	11.47	-	-	-	-
Profit for the year	-	-	-	-	-	1,442.28	-	-	1,442.28	-	1,442.28
Transfer to statutory reserve	-	-	600.10	-	-	(600.10)	-	-	-	-	-
Balance as at 31 March 2021	**8,342.06**	**8.11**	**842.48**	**66,058.80**	**399.71**	**1,118.88**	**135.47**	-	**76,905.51**	-	**76,905.51**
Changes in equity for the year ended 31 March 2022 (also refer note 37)											-
Shares issued during the year	388.98	-	-	33,094.20	-	-	-	-	33,483.18	4,691.97	38,175.15
Share issue expenses	-	-	-	(9.78)	-	-	-	-	(9.78)	-	(9.78)
Stock compensation expense (also refer note 34)				2,173.13					2,173.13		2,173.13
Shares held by VAM ESOP Trust	-	-	-	(660.00)	-	-	-	-	(660.00)	-	(660.00)
Stock Compensation expense during the year	-	-	-	-	238.63	-	-	-	238.63	-	238.63
Stock compensation expense - recoverable from related parties	-	-	-	-	74.57	-	-	-	74.57	-	74.57
Remeasurement of net defined benefit liability	-	-	-	-	-	(5.04)	-	-	(5.04)	-	(5.04)
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	173.84	(243.03)	(69.19)	-	(69.19)
Profit for the year	-	-	-	-	-	155,326.65	-	-	155,326.65	-	155,326.65
Transfer to statutory reserve	-	-	1,347.40	-	-	(1,347.40)	-	-	-	-	-
Share of other comprehensive loss post tax from associate	-	-	-	-	-	-	(20.46)	-	(20.46)	-	(20.46)
Balance as at 31 March 2022	**8,731.04**	**8.11**	**2,189.88**	**100,656.35**	**712.91**	**155,093.09**	**288.86**	**(243.03)**	**267,437.20**	**4,691.97**	**272,129.17**

The notes referred to above form an integral part of the Consolidated Financial Statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Selhuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited
CIN: U65929TN2017PTC117196

Vineet Sukumar
Managing Director
DIN: 06848801

Gaurav Kumar
Director
DIN: 07767248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

1 Corporate Information

Vivriti Capital Private Limited (Holding Company / Company) is a private limited Company domiciled in India and incorporated on June 22, 2017 under the provisions of the Companies Act, 2013 ("the Act"). The Holding Company is a systematically important Non Banking Finance Company - Investment & Credit Company (ICC) pursuant to circular dated February 22, 2019, issued by the Reserve Bank of India ('RBI'), which is engaged in financing to various corporates through enterprise financing and retail financing through co-lending and supply chain financing.

The Group structure is as follows:

Particulars	% of shareholding As at 31 March 2022	As at 31 March 2021
Vivriti Capital private Limited ("Holding Company")		
Subsidiary		
Vivriti Asset Management Private Limited	75.54%	100.00%
Associate*		
Credavenue Private Limited (CAPL)	50.52%	100.00%
Subsidiaries of associate		
Credavenue Securities Private Limited (Incorporated on 18 June 2021)	100.00%	NA
Spocto Solutions Private Limited #	75.00%	NA

* The Holding Company lost control over CAPL with effect from 20 September 2021 and CAPL became an associate from such date. Also refer note 37.

Spocto Solutions Private Limited became an subsidiary of CAPL with effect from 25 February 2022.

The Holding Company and its subsidiary together hereinafter referred to as "Group".

2 Basis of preparation

2.1 Statement of compliance

These Consolidated Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended notified under Section 133 of the Act as amended from time to time, other relevant provisions of the Act and in compliance with RBI requirements in this regard.

These financial statements were authorised for issue by the Group's Board of Directors on 27 May 2022.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

Details of the Group's accounting policies are disclosed in note 3.

2.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity, are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non-Banking Financial Companies ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows. The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented separately in the notes to these financial statements.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis.

2.3 Functional and presentational currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All amounts have been rounded-off to the nearest lakhs (two decimals), unless otherwise indicated.

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2.4 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Investments in Mutual Funds, Alternative Investment funds and Market Linked Debentures	Fair value
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from novel coronavirus 2019 ('COVID-19'):
The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of loans and fair value of investments. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports, related information and economic forecasts. The impact of COVID-19 on the Group's consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in these consolidated financial statements is included in the following notes:

i) Business model assessment
Classification and measurement of financial assets depends on the results of business model test and the solely payments of principal and interest ('SPPI') test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income or fair value through profit and loss that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii) Fair value of financial instruments
The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii) Effective Interest Rate ('EIR') method
The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

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iv) Impairment of financial assets

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

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

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.
b) Development of ECL models, including the various formulas and the choice of inputs.
c) Determination of associations between macroeconomic scenarios and economic inputs, such as consumer spending, lending interest rates and collateral values, and the effect on probability of default ('PD'), exposure at default ('EAD') and loss given default ('LGD').
d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

v) Provisions and other contingent liabilities

The Group is in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory inspections in the ordinary course of the Group's business.

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable.

vi) Other assumptions and estimation uncertainities

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:
a) Measurement of defined benefit obligations: key actuarial assumptions;
b) Estimated useful life of property, plant and equipment and intangible assets;
c) Recognition of deferred taxes;
d) Upfront recognition of Excess Interest Spread (EIS) in relation to assignment transactions.

3 Significant accounting policies

3.1 Basis of consolidation

The Consolidated Ind AS financial statements comprise the financial statements of the Group, its subsidiary (being the entity that it controls) and its Associate as at March 31, 2022. Control is evidenced when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

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i) Business Combination

In accordance with Ind AS I 03, the Group should account for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured subsequently and settlement is accounted for within equity. Other contingent consideration is re-measured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If a business combination is achieved in stages (i.e., where the Group acquires control at a later stage), previously held equity interest in the acquiree is remeasured at it's acquisition date fair value and any resulting gain or loss is recognised in statement of profit or loss or OCI, as appropriate.

ii) Subsidiaries

Subsidiaries are entities controlled by the Holding Company. Holding Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

iv) Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee.

The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in an associates is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates since the acquisition date. If an entity's share of losses of an associates equal or exceeds its interest in the associates (which includes any long-term interest that, in substance, form part of the Group's net investment in the associates), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates. If the associates subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associates is shown on the face of the statement of profit and loss. The financial statements of the associates are prepared for the same reporting period as the Group.

Upon loss of significant influence over the associates, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

v) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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3.2 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 :

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

A. Recognition of interest income on loans

Under Ind AS 109, interest income is recorded using the effective interest rate method for all financial instruments measured at amortised cost, financial instrument measured at Fair value through other comprehensive income ('FVOCI') and financial instrument measured at Fair Value Through Profit and Loss ('FVTPL'). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Group calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

In case of the penal interest relating to the loans are accounted on the collection basis.

B. Income from platform fees

The Group through its platform allows transactions between the borrowers and lenders /investors enlisted with its platform. The Group through its platform offers various services like facilitating availing term loans and working capital loans, bond trading, structured financial transactions via products such as securitization and direct assignments, co-lending, supply chain and trade finances etc.

In respect of the platform provided, the Group charges a platform fee to the borrower or the lender or the originator depending upon the nature of the transaction. Such fees are charged as a percentage of the underlying transaction value either on a case-to-case basis or at pre-determined rates upon the execution of the term sheets / sanction of the underlying arrangement.

C. Interest income on deposits

Interest income on deposits is recognised on a time proportionate basis.

D. Fees and commission income

Investment management fees, arranger fees, advisory fees are recognised after the performance obligation in the contract is fulfilled and commission income such as guarantee commission, service income etc. are recognised on point in time or over the period basis, as applicable.

E. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

F. Income from investment in alternative investment fund

Income from investment in alternative investment fund is recognised when the right to receive is established.

G. Other income

All items of other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

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H. Foreign Currency Transactions

The Group's financial statements are presented in Indian Rupees (INR) which is also the Holding Company's functional currency. Transactions in foreign currencies are initially recorded by the Holding Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Income and expenses in foreign currencies are initially recorded by the Holding Company at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.3 Financial instruments - Initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from this amount.

C. Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

i) Amortised cost
ii) Fair value through other comprehensive income ('FVOCI')
iii) Fair value through profit and loss ('FVTPL')

3.4 Financial assets and liabilities

A. Financial assets

Business model assessment

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

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

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

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

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Sole Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Group assesses the contractual terms of financial assets to identify whether they meet SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of a financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since the financial assets are held to sale and collect contractual cash flows, they are measured at FVOCI.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL.

B. Financial liability

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair valued through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the Effective Interest Rate Method.

3.5 Reclassification of financial assets and liabilities

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made.

3.6 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss. Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

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ii) Financial Liability

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

3.7 Impairment of financial assets

A. Overview of Expected Credit Loss ('ECL') principles

In accordance with Ind AS 109, the Group uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Lifetime expected credit losses (LTECL) (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Group categorises its financial assets into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:

When loans are first recognised, the Group recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the life time ECL.

Stage 3:

Loans considered credit impaired are the loans which are past due for more than 90 days. The Group records an allowance for life time ECL.

B. Calculation of ECLs

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

PD:

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

EAD:

Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise expected drawdowns on committed facilities and accrued interest from missed payments. In case of stage 3 loans EAD represents exposure when the default occurred.

LGD:

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

The Group has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1:

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

Stage 2:

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

Stage 3:

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

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C. Financial Assets measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Loan Commitment

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

E. Forward looking information

The Group considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macroeconomic factors on the Group's ECL estimates. The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

3.8 Write-offs

Financial assets are written off when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

3.9 Determination of fair value

The Group measures financial instruments such as derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole.

3.10 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

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iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight Line method, and is generally recognised in the statement of profit and loss.

The Group follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Estimated Useful life
Computers and accessories	3 years
Leasehold improvements	3 years
Servers	6 years
Office equipment	5 years
Furniture and fixtures	10 years

Leasehold improvements are depreciated on a straight line basis over the remaining period of lease or estimated useful life of the assets, whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

3.11 Intangible assets

i. Intangible assets

Intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in statement of profit and loss.

Asset category	Estimated Useful life
Computer softwares	3 - 4 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.12 Investment property

Investment property represents property held to earn rentals or for capital appreciation or both. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Group's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Schedule III to the Companies Act 2013.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

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3.13 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.14 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Group's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

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

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ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

iv. Share Based Payments

The Group operates an Employee Stock Option Scheme for its employees through a trust (ESOP Trust) formed for the purpose. Equity shares are issued to the trust on the basis of the Group's expectation of the number of options that may be exercised by employees. 'Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) is determined by the fair value at the date when the grant is made using Black-Scholes option pricing valuation model. For each stock option, the measurement of fair value is performed on the grant date.

The grant date is the date on which the Group and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees. This cost is recognised, together with a corresponding increase in Employee Stock Option outstanding reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each installment has a different vesting period.

3.15 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

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ii. Deferred tax

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.16 Leases

The Group as lessee:
The Group's lease asset classes primarily consist of leases for office premises. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration to assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset
(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee.
Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to for its borrowings.

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3.17 Trade receivables

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward looking estimates.

3.18 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the Effective Interest Rate Method.

3.19 Hedge Accounting policy

The Group makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specific criteria.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated

Cash flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.20 Cash and cash equivalents

Cash and cash equivalents comprises current account balances and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.21 Segment reporting- Identification of segments:

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

3.22 Earnings per share

The Group reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

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3.23 Cash flow statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

3.24 Securities Premium Account

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

3.25 Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised only when:
(i) The Group has a present obligation (legal or constructive) as a result of a past event;
(ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
(iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

Contingent liability is disclosed in case of:
(i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
(ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.26 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:
a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
b) Uncalled liability on shares and other investments partly paid; and
c) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

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	Particulars	As at 31 March 2022	As at 31 March 2021
4	**Cash and cash equivalents**		
	Balances with banks		
	In current accounts	47,357.92	14,835.49
		47,357.92	**14,835.49**
5	**Bank balances other than cash and cash equivalents**		
	Bank balances other than cash and cash equivalents		
	- In deposit accounts - under lien*	31,894.68	9,511.80
	- In other deposits accounts	10.00	2,000.00
		31,904.68	**11,511.80**

*These deposits are earmarked against the bank overdraft and borrowings availed by the Group stated in Note 17 and earns interest at fixed rate ranging from 2.75% p.a to 8.3% p.a.

6	**Receivables**		
	Trade receivables considered good - secured	-	-
	Trade receivables considered good - unsecured	742.05	1,070.57
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables credit impaired	196.24	141.55
		938.29	**1,212.12**
	Loss allowance		
	Less: Impairment loss allowance	(196.24)	(155.12)
	Net trade receivables	**742.05**	**1,057.00**
	Note:		
	Of the above, receivable from related parties are as below		
	Total receivables from related parties (refer note 40)	172.40	-
	Less: Impairment loss allowance	-	-
	Net receivables from associate	**172.40**	-

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	Particulars	As at 31 March 2022	As at 31 March 2021
7	**Loans (At Amortised cost)**		
A	**Based on nature**		
	Term loans	280,887.85	160,265.95
	Supply chain finance	17,809.14	3,361.68
	Others	262.50	176.14
	Total - Gross	**298,959.49**	**163,803.77**
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,075.94	**162,156.59**
B	**Based on security**		
	(i) Secured*	212,175.26	145,240.60
	(ii) Unsecured	86,784.23	18,563.17
	Total - Gross	298,959.49	163,803.77
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,075.94	**162,156.59**
C	**Based on region**		
	(i) Loans in India		
	(a) Public Sector	-	-
	(b) Others	298,959.49	163,803.77
	Total		
	(ii) Loans outside India	-	-
	Total - Gross	**298,959.49**	**163,803.77**
	Less: Impairment loss allowance	(2,883.55)	(1,647.18)
		296,075.94	**162,156.59**

*These loans are secured by way of hypothecation of underlying loan/book debts receivables.

Loans or advances in the nature of loans granted to promoters, directors, Key managerial personnels (KMPs), and the related parties, either severally or jointly with any other person.

Promoters	-	-
Directors	-	-
KMPs	-	-
Related parties (refer note 40)	-	-
	-	-

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	Particulars	As at 31 March 2022	As at 31 March 2021
8	**Investments**		
	Investment in associates (Unquoted) - also refer note 37		
	- Credavenue Private Limited 50,010,000 Equity shares of INR 10 each fully paid up (Incorporated on August 21, 2020)	201,880.27	-
		201,880.27	-
	Investments in Alternate investment fund - FVTPL (Unquoted)		
	- Vivriti Samarth Bond Fund - 2,500 Class A units (31 March 2021 : 1,000 Class A units)	4,350.86	1,244.05
	- Vivriti Short Term Bond Fund - Nil, (31 March 2021 : 4,625 units)	-	645.62
	- Vivriti India Impact Bond Fund - 12,686.08 Units (31 March 2021 : 3,353.79 units)	1,982.39	1,053.06
	- Vivriti Emerging Corporate Bond Fund - 34,054.32 Class A1 units (31 March 2021: Nil)	8,241.62	-
	- Vivriti Alpha debt fund enhanced - 3,930.83 Class B1 units (31 March 2021: Nil)	522.53	-
	- Vivriti Alpha debt fund enhanced - 1,472.97 Class B1 units (31 March 2021: Nil)	220.36	-
	- Vivriti Promising lenders fund - 152,250 Class B units (31 March 2021: Nil)	2,166.88	-
		17,484.64	**2,942.73**
	Investments in Mutual Funds - FVTPL (Quoted)		
	IDFC Overnight Fund Direct plan- Growth 88,461.68 units (31 March 2021: Nil)	1,002.96	-
	Axis Overnight Fund Direct Plan - Growth 89,508.18 units (31 March 2021: Nil)	1,005.93	-
	Nippon India Overnight Fund Direct Plan - Growth 877,472.17 units (31 March 2021: Nil)	1,001.95	-
		3,010.85	-
	Aggregate book value of quoted investments	3,005.29	-
	Aggregate market value of quoted investments	3,010.85	-
	Aggregate amount of fair value changes in investments	5.56	-
	Investments in Market Linked Debentures - FVTPL (Unquoted)	**20,155.04**	**2,043.80**
	Others - Unquoted - FVOCI		
	- Non Convertible Debentures	22,496.10	11,885.29
	- Pass Through Certificates	29,841.50	8,847.55
		294,868.40	**25,719.37**

All investments disclosed above represents investments made in India.

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	Particulars	As at 31 March 2022	As at 31 March 2021
9	**Other Financial assets**		
	Security deposits	329.39	275.00
	Dues from related parties - associate (refer note 40)	454.91	30.16
	Receivable from assigned loans	9.86	12.00
	Other advances	371.60	-
	Accrued Service Income	-	24.03
		1,165.76	**341.19**
10	**Current tax assets (net)**		
	Advance income tax (net of provisions)	1,951.69	1,065.35
		1,951.69	**1,065.35**
11	**Investment Property**		
	Investment Property	948.61	-
		948.61	-

The Fair value of the investment property is based on the valuation by registered valuer as defined under rule 2 of Companies (Registered Valuer and Valuations) Rules, 2017. All the title deeds of immovable property are held in the name of the Company.

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6.1 The ageing schedule of Trade receivables is as follows

i) As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	78.65	632.87	30.53	-	-	-	742.05
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-					-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	28.98	167.26	-	196.24
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	78.65	**632.87**	**30.53**	**28.98**	**167.26**	-	**938.29**
Impairment loss allowance							(196.24)
Total Receivables							**742.05**

ii) As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	1,070.57	-	-	-	-	1,070.57
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	141.55	-	-	141.55
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	**1,070.57**	-	**141.55**	-	-	**1,212.12**
Impairment loss allowance							(155.12)
Total Receivables							**1,057.00**

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12.1 Property, plant and equipment

Particulars	Leasehold Improvements	Furniture and fixtures	Office equipments	Computers and accessories	Total
Cost					
Balance as at 31 March 2020	**364.98**	**346.60**	**128.65**	**355.85**	**1,196.08**
Additions	56.34	16.32	-	230.02	302.68
Disposals	-	-	-	-	-
Balance as at 31 March 2021	**421.32**	**362.92**	**128.65**	**585.87**	**1,498.76**
Additions	348.11	742.61	58.16	612.87	1,761.75
Adjustments*	38.19	11.79	29.62	28.66	108.26
Disposals	(459.51)	(374.71)	(158.27)	(11.56)	(1,004.05)
De-recognition on account of loss of control	(348.11)	(265.04)	(28.27)	(596.31)	(1,237.73)
Balance as at 31 March 2022	**-**	**477.57**	**29.89**	**619.53**	**1,126.99**
Accumulated depreciation					
Balance as at 31 March 2020	**210.38**	**69.00**	**54.16**	**133.03**	**466.57**
Additions	107.69	38.09	29.55	120.12	295.45
Disposals	-	-	-	-	-
Balance as at 31 March 2021	**318.07**	**107.09**	**83.71**	**253.15**	**762.02**
Additions	5.40	27.54	4.11	154.37	191.41
Adjustments*	36.51	11.97	14.68	40.71	103.87
Disposals	(354.58)	(119.06)	(98.39)	(8.93)	(580.96)
De-recognition on account of loss of control	(5.40)	(1.23)	0.29	(120.81)	(127.15)
Balance as at 31 March 2022	**0.00**	**26.31**	**4.40**	**318.49**	**349.19**
Net block					
As at 31 March 2021	**103.25**	**255.83**	**44.94**	**332.72**	**736.74**
As at 31 March 2022	**-**	**451.26**	**25.49**	**301.05**	**777.81**

*Adjustments represents the presentation of the gross block and accumulated depreciation of fully depreciated assets as per asset category wise details maintained in the fixed asset register.

Notes

1. The Company has not revalued any of its property, plant and equipment.

12.2 Right of use assets ('ROUA')

Particulars	Office premises	Total
Gross block value		
Balance as at 31 March 2020	**1,587.32**	**1,587.32**
Additions	-	-
Deletions	-	-
Balance as at 31 March 2021	**1,587.32**	**1,587.32**
Additions	2,510.66	2,510.66
Deletions	(2,453.27)	(2,453.27)
De-recognition on account of loss of control	(536.15)	(536.15)
Balance as at 31 March 2022	**1,108.56**	**1,108.56**
Accumulated depreciation		
Balance as at 31 March 2020	**322.67**	**322.67**
Additions	389.91	389.91
Deletions	-	-
Balance as at 31 March 2021	**712.59**	**712.59**
Additions	409.81	409.81
Deletions	(915.49)	(915.49)
De-recognition on account of loss of control	(67.41)	(67.41)
Balance as at 31 March 2022	**139.49**	**139.49**
Net block value		
As at 31 March 2021	**874.73**	**874.73**
As at 31 March 2022	**969.06**	**969.06**

Note : The Company has not revalued any of its right of use assets.

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12.3 Intangible assets under development

Particulars	Software under development	Total
Balance as at 31 March 2020	**35.12**	**35.12**
Additions	863.68	863.68
Capitalized during the year	(406.50)	(406.50)
Balance as at 31 March 2021	**492.30**	**492.30**
Additions	1,550.38	1,550.38
Capitalized during the year	(1,279.06)	(1,279.06)
De-recognition on account of loss on control	(720.54)	(720.54)
Balance as at 31 March 2022	**43.08**	**43.08**

As at 31 March 2022

Particulars	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	43.08	-	-	-	43.08
Projects Suspended	-	-	-	-	-

As at 31 March 2021

Particulars	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	492.30	-	-	-	492.30
Projects Suspended	-	-	-	-	-

The Company does not have any intangibles under development which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

12.4 Intangible Assets

Particulars	Softwares	Total
Cost		
Balance as at 31 March 2020	**165.52**	**165.52**
Additions	406.62	406.62
Disposals		
Balance as at 31 March 2021	**572.14**	**572.14**
Additions	1,543.31	1,543.31
Disposals	-	-
De-recognition on account of loss on control	(1,639.48)	(1,639.48)
Balance as at 31 March 2022	**475.97**	**475.97**
Accumulated depreciation		
Balance as at 31 March 2020	**33.14**	**33.14**
Additions	63.16	63.16
On disposals	-	-
Balance as at 31 March 2021	**96.30**	**96.30**
Additions	246.66	246.66
Adjustments*	3.86	3.86
On disposals	-	-
De-recognition on account of loss on control	(188.84)	(188.84)
Balance as at 31 March 2022	**157.98**	**157.98**
Net block		
As at 31 March 2021	**475.84**	**475.84**
As at 31 March 2022	**317.99**	**317.99**

*Refer note under 12.1 above.

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Particulars	As at 31 March 2022	As at 31 March 2021
13 Others non financial assets		
Prepaid Expenses	397.99	259.54
Advance to vendors	1,501.41	170.02
Balance with Government authorities	353.26	191.30
Deferred lease rentals	27.71	26.71
	2,280.37	**647.57**
14 Derivative Financial Instruments		
Currency derivatives		
Cross currency interest rate swaps - Refer Note 45	382.00	-
	382.00	**-**
15 Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	12.13
- Total outstanding dues of creditors other than micro enterprises and small enterprises	2,505.81	1,173.39
	2,505.81	**1,185.52**

15.1 The ageing schedule of Trade payables is as follows

i) As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	1.52	2,135.23	-	-	-	2,136.75
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	369.06	-	-	-	-	369.06
	370.58	**2,135.23**	-	-	-	**2,505.81**

ii) As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	12.13	-	-	-	12.13
(ii) Others	-	917.36	-	-	-	917.36
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues	256.03	-	-	-	-	256.03
	256.03	**929.49**	-	-	-	**1,185.52**

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Particulars	As at 31 March 2022	As at 31 March 2021
16 Debt securities		
Measured at amortised cost		
Redeemable Non-convertible debentures	99,383.42	40,219.33
Commercial papers	8,357.61	-
Total debt securities	**107,741.03**	**40,219.33**
Debt securities in India	107,741.03	40,219.33
Debt securities outside India	-	-
Total	**107,741.03**	**40,219.33**

16.1 Security

(i) Redeemable Non-convertible debentures are secured by way of exclusive charge over identified loan portfolio. Commercial papers are unsecured.
(ii) The Company has not defaulted in the repayment of dues to its lenders during the current or previous period
(iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 16.2 based on the Contractual terms basis.
(iv) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

16.2 Details of terms of redemption / repayment provided in respect of debt securities:

Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2022	As at 31 March 2021
11.50% Vivriti Capital Private Limited	< 1 year	16-Aug-21	Principal is Quarterly payment and Interest is Monthly payment	-	1,004.46
Market Linked Debentures - II	< 1 year	13-Aug-21	Principal and interest is Bullet payment	-	603.04
10.75% Vivriti Capital Private Limited	2-3 years	31-Jul-23	Principal and interest is Half yearly payment	-	2,500.25
10.48% Vivriti Capital Private Limited	2-3 years	31-Jul-23	Principal is Quarterly payment and Interest is Monthly payment	-	1,923.38
Market Linked Debentures - III	1-2 years	27-Nov-22	Principal and interest is Bullet payment	1,140.67	1,034.28
10.00% Vivriti Capital Private Limited	< 1 year	16-Jun-21	Principal is Quarterly payment and Interest is Monthly payment	1,002.79	3,996.84
10.25% Vivriti Capital Private Limited	1-2 years	16-Jun-22	Principal is Quarterly payment and Interest is Monthly payment	2,000.00	1,999.50
10.71% Vivriti Capital Private Limited	1-2 years	5-Jul-22	Principal is bullet payment and interest is monthly payment	4,011.74	3,972.53
9.90% Vivriti Capital Private Limited	1-2 years	25-Aug-22	Principal is monthly payment and interest in monthly payment	2,479.88	7,500.00
10.50% Vivriti Capital Private Limited	1-2 years	25-Aug-22	Principal is bullet payment and interest in monthly payment	3,004.04	-
9.25% Vivriti Capital Private Limited	1-2 years	28-Feb-23	Principal and interest in Bullet payment	8,174.56	-
9.40% Vivriti Capital Private Limited	1-2 years	6-Jan-23	Principal and interest in Bullet payment	5,403.05	-
9.40% Vivriti Capital Private Limited	1-2 years	6-Feb-23	Principal and interest in Bullet payment	5,402.68	-
10.39% Vivriti Capital Private Limited	1-2 years	30-Dec-22	Principal is bullet payment and interest in monthly payment	5,495.74	-
8.90% Vivriti Capital Private Limited	1-2 years	3-Apr-23	Principal and interest in Bullet payment	5,049.47	-

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Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at 31 March 2022	As at 31 March 2021
9.00% Vivriti Capital Private Limited	1-2 years	24-Apr-23	Principal and interest in Bullet payment	5,046.45	-
8.65 % Vivriti Capital Private Limited	1-2 years	4-Jun-23	Principal and interest in monthly payment	9,870.17	-
10.39 % Vivriti Capital Private Limited	1-2 years	28-Feb-23	Principal and interest in Bullet payment	3,027.23	-
8.50% Vivriti Capital Private Limited	1-2 years	14-Jul-23	Principal and interest in Bullet payment	9,852.61	-
8.50% Vivriti Capital Private Limited	1-2 years	14-Jul-23	Principal and interest in Bullet payment	9,645.24	-
Commercial Paper I	< 1 year	28-Apr-22	Principal in Bullet Payment	993.86	-
Commercial Paper II	< 1 year	10-Aug-22	Principal in Bullet Payment	2,425.06	-
Commercial Paper V	< 1 year	23-May-22	Principal in Bullet Payment	987.57	-
Commercial Paper VI	< 1 year	23-May-22	Principal in Bullet Payment	2,967.38	-
Commerical Paper VII	< 1 year	30-Jun-22	Principal in Bullet Payment	983.74	-
12.96% Vivriti Capital Private Limited	1-2 years	3-Mar-23	Principal is bullet payment and interest is monthly payment	-	2,541.54
12.12% Vivriti Capital Private Limited	1-2 years	26-Aug-22	Principal is Bullet payment and Interest is Half yearly payment	2,022.66	2,036.25
10.57% Vivriti Capital Private Limited	2-3 years	10-Feb-24	Principal is Quarterly payment and Interest is Monthly payment	675.21	1,013.19
Market Linked Debentures - IV	1-2 years	29-Jul-22	Principal and interest is Bullet payment	5,551.99	5,064.10
Market Linked Debentures - V	1-2 years	16-Oct-22	Principal and interest is Bullet payment	5,532.68	5,029.98
9.78% Vivriti Capital Private Limited	2-3 years	30-Sep-24	Principal and Interest is Quarterly payment	4,994.55	-
Total				**107,741.03**	**40,219.33**

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Particulars	As at 31 March 2022	As at 31 March 2021
17 Borrowings (Other than Debt Securities)		
At amortised cost		
(i) Term loans (secured) - (Refer note 17.1 and 17.2)		
From banks	159,606.23	58,882.55
From other parties	59,081.86	26,738.13
	218,688.09	**85,620.68**
(ii) Loans repayable on demand (secured) (Refer note 17.1 and 17.2)		
- From Banks (Overdrafts)	24,273.94	8,825.37
- Working capital demand loan from banks (Cash credit)	5,000.00	4,000.00
	29,273.94	**12,825.37**
	247,962.03	**98,446.05**
Borrowings in India	240,322.35	98,446.05
Borrowings outside India	7,639.68	-
	247,962.03	**98,446.05**

17.1 Security

(i) Loans from banks and financial institutions are secured by first ranking and exclusive charge over identified receivables and guaranteed by directors of the Company.

(ii) The Company has not defaulted in the repayment of principal and interest to its lenders during the current or previous period

(iii) Rate of interest payable on bank overdraft is 3.3% p.a (31 March 2021: 3.05% p.a to 3.4% p.a). The Company has taken bank overdraft against the deposit balances (also refer note 5)

(iv) Rate of interest payable on cash credit loans is 7.00-7.80% p.a. (31 March 2021: 10.30% p.a.)

(v) Quarterly returns and statements of current assets (identified loan portfolio) provided by the Company with the respective financial institutions are in agreement with the books of accounts.

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17.2 Details of term loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 1	< 1 year	11.50%	1-Feb-22	Monthly	Monthly	-	419.51
Term Loan 2	< 1 year	12.00%	20-Feb-22	Monthly	Monthly	-	730.80
Term Loan 3	< 1 year	10.50%	28-Mar-23	Monthly	Monthly	3,319.16	6,907.67
Term Loan 4	< 1 year	10.90%	30-Jun-22	Monthly	Monthly	199.82	996.52
Term Loan 5	< 1 year	11.25%	28-Jul-22	Monthly	Monthly	453.04	1,808.33
Term Loan 6	< 1 year	9.95%	3-Oct-22	Monthly	Monthly	733.58	1,986.03
Term Loan 7	1-2 years	10.30%	29-Sep-23	Monthly	Monthly	1,003.00	1,658.51
Term Loan 8	2-3 years	10.30%	22-Mar-25	Monthly	Quarterly	3,406.41	3,964.91
Term Loan 9	< 1 year	9.60%	27-Oct-22	Monthly	Monthly	729.47	1,989.17
Term Loan 10	< 1 year	7.80%	2-Feb-21	Bullet	Monthly	2,508.15	1,500.00
Term Loan 11	< 1 year	9.50%	21-Dec-22	Monthly	Monthly	935.98	2,188.46
Term Loan 12	2-3 years	10.25%	30-Apr-24	Monthly	Quarterly	1,863.16	2,475.96
Term Loan 13	1-2 years	11.35%	31-Dec-23	Monthly	Monthly	1,484.75	2,358.08
Term Loan 14	< 1 year	10.30%	30-Dec-21	Monthly	Annualy	2,447.09	2,466.00
Term Loan 15	< 1 year	9.65%	21-Dec-21	Monthly	Quarterly	-	538.88
Term Loan 16	< 1 year	9.85%	10-Dec-22	Monthly	Monthly	748.52	1,761.30
Term Loan 17	< 1 year	9.85%	14-Dec-22	Monthly	Monthly	374.04	878.89
Term Loan 18	< 1 year	10.30%	31-Jan-23	Monthly	Monthly	623.38	1,367.83
Term Loan 19	2-3 years	11.15%	3-May-24	Monthly	Monthly	3,528.90	4,886.36
Term Loan 20	< 1 year	10.75%	15-Feb-23	Monthly	Monthly	622.48	1,438.78
Term Loan 21	< 1 year	10.00%	3-Mar-23	Monthly	Monthly	753.57	1,503.18
Term Loan 22	1-2 years	11.70%	15-Mar-24	Monthly	Monthly	981.74	1,503.52
Term Loan 23	1-2 years	9.90%	12-Mar-24	Monthly	Monthly	1,759.40	2,505.95
Term Loan 24	2-3 years	10.45%	28-Feb-25	Quarterly	Monthly	7,543.93	9,926.21
Term Loan 25	< 1 year	10.75%	24-Mar-23	Monthly	Monthly	528.22	1,049.19
Term Loan 26	1-2 years	10.30%	31-Aug-23	Monthly	Monthly	605.32	1,000.28
Term Loan 27	1-2 years	9.45%	13-Jul-23	Quarterly	Monthly	3,925.23	-
Term Loan 28	< 1 year	5.75%	10-Jun-22	Quarterly	Monthly	5,016.65	-
Term Loan 29	1-2 years	10.00%	31-Jan-24	Quarterly	Monthly	1,992.73	-
Term Loan 30	2-3 years	9.90%	18-Aug-24	Quarterly	Monthly	2,499.25	-
Term Loan 31	1-2 years	9.95%	31-Aug-23	Monthly	Monthly	1,411.03	-
Term Loan 32	1-2 years	9.00%	30-Sep-23	Monthly	Monthly	1,142.77	-
Term Loan 33	2-3 years	9.50%	24-Sep-24	Monthly	Monthly	4,160.61	-
Term Loan 34	1-2 years	9.95%	24-Sep-23	Monthly	Monthly	1,492.63	-
Term Loan 35	2-3 years	9.35%	30-Sep-24	Monthly	Monthly	4,139.70	-
Term Loan 36	1-2 years	9.73%	30-Sep-23	Monthly	Monthly	4,479.98	-
Term Loan 37	2-3 years	11.15%	30-Jan-25	Monthly	Monthly	883.63	-
Term Loan 38	2-3 years	9.00%	30-Sep-24	Monthly	Monthly	4,011.89	-
Term Loan 39	2-3 years	10.00%	31-Oct-24	Monthly	Monthly	997.34	-
Term Loan 40	1-2 years	9.90%	3-Nov-23	Monthly	Monthly	2,508.04	-
Term Loan 41	2-3 years	11.15%	3-Jan-25	Monthly	Monthly	2,086.58	-
Term Loan 42	1-2 years	9.25%	15-Nov-23	Monthly	Monthly	2,514.06	-
Term Loan 43	2-3 years	9.70%	8-Dec-24	Monthly	Monthly	2,503.92	-
Term Loan 44	2-3 years	10.65%	10-Dec-24	Monthly	Monthly	2,492.68	-
Term Loan 45	3-4 years	10.45%	31-Mar-26	Monthly	Monthly	3,760.34	-
Term Loan 46	< 1 year	10.45%	27-Dec-22	Bullet	Monthly	997.07	-
Term Loan 47	2-3 years	9.00%	31-Dec-24	Monthly	Monthly	4,536.72	-
Term Loan 48	1-2 years	9.25%	27-Dec-23	Monthly	Monthly	670.02	-
Term Loan 49	1-2 years	9.75%	8-Feb-24	Monthly	Monthly	2,349.83	-
Term Loan 50	2-3 years	9.25%	28-Feb-25	Monthly	Monthly	2,408.09	-
Term Loan 51	1-2 years	9.40%	24-Feb-24	Monthly	Monthly	7,198.79	-
Term Loan 52	1-2 years	10.15%	25-Feb-24	Monthly	Monthly	1,945.56	-
Term Loan 53	1-2 years	9.95%	25-Feb-24	Monthly	Monthly	1,908.44	-
Term Loan 54	1-2 years	9.90%	28-Dec-23	Monthly	Monthly	1,464.21	-
Term Loan 55	1-2 years	9.30%	8-Mar-24	Monthly	Monthly	6,160.50	-
Term Loan 56	2-3 years	9.75%	22-Mar-25	Monthly	Monthly	10,444.79	-
Term Loan 57	3-4 years	9.75%	30-Mar-26	Monthly	Monthly	5,869.27	-
Term Loan 58	2-3 years	7.75%	10-Mar-25	Monthly	Monthly	11,989.10	-
Term Loan 59	2-3 years	7.75%	10-Mar-25	Monthly	Monthly	14,989.10	-
Term Loan 60	1-2 years	9.40%	31-Mar-24	Monthly	Monthly	2,491.81	-

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17.2 Details of term loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 61	2-3 years	10.00%	1-Dec-24	Monthly	Monthly	2,693.09	-
Term Loan 62	< 1 year	11.25%	27-Apr-22	Bullet	Monthly	1,499.80	-
Term Loan 63	< 1 year	8.41%	27-Feb-22	Bullet	Monthly	-	-
Term Loan 64	< 1 year	9.95%	24-Feb-23	Monthly	Monthly	913.22	1,902.74
Term Loan 65	1-2 years	9.50%	26-Nov-23	Monthly	Monthly	2,206.65	-
Term Loan 66 - External commercial borrowing from outside India	3-4 years	9.70%	30-Nov-26	Half Yearly	Half yearly	7,639.68	-
Term Loan 67	1-2 years	10.40%	28-Feb-24	Monthly	Monthly	1,412.42	-
Term Loan 68	< 1 year	11.30%	1-Dec-22	Monthly	Monthly	428.79	-
Term Loan 69	< 1 year	11.50%	28-Feb-22	Monthly	Monthly	0.00	689.43
Term Loan 70	1-2 years	11.00%	30-Jun-23	Half Yearly	Monthly	2,620.59	-
Term Loan 71	2-3 years	10.50%	30-Sep-24	Monthly	Monthly	2,563.33	-
Term Loan 72	2-3 years	12.75%	31-Mar-25	Monthly	Monthly	1,800.00	-
Term Loan 73	1-2 years	11.00%	28-Dec-23	Monthly	Monthly	529.41	789.13
Term Loan 74	2-3 years	9.60%	19-Jun-24	Monthly	Monthly	3,711.10	-
Term Loan 75	< 1 year	7.00%	31-Mar-21	Bullet	Monthly	4,000.00	-
Term Loan 76	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.15	306.91
Term Loan 77	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.02	241.28
Term Loan 78	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.40	306.91
Term Loan 79	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.11	241.28
Term Loan 80	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.40	306.49
Term Loan 81	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.07	240.87
Term Loan 82	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	131.23	306.49
Term Loan 83	< 1 year	11.10%	23-Dec-22	Monthly	Monthly	103.11	240.87
Term Loan 84	1-2 years	10.90%	25-Sep-23	Monthly	Monthly	2,255.77	-
Term Loan 85	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 86	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 87	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 88	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 89	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 90	< 1 year	11.25%	25-Jun-21	Monthly	Monthly	-	41.65
Term Loan 91	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 92	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 93	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 94	< 1 year	11.50%	24-Dec-21	Monthly	Monthly	-	93.51
Term Loan 95	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	114.64
Term Loan 96	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 97	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 98	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 99	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 100	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 101	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 102	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 103	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 104	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	116.64
Term Loan 105	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 106	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 107	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 108	< 1 year	11.50%	19-Mar-22	Monthly	Monthly	0.00	187.39
Term Loan 109	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	44.00	216.81
Term Loan 110	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.35	170.35
Term Loan 111	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	30.07	216.81
Term Loan 112	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.35	170.35
Term Loan 113	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	43.83	216.81
Term Loan 114	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	46.57	170.35
Term Loan 115	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	45.04	216.81
Term Loan 116	< 1 year	11.25%	24-Jun-22	Monthly	Monthly	34.37	170.35
Term Loan 117	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21

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17.2 Details of term loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 118	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	69.04	206.02
Term Loan 119	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 120	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	70.10	206.02
Term Loan 121	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 122	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	68.96	206.02
Term Loan 123	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	88.07	262.21
Term Loan 124	< 1 year	11.10%	20-Sep-22	Monthly	Monthly	69.32	206.02
Term Loan 125	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	169.91	336.69
Term Loan 126	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	139.10	288.76
Term Loan 127	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	97.10
Term Loan 128	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	164.99	336.69
Term Loan 129	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	288.46
Term Loan 130	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	96.79
Term Loan 131	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	168.25	336.38
Term Loan 132	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	288.46
Term Loan 133	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	45.85	95.57
Term Loan 134	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	161.09	335.16
Term Loan 135	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	138.22	287.23
Term Loan 136	< 1 year	11.10%	10-Feb-23	Monthly	Monthly	48.64	95.57
Term Loan 137	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 138	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 139	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.99	-
Term Loan 140	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 141	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 142	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 143	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.41	-
Term Loan 144	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 145	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 146	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 147	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	234.32	-
Term Loan 148	1-2 years	11.00%	23-Jun-23	Monthly	Monthly	233.97	-
Term Loan 149	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 150	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 151	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	307.58	-
Term Loan 152	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	307.58	-
Term Loan 153	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	305.89	-
Term Loan 154	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	309.61	-
Term Loan 155	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 156	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	306.65	-
Term Loan 157	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	315.31	-
Term Loan 158	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	317.22	-
Term Loan 159	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	322.02	-
Term Loan 160	1-2 years	10.65%	20-Dec-23	Monthly	Monthly	132.58	-
Term Loan 161	1-2 years	10.40%	9-Feb-24	Monthly	Monthly	2,871.54	-
Term Loan 162	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 163	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 164	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 165	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 166	< 1 year	11.25%	20-Sep-21	Monthly	Monthly	-	111.20
Term Loan 167	2-3 years	10.30%	1-Jan-25	Quartely	Monthly	2,992.84	-
Term Loan 168	1-2 years	11.25%	1-Sep-23	Quarterly	Monthly	1,501.60	2,518.47
Term Loan 169	< 1 year	12.00%	31-Jul-22	Monthly	Monthly	166.54	498.73
Term Loan 170	1-2 years	11.40%	30-Nov-23	Monthly	Monthly	921.33	1,350.33
Term Loan 171	2-3 years	11.75%	31-Jan-25	Quarterly	Monthly	1,279.92	-
Term Loan 172	< 1 year	11.75%	3-Jun-21	Monthly	Monthly	-	296.98
Term Loan 173	< 1 year	11.50%	30-Apr-22	Monthly	Monthly	113.80	638.74
Term Loan 174	1-2 years	10.75%	22-Aug-23	Monthly	Monthly	1,817.02	-
Term Loan 175	< 1 year	10.50%	31-Mar-23	Monthly	Monthly	649.12	1,194.66
Term Loan 176	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	1,653.67	-

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17.2 Details of term loans - Contractual repayment values

Particulars	Period	Rate of Interest	Maturity Date	Terms of repayment - principal	Terms of repayment - Interest	As at 31 March 2022	As at 31 March 2021
Term Loan 177	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	566.68	-
Term Loan 178	1-2 years	10.10%	5-Oct-23	Monthly	Monthly	246.00	-
Term Loan 179	< 1 year	11.00%	15-Jan-22	Monthly	Monthly	-	722.45
Term Loan 180	< 1 year	10.50%	30-Nov-22	Monthly	Monthly	399.57	995.85
Term Loan 181	< 1 year	9.85%	2-May-21	Monthly	Monthly	-	229.00
Term Loan 182	< 1 year	11.25%	30-Jun-21	Monthly	Monthly	-	218.48
Term Loan 183	< 1 year	9.75%	30-Sep-21	Monthly	Monthly	-	2,336.43
Term Loan 184	< 1 year	6.57%	10-Apr-21	Monthly	Monthly	-	280.92
Term Loan 185	< 1 year	12.80%	20-Feb-22	Monthly	Monthly	-	738.96
Term Loan 186	< 1 year	11.00%	23-Feb-22	Monthly	Monthly	-	2,819.65
					Total	**223,688.09**	**89,620.68**

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Vivriti Capital Private Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2022
(All amounts are in Rupees lakhs, unless stated otherwise)

	Particulars	As at 31 March 2022	As at 31 March 2021
18	**Other financial liabilities**		
	Lease Liability	997.48	1,038.46
	Employee benefits payable	385.90	850.00
	Advances received against loan agreements	259.83	82.57
	Remittances payable on assets derecognised	0.23	189.27
	Payable to capital creditors	-	60.17
		1,643.44	**2,220.47**
19	**Provisions**		
	Provision for Employee Benefits		
	- Gratuity (refer note 38)	44.68	83.72
	- Compensated Absences	155.92	345.23
	Provision on non-fund exposure	52.37	392.34
		252.97	**821.29**
20	**Other non financial liabilities**		
	Statutory dues	465.66	390.61
		465.66	**390.61**

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21 Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
20,900,000 (As at 31 March 2021: 15,900,000 shares) Equity Shares of Rs 10 each	2,090.00	1,590.00
	2,090.00	**1,590.00**
Issued, subscribed and fully paid up		
16,326,754 (As at 31 March 2021: 15,641,010 shares) Equity shares of Rs. 10 each	1,632.67	1,564.10
Less: Shares held under Vivriti ESOP Trust	(380.43)	(417.71)
	1,252.24	**1,146.39**

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	15,641,010	1,564.10	14,489,700	1,448.97
Issued during the year	685,744	68.57	1,151,310	115.13
As at the end of the year	**16,326,754**	**1,632.67**	**15,641,010**	**1,564.10**

Equity shares held by the trust

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	4,177,060	417.71	3,189,500	318.95
Issued during the year	-	-	987,560	98.76
Transferred during the year	(372,735)	(37.27)	-	-
As at the end of the year	**3,804,325**	**380.43**	**4,177,060**	**417.71**

B. Details of equity shareholders holding more than 5 percent shares in the Company are given below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	4,900,000	30.01%	4,900,000	31.33%
Gaurav Kumar	4,900,000	30.01%	4,900,000	31.33%
Vivriti ESOP Trust	3,934,425	24.10%	4,177,060	26.71%

C. Details of equity shares held by the promoter at the end of the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	4,900,000	30.01%	4,900,000	31.33%
Gaurav Kumar	4,900,000	30.01%	4,900,000	31.33%

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

D. Terms/Rights attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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21A Convertible preference share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
87,937,063 (As at 31 March 2021: 83,437,063) Compulsorily convertible preference shares of Rs. 10 each	8,793.71	8,343.71
850,000 (As at 31 March 2021: 850,000 shares) Optionally Convertible Redeemable Preference Shares of Rs. 60 each	510.00	510.00
	9,303.71	**8,853.71**
Issued, subscribed and fully paid up		
87,310,410 (As at 31 March 2021: 83,420,634) 0.001% Compulsorily convertible preference shares of Rs. 10 each	8,731.04	8,342.06
Issued, subscribed and partially paid up		
811,402 of Re. 1 each paid up (As at 31 March 2020: 811,402 of Re.1 each paid up) Optionally Convertible Redeemable Preference shares	8.11	8.11
	8,739.15	**8,350.17**

A. Reconciliation of number of convertible preference shares outstanding at the beginning and at the end of the reporting period

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	83,420,634	8,342.06	77,623,698	7,762.37
Issued during the year	3,889,776	388.98	5,796,936	579.69
As at the end of the year	**87,310,410**	**8,731.04**	**83,420,634**	**8,342.06**

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
As at the beginning of the year	811,402	8.11	811,402	8.11
Issued during the year	-	-	-	-
As at the end of the year	**811,402**	**8.11**	**811,402**	**8.11**

B. Details of convertible preference shareholders holding more than 5 percent shares in the Company are given below:

i. Compulsorily convertible preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Creation Investments LLC	64,124,177	73.44%	63,266,409	75.84%
Lightrock Growth Fund I S.A (Formerly known as Lightstone Fund SA)	11,593,166	13.28%	10,077,112	12.08%
Financial Investments SPC (affiliate of Lightrock Growth Fund I S.A., SICAV-RAIF)	11,593,067	13.28%	10,077,113	12.08%

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	405,701	50.00%	405,701	50.00%
Gaurav Kumar	405,701	50.00%	405,701	50.00%

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C. Details of convertible preference shares held by the promoters at the beginning and at end of the reporting period

i. Compulsorily convertible preference shares
Promoters do not hold any compulsorily convertible preference shares.

ii. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	%	Number	%
Vineet Sukumar	405,701	50.00%	405,701	50.00%
Gaurav Kumar	405,701	50.00%	405,701	50.00%

D. Terms/rights attached to convertible preference shares
i. Compulsorily convertible preference shares
During the year ended, the Company has issued 38,89,776, 0.001% Compulsorily Convertible Preference Shares ("CCPS") of face value Rs. 10/- aggregating Rs. 388.98 Lakhs which are convertible into equity shares at the option of CCPS holder during the conversion period.

Conversion of CCPS into equity shares will be as per the respective shareholders agreement and are treated pari-passu with equity shares on all voting rights. The CCPS if not converted by the preference shareholders shall be compulsorily converted into equity shares upon any of the following events:
a. In connection with an IPO, immediately prior to the filing of red herring prospectus (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable law at the relevant time; and
b. By delivering a Conversion Notice at any time during the relevant Conversion Period as per the respective shareholders agreement.
The CCPS holders have a right to receive dividend, prior to the Equity shareholders and will be cumulative if preference dividend is not declared or paid in any year.

Lightstone Fund SA has changed its name to Lightrock Growth Fund I S.A., SICAV-RAIF, with effective from March 9, 2021.

ii. Optionally convertible redeemable preference shares ('OCRPS')
The OCRPS shall not carry any voting rights, until such OCRPS is converted into Equity Share(s) in accordance with the terms of the OCRPS. The right to convert OCRPS shall be exercisable by the holder at any time during the Conversion Period by delivering to the Company a notice in writing, subject to payment of balance subscription price. The OCRPS, shall be entitled to divided equivalent to 0.001% per annum of the paid-up portion of such OCRPS.

As at the balance sheet date, these OCRPS held by the promoters have been paid up to the extent of INR 1 per share. Subsequent to the year end, these OCRPS have been fully paid up on 26 April 2022. Further, these 811,402 OCRPS of face value INR 60 per share are converted into 4,227,828 equity shares of INR 10 per share ranking pari passu with existing fully paid-up equity shares of the Company.

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	Particulars	As at 31 March 2022	As at 31 March 2021
22	**Other Equity**		
	Statutory reserve	2,189.88	842.48
	Share options outstanding account	712.90	399.70
	Securities premium	100,656.35	66,058.80
	Other comprehensive income	45.82	135.47
	Retained earnings	155,093.10	1,118.89
		258,698.05	**68,555.34**
i	**Statutory reserve**		
	Balance at the beginning of the year	842.48	242.38
	Add: Transfer from retained earnings	1,347.40	600.10
	Balance at the end of the year	**2,189.88**	**842.48**
ii.	**Employee stock options outstanding account**		
	Balance at the beginning of the year	399.70	84.46
	Add: Share based payment expenses incurred during the year	238.63	138.39
	Add: Stock compensation expenses - recoverable from associate	74.57	176.85
	Balance at the end of the year	**712.90**	**399.70**
iii.	**Securities premium**		
	Balance at the beginning of the year	66,058.80	56,753.60
	Add: Premium on shares issued during the year	33,094.20	11,371.50
	Less: Utilised during the year for share issue expenses	(9.78)	(193.18)
	Less : Amount recoverable from Vivriti ESOP Trust	-	(1,873.12)
	Less : Amount recoverable from VAM ESOP Trust	(660.00)	-
	Add: Premium on issue of shares in lieu of cash remuneration	2,173.13	-
	Balance at the end of the year	**100,656.35**	**66,058.80**
iv	**Other Comprehensive Income**		
	Balance at the beginning of the year	135.47	-
	Add/ (Less) : Fairvaluation of investment in debt instruments (net)	255.58	124.00
	Add/ (Less) : Cash flow hedge reserve	(324.77)	
	Add: Transfer from retained earnings pertaining to prior years	-	11.47
	Share of other comprehensive loss post tax from associate	(20.46)	-
	Balance at the end of the year	**45.82**	**135.47**
v	**Retained earnings**		
	Balance at the beginning of the year	1,118.89	299.48
	Add : Profit/ (Loss) for the year	155,326.65	1,442.28
	Add/ (Less) : Remeasurement of net defined benefit liability	(5.04)	(11.31)
	Add/ (less) : Transfer from other comprehensive income	-	(11.46)
	Less: Transfer to Statutory reserve	(1,347.40)	(600.10)
	Balance at the end of the year	**155,093.10**	**1,118.89**

Also refer Note 37

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Statutory Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")
Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc in accordance with the provisions of the Companies Act, 2013.

Employee stock option outstanding account

The Company has stock option schemes under which options to subscribe for the Company's shares have been granted to eligible employees and key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments.

Other comprehensive income
a. The Company has elected to recognise changes in the fair value of investments in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within equity.

b. The Company has applied hedge accounting for designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity as cash flow hedge reserve.

Retained earnings
Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. This reserve is free reserves which can be utilised for any purpose as may be required.

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23 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to schedule III to the companies act, 2013 as at and for the year ended 31 March 2022 and 31 March 2021

As at 31 March 2022

Name of the entities	Net Assets (i.e. total assets less total liabilities)		Share in profit and loss		Other comprehensive income		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
(i) Parent								
Vivriti Capital Private Limited	43.75%	119,614.66	4.34%	6,736.98	75.04%	(71.05)	4.29%	6,665.93
(ii) Subsidiaries								
Vivriti Asset Management Private Limited	3.42%	9,347.98	-1.66%	(2,582.82)	4.49%	(4.25)	-1.67%	(2,587.07)
(iii) Associates (Investment as per equity method)								
Credavenue Private Limited	57.05%	155,964.61	97.63%	151,649.93	21.60%	(20.46)	97.68%	151,629.48
Non-controlling interests in subsidiaries	1.72%	4,691.97	0.00%	-	0.00%	-	0.00%	-
Less: Effect of Intercompany adjustments/ eliminations	-5.94%	(16,237.82)	-0.31%	(477.45)	-1.13%	1.07	-0.31%	(476.38)
Total	**100.00%**	**273,381.41**	**100.00%**	**155,326.64**	**100.00%**	**(94.69)**	**100.00%**	**155,231.96**

As at 31 March 2021

Name of the entities	Net Assets (i.e. total assets less total liabilities)		Share in profit and loss		Other comprehensive income		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
(i) Parent								
Vivriti Capital Private Limtied	102.13%	79,714.19	208.04%	3,000.51	100.00%	112.69	200.21%	3,113.20
(ii) Subsidiaries								
Vivriti Asset Management Private Limited	2.65%	2,065.65	-40.30%	(581.29)	0.00%	-	-37.38%	(581.29)
Credavenue Private Limited	5.55%	4,335.14	-46.17%	(665.86)	0.00%	-	-42.82%	(665.86)
Non-controlling interests in subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Less: Effect of Intercompany adjustments/ eliminations	-10.33%	(8,063.08)	-21.57%	(311.08)	0.00%	-	-20.01%	(311.09)
Total	**100.00%**	**78,051.90**	**100.00%**	**1,442.27**	**100.00%**	**112.69**	**100.00%**	**1,554.96**

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24 Interest income

	Year ended 31 March 2022			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	28,879.51	-	-	28,879.51
Interest income from investments	1,713.68	1,913.55	-	3,627.23
Interest on deposits	445.98	-	-	445.98
	31,039.17	**1,913.55**	**-**	**32,952.72**

	Year ended 31 March 2021			
	On financial assets measured at			
	Amortised cost	FVOCI	FVTPL	Total
Interest on loans	17,245.80	-	-	17,245.80
Interest income from investments	1,785.62	679.65	-	2,465.27
Interest on deposits	649.86	-	-	649.86
	19,681.28	**679.65**	**-**	**20,360.93**

	Year ended 31 March 2022	Year ended 31 March 2021
25 Fee and commission income		
Fee and commission income	1,825.87	1,762.91
Platform fees	4,883.64	2,213.04
	6,709.51	**3,975.95**
26 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss		
On alternative investment funds	707.30	12.92
On mutual funds investments	73.80	-
Profit on sale of investments in NCD and PTC	9.42	50.24
	790.52	**63.16**
Fair value changes		
- Realised	487.08	50.24
- Unrealised	303.44	12.92
	790.52	**63.16**
27 Other income		
Gain/Loss on sale of fixed assets	299.87	-
Gain on termination of finance leases	143.22	-
Interest on rental deposit	1.95	12.43
Interest on income tax refund	-	11.43
Reimbursement of expenses	10.38	-
Other income	94.83	130.73
	550.25	**154.59**
28 Gain on loss /dilution of control		
Gain on loss /dilution of control in CAPL (also refer note 37)	200,680.31	-
	200,680.31	**-**
29 Finance costs		
Interest on borrowings	13,303.39	5,947.07
Interest on debt securities	5,931.50	3,345.00
Interest on bank overdraft	498.88	168.09
Finance cost on rental deposit	21.91	11.98
Interest on lease liability	175.67	135.67
	19,931.34	**9,607.81**
30 Impairment on financial instruments		
Impairment loss allowance on		
- Loans	1,227.07	582.67
- Investments	252.91	53.05
- Guarantees	(72.05)	392.34
- Trade receivables	54.45	79.20
Write off on		
- Loans	-	950.51
- Investments	-	389.86
- Guarantees	-	542.11
Less: Recovery	-	-
	1,462.38	**2,989.74**

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		Year ended 31 March 2022	Year ended 31 March 2021
31	**Employee benefit expenses**		
	Salaries and bonus	6,056.63	5,649.71
	Contribution to provident and other funds	152.90	80.04
	Staff Training and welfare expenses	175.81	42.35
	Gratuity expenses	43.03	32.13
	Share based payments to employees	245.02	315.25
		6,673.39	**6,119.48**
32	**Depreciation and amortisation expense**		
	Depreciation and amortisation expense		
	Property, plant and equipment	191.41	295.46
	Right of use assets ('ROUA')	409.81	389.93
	Intangible Assets	246.66	63.16
		847.88	**748.55**
33	**Other Expenses**		
	Information technology Cost	633.21	639.74
	Distribution expenses	1,162.45	153.34
	Maintenances of premises	162.83	192.06
	Administrative expenses	14.99	9.50
	Professional fees (refer note 33.1)	1,160.92	980.40
	Advertisement expenses	-	-
	Auditor's remuneration	76.50	48.15
	Communication expenses	34.89	50.08
	Director sitting fees	33.80	45.16
	Corporate social responsibility expenditure (refer note 33.2)	38.00	10.94
	Insurance	131.62	108.69
	Rates and taxes	76.30	20.91
	Recruitment related fees	235.58	80.07
	Subscription expenses	17.72	9.09
	Travelling expenses	248.95	171.02
	Rent	26.36	-
	Loss on sale of investments	7.96	-
	Miscellaneous expenses	521.42	461.52
		4,583.49	**2,980.67**

33.1 Stock compensation expenses

Professional fees for year ended 31 March 2022 includes share based payment of INR 407.50 lakhs to one advisor by allotment of Series 1C shares in May 2021considering the fair value on the date of such allotment.

33.2	**Details of expenditure on corporate social responsibility (CSR)**		
	(a) Gross amount required to be spent by the Group during the year	37.94	10.94
	(b) Amount approved by the Board to be spent during the year	38.00	-
	(c) Amount spent during the year (in cash):		
	(i) Construction/ acquisition of any asset	-	-
	(ii) On purposes other than (i) above	44.00	8.11
	(d) Contribution to related parties		
	(e) Excess amount spent / Shortfall	**(6.06)**	**2.83**

	As at 31 March 2022	As at 31 March 2021
Opening balance	2.83	-
Amount required to be spent during the year	37.94	10.94
Amount spent during the year	(44.00)	(8.11)
Closing balance to be spent	**(3.23)**	**2.83**

Nature of CSR activities

The expenditure on CSR activities are spent through contributing towards Bhumi Foundation & Care Earth Trust.

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34 Exceptional item

	Year ended 31 March 2022	Year ended 31 March 2021
Stock compensation expense	2,173.13	
	2,173.13	-

Note:
The Subsidiary Company allotted 4,470,532 equity shares on 14 March 2022 to Vineet Sukumar and Gaurav Kumar (2,235,266 each), promoters of the subsidiary in lieu of part of cash remuneration, to compensate them for their valuable professional contribution and domain expertise to the growth of the business carried by the subsidiary. The aforesaid shares were issued at a price of INR 27 per share. The said issuance was carried out based on a valuation report (as at 31 December 2021) dated 25 January 2022 from a registered valuer and a fairness opinion dated 27 January 2022 from another independent chartered accountant firm on the aforesaid valuation report.

During the same time, the subsidiary had granted stock options under the Employee Stock Option Scheme (grant date of 28 February 2022) to its employees and was also in discussion with various external investors for its first round of fund raising. In this connection, subsequently, the subsidiary obtained a valuation report (as at 31 January 2022) dated 16 March 2022 from another registered valuer / merchant banker with value of INR 75.61 per share. Such valuation report was considered for its option valuation.

The Subsidiary has recorded the difference between the fair value of the shares of INR 75.61 per share and the issue price of INR 27 per share as stock compensation expense during the year and has presented it as an exceptional item in the Statement of profit and loss. Further, the Subsidiary based on a legal evaluation believes that there are no withholding tax implications arising out of the aforesaid matter to be borne by the subsidiary.

35 Income tax

The component of income tax expenses:

Current tax	1,882.70	1,481.97
Deferred tax relating to origination and reversal of temporary differences	46,264.11	(415.96)
	48,146.81	**1,066.01**

35.1 Reconciliation of total tax expenses

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years March 31, 2022 and 2021 are, as follows:

Accounting profit before tax	208,229.13	2,120.38
Applicable tax rate	25.17%	25.17%
Long term capital gain	22.88%	22.88%
Computed tax expense	52,411.27	533.70
Tax effect of :		
Permanent differences	45.65	22.47
Change in tax rate (refer note below)	-	-
Income tax expense recognised in statement of profit and loss excluding change in estimates relating to previous years	**52,456.92**	**556.17**
Effective tax rate	**25.19%**	**26.23%**

35.2 Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expenses

Components of deferred tax asset (liability)	As at 31 March 2021	Statement of profit and loss	Other comprehensive income	Derecognition on account of loss of control	As at 31 March 2022
Deferred tax asset/ (liability) in relation to -					
Fixed assets	36.91	(254.73)	-	207.29	(10.52)
Impairment on financial assets	534.82	190.03	-	-	724.85
Provision for employee benefits	321.88	208.99	0.63	(383.58)	147.92
Unamortised processing fee income (net)	300.36	(639.40)	-	-	(339.04)
Others	40.68	108.10	23.27	(73.72)	98.33
Business Loss	186.55	138.03	-	-	324.59
Gain on loss / dilution of control in CAPL	-	(46,015.13)	-	-	(46,015.13)
	1,421.21	**(46,264.11)**	**23.90**	**(250.00)**	**(45,069.01)**

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Components of deferred tax asset (liability)	As at 31 March 2020	Statement of profit and loss	Other comprehensive income	Derecognition on account of loss of control	As at 31 March 2021
Deferred tax asset/ (liability) in relation to -					
Fixed assets	21.15	15.76	-	-	36.91
Impairment on financial assets	235.38	299.44	-	-	534.82
Provision for employee benefits	47.87	270.20	3.81	-	321.88
Unamortised processing fee income (net)	288.03	12.33	-	-	300.36
Others	41.82	40.57	(41.71)	-	40.68
Business Loss	20.99	165.56	-	-	186.55
	655.24	**803.87**	**(37.90)**	**-**	**1,421.21**

36 Earnings per share

	Year ended 31 March 2022	Year ended 31 March 2021
Profit for the year	**155,326.65**	**1,442.28**
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	12,485,534	15,420,211
Effect of dilutive potential equity shares:		
Convertible preference shares	71,402,633	65,773,841
Employee stock options	2,909,817	2,790,515
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	90,602,309	83,984,567
Face value per share	10.00	10.00
Earnings per share (in Rs.)		
- Basic	1,244.05	9.35
- Diluted	171.44	1.72

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37 Change in ownership interests in Credavenue Private Limited (CAPL)

A. Shareholder related transactions

On 12 August 2021, the Company had received an offer for subscribing to the rights issue of 13,336,000 equity shares of its then wholly owned subsidiary "Credavenue Private Limited" ("CAPL") at an issue price of INR 15 per share. The management of CAPL had obtained a fair valuation report from a registered valuer with value of INR 15 per share and a fairness opinion from another independent chartered accountant firm on the aforesaid report.

In view of its strategic outlook and regulatory aspects, the Company did not seek to subscribe to such rights and renounced the rights entitlement on the aforesaid date in favour of the promoters in their capacity as founder shareholders of the Company ("Founder shareholders") without any consideration (to be received by VCPL) for the rights renunciation. This has been approved / ratified subsequently by the Board of directors including the investor shareholders of the Company.

Subsequently, on 13 August 2021, the founder shareholders subscribed to the rights issue of equity shares of CAPL and consequently, the holding in CAPL reduced from 100% to 80%.

During the same time, CAPL was also in discussion with various external investors for its first round of fund raising and subsequently, during September 2021, concluded the fund raise through issue of Series A CCPS at an issue price of INR 351 per share (also refer note B below).

The Company has evaluated the aforesaid shareholder transactions forming part of equity and believes that there are no material financial reporting / tax implications arising therefrom.

B. Loss / Dilution of control

Consequent to the Series A funding in CAPL and on basis the shareholders' agreement dated 20 September 2021, VCPL did not retain control over CAPL and CAPL became an associate. As a result, VCPL's shareholding in CAPL on a fully diluted basis, reduced to 58.33%. In the consolidated financial results, considering the loss of control, the Company has fair valued its investment in CAPL in accordance with Ind AS 110 – 'Consolidated Financial Statements' and accordingly an amount of INR 170,534 lakhs was recorded as gain on loss of control.

Further, pursuant to the Series B funding in March 2022, VCPL's shareholding on a fully diluted basis, has further reduced to 50.52% as at 31 March 2022. Accordingly, an incremental amount of INR 28,948 lakhs has been recorded as dilution gain for the reduction in holding from 58.33% to 50.52%. Thus the aggregate gain on loss / dilution of control is INR 200,680 lakhs. The resultant deferred tax charge on aforesaid gains has been created aggregating to INR 46,287 lakhs.

Up to September 2021, the Company has consolidated CAPL on a line-by-line consolidation basis and thereafter accounted on an equity method basis with effect from date of loss of control.

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38 Employee benefits

38.1 Defined contribution plan

The Group makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Group's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service. The Group has recognised Rs.152.90 Lakhs (As at 31 March 2021 : Rs. 80.40 Lakhs) as contribution to provident fund in the statement of profit and loss account.

38.2 Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The Calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Risks associated with defined benefit plan
Gratuity is a defined benefit plan and company is exposed to the following risks:
Interest rate risk: A fall in the discount rate, which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level may increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity

	Year ended 31 March 2022	Year ended 31 March 2021
A. Change in present value defined benefit of obligations		
Change in defined benefit obligations during the year		
Present value of defined benefit obligation at the beginning of the year	83.72	35.81
Current service cost	41.70	30.26
Interest cost	1.34	2.53
Acquisitions/Divestures/Transfer	-	-
Benefits paid	-	-
Actuarial loss / (gain) recognised in other comprehensive income	6.72	15.12
Derecognition on account of loss of control	(88.80)	
Present value of defined benefit obligation at the end of the year	**44.68**	**83.72**
B. Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Actuarial loss / (gain) recognised in other comprehensive income	-	-
Fair value of plan assets at the end of the year	-	-
C. Actual return on plan assets		
Expected return on plan assets	-	-
Actuarial gain / (loss) on plan assets	-	-
Actual return on plan assets	-	-
D. Reconciliation of present value of the defined benefit obligation and the fair value of the plan assets		
Present value of defined benefit obligations at the end of the year	44.68	83.72
Fair value of plan assets	-	-
Net liability recognised in balance sheet	**44.68**	**83.72**

The liability in respect of the gratuity plan comprises of the following non-current and current portions:

Current	1.63	0.05
Non-current	43.05	83.68

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	Year ended 31 March 2022	Year ended 31 March 2021
E. Expense recognised in statement of profit and loss		
Current service cost	41.70	30.26
Interest cost	1.34	2.53
Expected return on plan assets	-	-
Net cost recognized in the statement of profit and loss	**43.04**	**32.79**
F. Remeasurements recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	6.72	15.12
Return on plan assets excluding interest income	-	-
	6.72	**15.12**

G. Assumptions as at balance sheet date	As at 31 March 2022	As at 31 March 2021
Discount rate (refer note (b))	7.50%	6.79%
Interest rate (rate of return on assets)	-	-
Future salary increase (refer note (a))	8.00%	3.00%
Mortality table	2 - 12.5%	0.9 - 3.82%
Attrition rate (refer note (a))	15.00%	5.00%

Notes:

a) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Further, the Management re-visits the assumptions such as attrition rate, salary escalation etc., taking into account, the business conditions, various external / internal factors affecting the Group.

b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

c) Experience adjustments:

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
Defined benefit obligation	44.68	83.72	35.81	27.57	4.97
Fair value of plan assets	-	-	-	-	-
Surplus / (deficit)	(44.68)	(83.72)	(35.81)	(27.57)	(4.97)
Experience adjustments on plan liabilities - (loss) /	-	-	-	-	-
Experience adjustments on plan assets - loss /	-	-	-	-	-

d) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	As at 31 March 2022	As at 31 March 2021
Discount rate		
-1% increase	(3.51)	(1.91)
-1% decrease	4.17	2.26
Future salary growth		
-1% increase	3.13	2.23
-1% decrease	(2.76)	(1.91)
Employee Turnover		
-1% increase	(0.42)	0.33
-1% decrease	0.43	(0.43)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

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39 Segment information

Particulars	Year ended	
	31 March 2022	31 March 2021
1. Segment Revenue		
Financing	35,166.91	22,512.25
Fund Management	1,067.06	278.60
Technology	6,066.59	2,527.92
Others	-	-
Total	**42,300.56**	**25,318.77**
Less: Intersegment Revenue	(1,253.27)	(906.73)
Add: Gain on loss / dilution of control	200,680.31	-
Net Revenue	**241,727.60**	**24,412.04**
2. Segment Results (Profit before tax)		
Financing	9,095.48	3,755.43
Fund Management	(547.48)	(776.79)
Technology *	200,090.52	(858.26)
Others	-	-
Total	**208,638.52**	**2,120.37**
Less: Share of loss post tax from associate	(2,582.54)	-
Profit before tax	**206,055.98**	**2,120.37**
3. Segment Assets		
Financing	467,532.34	211,763.58
Fund Management	10,969.75	2,789.97
Technology	201,880.27	7,896.94
Other unallocable assets	-	-
Inter Segment Assets	(623.64)	(1,115.32)
Total	**679,758.72**	**221,335.17**
4. Segment Liabilities		
Financing	358,669.69	139,801.40
Fund Management	1,621.77	724.32
Technology	45,915.65	3,561.81
Other unallocable liabilities	-	-
Inter Segment Liabilities	170.21	(804.26)
Total	**406,377.32**	**143,283.27**

* includes gain on loss / dilution of control (also refer note 37)

Notes:

The Group's operating segments are established on the basis of those comments of the Group that are evaluated by the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'

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40 Related Party information

40.1 Names of related parties and nature of relationship

Associate	Credavenue Private Limited (also refer note 37)
Subsidiary of associate	Spocto Solutions Private Limited (with effect from 25 February 2022)
Key Managerial Personnel	Mr. Vineet Sukumar, Managing Director Mr. Gaurav Kumar, Director Mr. John Tyler Day, Nominee Director Mr. Kenneth Dan Vander Weele, Nominee Director Ms. Namrata Kaul, Independent Director Mr. Kartik Srivatsa, Nominee Director Ms.Anita P Belani,Independent Director (With effect from 7 May 2021) Mr. Sridhar Srinivasan, Independent Director (resigned on 28 August 2020) Mr. Narayan Ramachandran, Independent director of Vivriti Asset Management Private Limited
Entity in which KMP is a Director	**Mr. Vineet Sukumar** Managing Director, Vivriti Asset Management Private Limited Director, Credavenue Private Limited **Mr. Gaurav Kumar** Director, Vivriti Asset Management Private Limited Managing Director, Credavenue Private Limited

40.2 Transactions during the year

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Reimbursement of expenses		
Credavenue Private Limited	266.73	-
Platform fees expense:		
Credavenue Private Limited	1,991.57	-
Employee share option recoverable		
Credavenue Private Limited	30.71	-
Fees and commission income:		
Credavenue Private Limited	565.94	-
Debt Securities		
Credavenue Private Limited	7,930.07	-
Directors Sitting fees		
Mr. Sridhar Srinivasan	-	8.25
Ms. Namrata Kaul	11.00	13.80
Ms.Anita P Belani	9.00	-
Mr. Narayan Ramachandran	6.00	3.00
Remuneration paid		
Mr. Vineet Sukumar	292.19	194.69
Mr. Gaurav Kumar	241.35	194.69

Also refer note 37 for renunciation of rights

Note:
Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the Group as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.

40.3 Balances as at the year-end:

Debt Securities		
Credavenue Private Limited	7,930.07	-
Trade payables		
Credavenue Private Limited	535.42	-
Receivables from related parties		
Receivables		
Credavenue Private Limited	172.40	
Other financial assets		
Credavenue Private Limited	454.91	-

Notes:
1. There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
2. The transactions disclosed above are exclusive of GST.

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41 Micro and small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date.

	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon (to be shown separately) remaining		
- Principal	-	1.72
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

		Year ended 31 March 2022	Year ended 31 March 2021
42	**Contingent Liabilities and Commitments**		
42.1	**Contingent liabilities**		
	Guarantees issued to third party	4,156.80	4,946.13
42.2	**Commitments**		
	Capital commitments	1,171.11	98.83
	Undrawn committed sanctions to borrowers	6,905.17	325.00
42.3	**Pending litigations**		
	Suits filed by the Company against counterparties	1,553.20	592.52

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43 Employee Stock Option Scheme (ESOS)

The Group constituted the Vivriti ESOP Trust (the Trust) to administer the Employee Stock Options (ESOP) scheme and allotted 681,000 (31 March 2021: 1,519,000) equity shares to Trust. The Trust has granted 15,19,000 (31 March 2021: 15,19,000) options under the Employee Stock Option Scheme to employees spread over a vesting period of 2 to 5 years. The details of which are as follows;

Plan	Grant date	Number of options	Exercise price in Rs.	Vesting period	Vesting condition
Scheme 1	30-Jun-18	745,250	10.00	2 to 5 years	Time based vesting
Scheme 2	19-Jul-19	246,700	47.48	1 to 5 years	Time based vesting
Scheme 3	18-Nov-19	47,500	71.67	1 to 5 years	Time based vesting
Scheme 4	15-Dec-19	5,000	71.67	1 to 5 years	Time based vesting
Scheme 5	18-Nov-19	188,700	47.48	4 Years	Time based vesting
Scheme 6	30-Sep-20	465,625	71.67	4 Years	Time based vesting
Scheme 7	31-Dec-20	1,772,740	173.66	4 Years	Time based vesting

43.1 Reconciliation of outstanding options

The details of options granted under the above schemes are as follows.

Particulars	As at 31 March 2022		As at 31 March 2021	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Outstanding at beginning of year	85.97	3,983,750	38.85	2,905,900
Forfeited during the year	109.80	(558,000)	108.11	(314,500)
Exercised during the year	48.17	(635,235)	27.11	(126,650)
Granted during the year	173.66	681,000	173.66	1,519,000
Outstanding as at end of year	**107.48**	**3,471,515**	**85.97**	**3,983,750**
Vested and exercisable as at end of year	**82.73**	**651,915**	**66.94**	**350,375**

43.2 Fair value methodology

The fair value of the options is estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions:

	As at 31 March 2022	As at 31 March 2021
Share price on Grant date (In Rs.)	10.00 - 356.89	10.00 - 173.66
Exercise price (In Rs.)	10.00 - 173.66	10.00 - 173.66
Fair value of options at grant date	2.40 - 230.80	2.40 - 59.98
Expected dividends*	Nil	Nil
Option term	2 - 6 years	2 - 6 years
Risk free interest rate	4.09%- 8.32%	4.09%- 8.32%
Expected volatility**	14.70%- 33.04%	14.70%- 31.75%
Weighted average remaining contractual life (in years)	3.10	3.73

* Group has not paid any dividend till date.

** Group is a unlisted entity and having no listed peer companies, so volatility of BSE Finance Index for the historical period as per the time to maturity in each vesting has been considered.

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44 Leases

The disclosures as required under Ind AS 116 are as follows;

(i) Measurement of Lease Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Lease Liabilities	997.48	1,038.46

The Group has considered weighted average rate of borrowings for discounting.

The Group has entered into leasing arrangements for premises. ROU has been included after the line 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

(ii) Amounts recognised in the Balance sheet

Particulars	As at 31 March 2022	As at 31 March 2021
a) Right-of-use assets (net)	969.06	874.73
b) Lease liabilities		
Current	156.76	422.46
Non-current	840.72	616.03
Total Lease liabilities	**997.48**	**1,038.46**
c) Additions to the Right-of-use assets	1,974.51	-

(iii) Amounts recognised in the Statement of Profit and Loss

Particulars	As at 31 March 2022	As at 31 March 2021
a) Depreciation charge for right-of-use assets	342.40	337.77
b) Interest expense (included in finance cost)	175.67	135.67
c) Expense relating to short-term leases	2.51	0.30

(iv) Cash Flows

Particulars	As at 31 March 2022	As at 31 March 2021
The total cash outflow of leases	434.20	843.07

(v) Maturity analysis of undiscounted lease liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Not later than one year	253.83	546.19
Later than one year and not later than five years	1,017.35	1,757.14
Later than five years	-	-

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45 Financial Instruments

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e, exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2022 were as follows:

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments						
- Pass-through certificates	-	29,841.50	-	-	29,841.50	29,841.50
- Non convertible debentures	-	22,496.10	-	-	22,496.10	22,496.10
- Alternative Investment Funds	17,484.64	-	-	-	17,484.64	17,484.64
- Market Linked debentures	20,155.04	-	-	20,155.04	-	20,155.04
- Mutual Funds	3,010.85	-	3,010.85	-	-	3,010.85
Financial liabilities:						
Derivative financial instruments	-	382.00	-	-	382.00	382.00

The carrying value and fair value of financial instruments measured at fair value as of 31 March 2021 were as follows

	Carrying amount		Fair value			
Particulars	**FVTPL**	**FVOCI**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:						
Investments						
- Pass-through certificates	-	8,847.55	-	-	8,847.55	8,847.55
- Non convertible debentures	-	11,885.29	-	-	11,885.29	11,885.29
- Alternative Investment Funds	2,942.73	-	-	-	2,942.73	2,942.73
- Market linked debentures	2,043.80	-	-	2,043.80	-	2,043.80
- Mutual funds	-	-	-	-	-	-

Reconciliation of fair value measurement is as follows

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Financial assets measured at FVOCI		
Balance at the beginning of the year	135.47	11.47
Total gains/(losses) measured through OCI	107.11	124.00
Balance at the end of the year	**242.58**	**135.47**
Financial assets measured at FVTPL		
Fair value adjustment (unrealised)	303.44	63.16

Sensitivity analysis - Increase/ decrease of 100 basis points

Particulars	**As at 31 March 2022**		**As at 31 March 2021**	
	Increase	**Decrease**	**Increase**	**Decrease**
Financial assets:				
Investments				
- Pass through securities	(161.10)	158.18	(33.37)	58.83
- Non convertible debentures	(514.99)	494.00	(93.00)	194.63
- Alternative Investment Funds	174.85	(174.85)	69.04	112.91
- Market linked debentures	201.55	(201.55)	-	-
- Mutual funds	30.11	(30.11)	-	-
Financial liabilities:				
Derivative financial instruments	3.82	(3.82)	-	-

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The carrying value and fair value of other financial instruments by categories as of 31 March 2022 were as follows:

	Carrying Value				
Particulars	**Amortised cost**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets not measured at fair value:					
Cash and cash equivalents	47,357.92				-
Bank balances other than cash and cash equivalents	31,894.68				-
Trade receivables	741.18				-
Loans	296,048.09				-
Investments	10,752.00				-
Other financial assets	1,821.22				-
Financial liabilities not measured at fair value:					
Trade payables					
-total outstanding dues of micro and small enterprises	-				-
-total outstanding dues of creditors other than micro and small enterprises	1,110.25				-
Debt securities	107,051.35				-
Borrowings (Other than debt securities)	247,962.03				-
Other financial liabilities	2,632.83				-

A Fair value measurement (continued)

The carrying value and fair value of financial instruments by categories as of 31 March 2021 were as follows:

	Carrying Value				
Particulars	**Amortised cost**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets not measured at fair value:					
Cash and cash equivalents	14,835.49				
Bank balances other than cash and cash equivalents	11,511.80				
Trade receivables	1,057.00				
Loans	162,156.59				
Other financial assets	341.19				
Financial liabilities not measured at fair value:					
Derivative financial instruments					
Trade payables					
-total outstanding dues of micro and small enterprises					
-total outstanding dues of creditors other than micro and small enterprises	2,035.52				
Debt securities	40,219.33				
Borrowings (Other than debt securities)	98,446.05				
Other financial liabilities	1,370.47				

Note:
Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

B Measurement of fair values

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities without a specific maturity.

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Borrowings
The debt securities, borrowings and subordinated liabilities are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Loans
The Loans are primarily variable rate instruments. Accordingly, the fair value has been assumed to be equal to the carrying amount.

Transfers between levels I and II

There has been no transfer in between level I and level II. The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Group determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the Group and other valuation models.
The Group measures financial instruments, such as investments (other than equity investments in Subsidiaries, etc.) at fair value.

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

46 Capital management
The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI.

The primary objectives of the Group's capital management policy is to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group monitors capital using debt to equity ratio.

Particulars	As at 31 March 2022	As at 31 March 2021
Total Debt*	330,649.99	138,665.38
Total equity	268,689.44	78,051.90
Debt equity ratio	1.23	1.78

* Debt-equity ratio is (Debt Securities+Borrowings (Other than debt securities) - Bank overdrafts - Unamoritsed issues expenses) / net worth i.e. Equity share capital + Other equity + Convertible preference share capital

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the

46.1 Financial risk management objectives and policies

The Group has operations in India. Whilst risk is inherent in the Group's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

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46.1.1 Risk Management structure

The Group's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Company's risk management policies.

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

The Group's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

The Group's policy is that risk management processes throughout the Group are audited annually by the Internal Auditors, who examine both the adequacy of the procedures and the Group's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Board and Audit Committee.

The Group has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business, the Group is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the Group's effective management practice.

46.1.2 Risk Measurement and reporting systems

The Group's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Group also runs worst-case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept, with additional emphasis on selected industries. In addition, the Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the businesses is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Board of Directors, the Risk Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, VaR, liquidity ratios and risk profile changes. On a monthly basis, detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for credit losses on a monthly basis. The Board receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Group.

At all levels of the Group's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up–to–date information.

It is the Group's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Group on the utilisation of market limits, analysis of VaR, proprietary investments and liquidity, plus any other risk developments.

Stress testing is a fundamental pillar of the Group's risk management toolkit, to simulate various economic stress scenarios to help the Group set and monitor risk appetite and to ensure that the Group maintains a conservative risk profile. The outcome of tests is embedded into the individual credit, liquidity and funding risk profiles through limits and mitigation contingency plans and includes both financial and regulatory measures.

It is the Group's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Group is exposed to that they decide to take on. The Group's continuous training and development emphasises that employees are made aware of the Group's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Group's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

46.2 Credit Risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit risk department of the Group's independent Risk Controlling Unit. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit risk managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit risk manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

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42.3.1 Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

Grouping

As per Ind AS 109, the Group is required to group the portfolio based on the shared risk characteristics. The Group has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups namely Loans, investments in pass through securities, investment in non-convertible debentures, colending and partial guarantees towards pooled bond & loan issuances.

Expected Credit Loss("ECL")

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probity is low. ECL is calculated based on the following components: a. Marginal probability of default ("MPD") b. Loss given default ("LGD") c. Exposure at default ("EAD") d. Discount factor ("D")

Expected Credit Losses are measured via a combination of Monte Carlo Simulations across three major cohorts of exposure and the losses across these three cohorts are then added and loss distribution is used to arrive at Expected Credit Loss (ECL)

- 12 month expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments on Stage I assets
- Lifetime expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments which have either become NPA (Stage III) or have displayed significant increase in credit risk (Stage II assets)
- Partial Guarantee product losses wherein a partial guarantee is extended to a pool of issuers- in this case; the entire EAD of all the issuances is considered to arrive at expected credit losses.

a) Marginal probability of default: PD is defined as the probability of whether borrowers will default on their obligations in the future. PD is derived from the external rating of the borrower by following steps:

1) To arrive at the PD, the annual default study published by rating agencies is relied upon. The default numbers published against each rating category in different studies are then aggregated to arrive at internal PD matrix for each rating category

2) The PD numbers published are on an annual scale and since the exposure of the instruments are on monthly basis, the monthly PD is then interpolated on a monthly basis by fitting the data points from annual PD curve using cubic splines.

3) Finally, the Through the Cycle (TTC) PDs are converted to Point in Time (PIT) PDs using forward looking variables (GDP etc) using combinations of correlation of underlying sectors asset quality and Pluto Tasche model.

4) The PDs derived from the methodology described above, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to 12 month marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

b) Loss Given Default (LGD): LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD.

The formula for the computation is as below:

The Group has considered an LGD of 65% on unsecured exposures and 50% on secured exposures as recommended by the Foundation Internal Ratings Based (FIRB) approach under Basel II guidelines issued by RBI.

c) Exposure at Default (EAD): As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments.

The Group has considered outstanding expected future cash flows (including interest cashflows) , SLCE for all the loans at DPD bucket level for each of the risk segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. So discounting was done for computation of expected credit loss.

EAD is taken as the gross exposure under a facility upon default of an obligor. The amortized principal and the interest accrued is considered as EAD for the purpose of ECL computation

The advances have been bifurcated into following three stages:

Stage I – Advances with low credit risk and where there is no significant increase in credit risk. Hence, the advances up to 0 to 29 days are classified as Stage I.

Stage II – Advances with significant increase in credit risk. Hence the advances from 30 to 89 days are classified as Stage II.

Stage III – Advances that have defaulted / Credit impaired advances. Hence the advances with 90 days past due or Restructured Advances are classified as Stage III. Another loan of the same borrower whether in Stage I or Stage II is also considered as Stage III loan.

Note:- Days past due has been computed after considering the RBI Circular dated March 27, 2020, for the aforesaid classification into Stage I, Stage II and Stage III Loans.

The Group had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers. The Group has recognised for interest on interest for the moratorium cases.

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d) Discounting Factor: As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate which is obtained from the underlying yield (inclusive of processing fee) for each instrument.

Additionally, the model also uses correlation matrix for deriving correlation in events of stress between different borrowers in same segment.

Correlation Matrix: This provides correlation between different entities/sectors which are present in the structure. When defaults are simulated on the portfolio, these entities in same or different sectors default together to the extent of strength of correlation. The correlation between two entities is derived as follows:

- Inherently, the entire NBFC sector carries a bit of correlation in terms of liquidity risk- in event of stress, we see the liquidity vanishing from NBFC sector very quickly
- There is slight overlap between entities operating in the same sector- for example event like GST and demonetization did impact all small business loans establishments, although to a varying extent
- For microfinance sector, since the loans are more homogenous, geopolitical, and social issues do tend to dominate majority of stress events and hence geographically exclusivity will help
- Occupation profiles of the underlying borrowers served by entities

ECL computation: Conditional ECL at DPD pool level was computed with the following method: Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

Particulars	Provisions	As at 31 March 2022	As at 31 March 2021
Stage 1	12 month provision	1,749.30	1,418.46
Stage 2	Life time provision	876.52	-
Stage 3	Life time provision	842.11	855.02
Amount of expected credit loss provided for		**3,467.93**	**2,273.48**

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Group's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.

Analysis of changes in the gross carrying amount of loans:

Particulars	As at 31 March 2022				As at 31 March 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the ye	**163,211.25**	-	**592.52**	**163,803.77**	**82,595.45**	-	**592.52**	**83,187.97**
New assets originated *	435,440.73	-	-	435,440.73	220,738.16	-	-	220,738.16
Asset derecognised or repaid	(300,273.85)	-	(11.16)	(300,285.01)	(139,163.77)	-	-	(139,163.77)
Transfer from stage 1	-	1,569.55	510.33	2,079.88	-	-	958.59	958.59
Transfer from stage 2	(1,569.55)	-	-	(1,569.55)	-	-	-	-
Transfer from stage 3	(510.33)	-	-	(510.33)	(958.59)	-	-	(958.59)
Write offs	-	-	-	-	-	-	(958.59)	(958.59)
As at the end of the year	**296,298.25**	**1,569.55**	**1,091.69**	**298,959.49**	**163,211.25**	-	**592.52**	**163,803.77**

* New assets originated are those assets which have originated during the year.

As at the balance sheet date, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, except for the following:

Extent of delay	Number of customers / borrowers	Amount (INR Lakhs)	Due Date
Up to 30 days	8	366.72	Various due dates
31 – 89 days	6	1,569.55	Various due dates
More than 90 days	9	1,091.69	Various due dates

Analysis of changes in the ECL allowance

Particulars	As at 31 March 2022				As at 31 March 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the ye	**1,418.46**	-	**855.02**	**2,273.48**	**675.52**	-	**495.97**	**1,171.49**
Additions	409.08	870.33	255.01	1,534.42	748.21	-	2,241.54	2,989.75
Reversals	(72.05)		-	(72.05)	-	-	-	-
Transfer from stage 1	-	-	-	-	-	-	5.27	5.27
Transfer from stage 2	(6.19)	-	-	(6.19)	-	-	-	-
Transfer from stage 3	-	6.19	-	6.19	(5.27)	-	-	(5.27)
Write offs	-	-	(267.92)	(267.92)	-	-	(1,887.76)	(1,887.76)
As at the end of the year	**1,749.30**	**876.52**	**842.11**	**3,467.93**	**1,418.46**	-	**855.02**	**2,273.48**

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Collateral and other credit enhancements
The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are, vehicles, loan portfolios and mortgaged properties based on the nature of loans. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.

Investments
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The exposure to credit risk for investments is to other non-banking finance companies and financial institutions.

The risk committee has established a credit policy under which each new investee pool is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc. For investments the collateral is the underlying loan pool purchased from the financial institutions.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the investments are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments. Further, the risk management committee periodically assesses the credit rating information.

Cash and cash equivalent and Bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the Group generally invests in term deposits with banks

46.3 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Group's exposure to market risk is a function of asset liability management activities. The Group is exposed to interest rate risk and liquidity risk.

The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the Group's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

46.4 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

The operational risks of the Group are managed through comprehensive internal control systems and procedures and key backup processes. In order to further strengthen the control framework and effectiveness, the Group has established risk control self assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The Group also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing
enterprise exposure.

The Group has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide

46.5 Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Group has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The Group also has lines of credit that it can access to meet liquidity needs.

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46.6 Interest Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the Group is providing loans to Institutional Finance. The Group borrows through various financial instruments to finance its core lending activity. These activities expose the Group to interest rate risk.

Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis. Substantially all loans reprice frequently, with interest rates reflecting current market pricing.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Group's statement of profit and loss and equity.

46.7 Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Group arises majorly on account of foreign currency borrowings. The Group manages this foreign currency risk by entering into cross currency interest rate swaps. When a derivative is entered into for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Group holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

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47 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/ or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	As at 31 March 2022			As at 31 March 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	47,357.92	-	47,357.92	14,835.49	-	14,835.49
Bank balances other than cash and cash equivalents	29,492.68	2,412.00	31,904.68	9,287.91	2,223.89	11,511.80
Receivables	742.05	-	742.05	1,057.00	-	1,057.00
Loans	208,878.91	87,197.03	296,075.94	107,893.01	54,263.58	162,156.59
Investments	242,535.57	52,332.83	294,868.40	11,394.70	14,324.67	25,719.37
Other financial assets	796.20	369.56	1,165.76	54.19	287.00	341.19
Current tax assets (net)	91.88	1,859.81	1,951.69	-	1,065.35	1,065.35
Deferred tax assets (net)	-	355.36	355.36	-	1,421.21	1,421.21
Investment Property	-	948.61	948.61	-	-	-
Property, plant and equipment	-	777.81	777.81	-	736.74	736.74
Right of use asset	-	43.08	43.08	-	492.30	492.30
Intangible assets under development	-	969.06	969.06	-	874.73	874.73
Other intangible assets	-	317.99	317.99	-	475.83	475.83
Other non- financial assets	2,252.70	27.67	2,280.37	620.69	26.88	647.57
Total Assets	**532,147.91**	**147,583.14**	**679,758.72**	**145,142.99**	**76,192.18**	**221,335.17**
Liabilities						
Derivative financial instruments	-	382.00	382.00	-	-	-
Trade payables		-	-	-	-	-
-total outstanding dues of micro and small enterprises		-	-	12.13	-	12.13
-total outstanding dues of creditors other than micro and small enterprises	2,505.81	-	2,505.81	1,173.39	-	1,173.39
Debt securities	63,392.47	44,348.56	107,741.03	11,824.40	28,394.93	40,219.33
Borrowings (Other than debt securities)	133,607.22	114,354.81	247,962.03	58,062.23	40,383.82	98,446.05
Other financial liabilities	1,120.45	522.99	1,643.44	2,220.47	-	2,220.47
Deferred tax liabilities (net)	-	45,424.37	45,424.37			
Provisions	198.52	54.45	252.97	800.07	21.22	821.29
Other non-financial liabilities	465.66	-	465.66	390.61	-	390.61
Total Liabilities	**201,290.13**	**205,087.18**	**406,377.31**	**74,483.30**	**68,799.97**	**143,283.27**
Total equity			**273,381.41**			**78,051.90**

47A Change in Liabilities arising from financing activities

Particulars	As at 1 April 2021	Cash flows	Exchange difference	Others*	As at 31 March 2022
Debt Securities	40,219.33	64,329.88	-	3,191.82	107,741.03
Borrowings (other than debt securities)	98,446.05	148,483.95	71.78	960.25	247,962.03

Particulars	As at 1 April 2020	Cash flows	Exchange difference	Others*	As at 31 March 2021
Debt Securities	30,446.55	6,334.21	-	3,438.57	40,219.33
Borrowings (other than debt securities)	47,220.90	54,366.67	-	(3,141.52)	98,446.05

*Others includes effect of amortisation of processing fee and interest accruals

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48 Impact of hedging activities

Disclosure of effects of hedge accounting on financial position:

As at 31 March 2022								
Type of hedge risks	Nominal Value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Change in the value of hedged item as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Cross currency interest rate swaps	-	7,639.68	-	382.00	30-Nov-26	382.00	57.23	Borrowings other than debt securities

As at 31 March 2021								
Type of hedge risks	Nominal Value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Change in the value of hedged item as the basis for recognising hedge effectiveness	Line item in Balance Sheet
Cash flow hedge	Assets	Liabilities	Assets	Liabilities				
Cross currency interest rate swaps	-	-	-	-	-	-	-	-

Disclosure of effects of hedge accounting on financial performance:

For the year ended 31 March 2022				
Type of hedge Cash flow hedge	Change in value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cross currency interest rate swaps	(324.77)	-	-	Not applicable

For the year ended 31 March 2021				
Type of hedge Cash flow hedge	Change in value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cross currency interest rate swaps	-	-	-	

49 Additional Regulatory Information

i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
ii) The Group does not have any transactions with companies struck off.
iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall.
(a) 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
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

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50 Impact of COVID-19

The impact of COVID-19 including the economic and social consequences continues to be uncertain and the extent to which the ongoing COVID-19 pandemic will impact the Group's financial performance including the Group's estimates of impairment and fair valuation of financial instruments, are dependent on such future developments, the severity and duration of the pandemic, that are highly uncertain.

In respect of accounts where moratorium benefit have been granted, the staging of those accounts is based on the days past due status considering the benefit of moratorium period in accordance with the Reserve Bank of India Covid-19 Regulatory Package.

The Group has considered the aforesaid context of the pandemic in applying the assumptions used to determine the impairment and fair valuation of financial instruments. The Group has recognized impairment of financial instruments (including write offs) aggregating to INR 1,462.38 lakhs and INR 2,989.74 lakhs for the year ended 31 March 2022 and 31 March 2021 respectively. The impact assessment of COVID-19 is a continuing process. Given its uncertainty in nature and duration, this may have corresponding impact in the financial position and performance of the Group. The Group will continue to monitor any material changes to the future economic conditions.

51 Subsequent events

There are no subsequent events other than those disclosed in the financial statements that have occurred after the reporting period till the date of approval of these financial statements.

52 Previous period's figures have been regrouped / reclassified wherever necessary, to conform with the current period presentation.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: 27 May 2022

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited

Vineet Sukumar
Managing Director
DIN 06848801

Gaurav Kumar
Director
DIN 07707248

B Srinivasaraghavan
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: 27 May 2022

Deloitte Haskins & Sells LLP

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INDEPENDENT AUDITORS' REPORT

To The Members of Vivriti Capital Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Vivriti Capital Private Limited Vivriti Capital Private Limited (the "Company"), which comprise the Balance Sheet as at 31st March 2021, and 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 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, and its profit, total 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 standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules made 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 audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 40.8 to the standalone financial statements, which describe the potential continuing impact of the COVID-19 Pandemic on the Company's standalone financial statements and particularly the impairment provisions are dependent on future developments, which are highly uncertain.

Our report is not modified in respect of this matter.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the standalone financial statements of the current period. The matter was addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
Impairment of carrying value of loans and advances: The Company provides credit facility to Corporates which are secured by receivable of the borrowers and unsecured loans. In line with Ind AS 109 – Financial Instruments, Management estimates impairment provision using Expected Credit loss model for the loan exposure. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are timely identification and classification of the loans, determination of probability of defaults (PD) and estimation of loss given defaults (LGD) based on the value of collaterals and relevant factors. The Company started lending activities in FY 2018-19. The Company doesn't have credit loss history except for two loans which are fully provided /written off and has assigned PD to each borrower on the basis of the Company's internal rating model on various rating agencies' database and LGD are based on RBI circular DBOD.No.BP.BC.67/21.06.202/2011-12 dated 22 December 2011 on implementation of the internal rating based (IRB) approaches for calculation of capital charge for credit risk for arriving at the estimated provision. The estimation of Expected Credit Loss (ECL) on financial instruments involve significant judgements and estimates. Following are points with increased level of audit focus: • Classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109; • Accounting interpretations and data used to build and run the models; • Inputs and Judgements used in determination of management overlay at various asset stages considering the current uncertain economic environment with the range of possible effects unknown to the country;	**Principal audit procedures performed:** We examined Board Policy approving methodologies for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the Company. The parameters and assumptions used and their rationale and basis are clearly documented. We evaluated the design and operating effectiveness of controls across the processes relevant to determination of ECL, including the judgements and estimates. These controls, among others, included controls over the allocation of assets into stages including management's monitoring of stage effectiveness, model monitoring including the need for post model adjustments, model validation, credit monitoring, individual provisions and production of journal entries and disclosures. We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of 31st March 2021 by reconciling it with the balances as per loan balance register, investment register, and open financial guarantee report as on that date. We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. For exposure determined to be individually impaired, we tested a samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations. For forward looking assumptions used in ECL calculations, we held discussions with management, assessed the assumptions used and the probability weights assigned to the possible outcomes.

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• The disclosures made in standalone financial statements for ECL especially in relation to judgements and estimates by the Management in determination of the ECL.	We performed an overall assessment of the ECL provision including management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment. We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the management's report (but does not include the standalone financial statements and our auditor's report thereon) which is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the management report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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.

- Obtain an understanding of internal financial 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 expressing 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 the 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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 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

Deloitte Haskins & Sells LLP

Report on Other Legal and Regulatory Requirements

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position as at the year-end except as stated in Note 35 (c) to the standalone financial statements.

      ii. The Company did not have any long-term contracts as at year-end including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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2. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)
(UDIN : 21109839AAAAEP1331)

Place: Mumbai

Date: 28th April 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of Vivriti Capital Private Limited (the "Company") as of 31st March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)
(UDIN : 21109839AAAAEP1331)

Place: Mumbai
Date: 28th April 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable.

(ii) To the best of our knowledge and according to the information and explanations given to us the Company does not have any inventory and hence reporting under clause 3(ii) of the Order is not applicable.

(iii) To the best of our knowledge and according to the information and explanations given to us, the Company has granted loan to party covered in the register maintained under section 189 of the Act and to the best of our knowledge and according to the information and explanations given to us

(a) the terms and conditions of the grant of such loans are not prejudicial to the company's interest and

(b) the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular;

(iv) To the best of our knowledge and according to information and explanation given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted any deposit during the year and no order in this respect has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunals in regard to the Company.

(vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company.

(vii) To the best of our knowledge and according to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Goods and Services tax, Provident Fund and other cess to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Income-tax, Goods and Services tax, Provident Fund and other cess in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.

(c) There are no dues of Income-tax, and Goods and Services tax as on 31st March 2021 on account of disputes.

(viii) To the best of our knowledge and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks and dues to debenture holders.

(ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Further in respect of moneys borrowed through term loans or debt securities, in our opinion and according to information and explanation given to us, the Company has utilised the money for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) The Company is a private company and hence the provisions of section 197 of the Act do not apply to the Company.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.

(xiii) To the best of our knowledge and according to the information and explanations given to us, the Company is in compliance with the provisions of section 177 and section 188 of the Act. In our opinion and according to the information and explanations given to us, the Company has disclosed the details of related party transactions in the standalone financial statements as required by the applicable accounting standard.

(xiv) According to the information and explanations given to us, during the year under review the Company has made private placement of 57,96,936 Compulsorily Convertible Preference Shares ("CCPS") bearing a face value of Rs.10/-.

In respect of the above issue, we further report that:

a. the requirement of Section 42 of the Act, as applicable, have been complied with; and

b. the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.

(xv) To the best of our knowledge and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.

Sv

Deloitte
Haskins & Sells LLP

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)
(UDIN : 21109839AAAAEP1331)

Place: Mumbai
Date: 28th April 2021

Vivriti Capital Private Limited
Standalone Balance Sheet as at March 31, 2021
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Financial assets			
Cash and cash equivalents	3	13,817.64	3,224.31
Bank Balances other than above	4	9,511.80	46,303.51
Receivables	5	424.44	708.83
Loans	6	162,044.92	82,234.41
Investments	7	29,397.85	10,087.05
Other financial assets	8	297.58	244.90
Total Financial Assets		**215,494.23**	**142,803.01**
Non-Financial assets			
Current Tax Assets	9	943.23	1,061.27
Deferred tax assets (Net)	10	1,011.24	633.18
Property, plant and equipment	11	527.82	729.51
Right of use asset		874.73	1,212.50
Other intangible assets	11	93.28	132.38
Intangible Assets Under Development		48.96	35.12
Other non-financial assets	12	522.10	256.46
Total Non-Financial Assets		**4,021.36**	**4,060.42**
Total Assets		**219,515.59**	**146,863.43**
EQUITY AND LIABILITIES			
LIABILITIES			
Financial Liabilities			
Trade Payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		1.72	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,071.13	201.62
Debt Securities	14	39,953.41	30,446.55
Borrowings (Other than Debt Securities)	15	96,864.64	47,218.16
Other financial liabilities	16	1,267.50	2,263.74
Total Financial Liabilities		**139,158.40**	**80,130.07**
Non-Financial Liabilities			
Provisions	17	469.84	306.91
Other non-financial liabilities	18	173.18	80.42
Total Non-Financial Liabilities		**643.02**	**387.33**
Total liabilities		**139,801.42**	**80,517.40**
EQUITY			
Equity Share Capital	19a	1,146.39	1,130.02
Convertible Non-participating Preference Share Capital	19b	8,350.17	7,770.48
Other equity	20	70,217.61	57,445.53
Total equity		**79,714.17**	**66,346.03**
Total equity and liabilities		**219,515.59**	**146,863.43**

The accompanying notes are an integral part of the Standalone Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

G. K. Subramaniam
Partner
Place: Mumbai
Date: April 28, 2021

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited

Gaurav Kumar
Managing Director
DIN 07767248

Vineet Sukumar
Managing Director
DIN 06848801

Shaik Mohammed Irfan Basha
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: April 28, 2021

Vivriti Capital Private Limited Chennai 600 035

Vivriti Capital Private Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2021
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from Operations			
Interest Income	21	20,124.26	11,353.83
Fees and commission Income	22	1,728.03	3,407.61
Net gain on derecognition of financial instruments		12.00	-
Net gain on fair value change on financial instruments	23	73.90	12.74
Total Revenue from Operations		**21,938.19**	**14,774.18**
Other Income	24	574.05	41.58
Total Income		**22,512.24**	**14,815.76**
Expenses			
Finance costs	25	9,435.22	6,227.75
Impairment on financial instruments including write off	26	2,989.74	967.11
Employee benefit expense	27	3,668.93	3,665.62
Depreciation and amortisation expense	28	680.38	665.85
Other expenses	29	1,671.45	1,901.12
Total expenses		**18,445.72**	**13,427.45**
Profit before Tax		**4,066.52**	**1,388.31**
Tax expense			
- Current tax		1,481.97	679.99
- Deferred tax		(415.96)	(320.77)
Total tax expense		**1,066.01**	**359.22**
Net Profit After Tax		**3,000.51**	**1,029.09**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans (net)	31	(15.12)	12.47
Income tax impact		3.81	(3.41)
Items that will be reclassified to profit or loss			
Net (loss) / gain on financial instrutement designated at FVOCI		165.71	(22.07)
Income tax impact		(41.71)	5.63
Other Comprehensive Income		**112.69**	**(7.38)**
Total comprehensive income		**3,113.20**	**1,021.71**
Earnings per equity share (Face Value of INR. 10 each)	31		
Basic (₹)		**19.46**	**7.36**
Diluted (₹)		**3.57**	**1.46**

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

G. K. Subramanian
Partner
Place: Mumbai
Date: April 28, 2021

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited

Gaurav Kumar
Managing Director
DIN 07767248

Vineet Sukumar
Managing Director
DIN 06848801

Shaik Mohammed Irfan Basha
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: April 28, 2021

Vivriti Capital Private Limited
Chennai
600 035

Vivriti Capital Private Limited

Standalone Statement of Cash flows for the year ended March 31, 2021

(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Operating activities		
Profit before tax	4,066.52	1,388.31
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & amortisation	680.38	665.85
Impairment on financial instruments including write off	2,989.74	967.11
Interest on Lease liability	64.34	(275.40)
Net loss on financial asset designated at FVOCI	-	(7.38)
Share Based Payments to employees	138.40	72.67
Provision for Bonus	250.00	-
Provision for Gratuity	23.90	20.72
Provision for compensated absences	197.15	105.06
Operating Profit before working capital changes and adjustments for Interest received, Interest paid and Dividend received	**8,410.43**	**2,936.94**
Working capital changes		
Decrease/(Increase) in loans	(82,501.34)	(37,711.17)
Decrease/(Increase) in trade receivables and contract asset	231.71	(93.33)
Decrease/(Increase) in other non-financial assets	(265.64)	(163.47)
(Decrease)/Increase in trade payables and contract liability	628.51	(350.02)
(Decrease)/Increase in other financial liability	(722.81)	950.55
(Decrease)/Increase in other non-financial liability	92.76	(110.99)
(Decrease)/Increase in provisions	(0.01)	44.59
Cash flows used in operating activities	**(74,126.39)**	**(34,496.90)**
Income tax paid	(1,603.30)	(1,435.09)
Net cash flows (used in) operating activities	**(75,729.69)**	**(35,931.99)**
Interest paid	(8,121.53)	(5,959.66)
Interest received	16,058.77	11,086.09
Cash flows from operations	**7,937.24**	**5,126.43**
Investing activities		
Investment in Bank Fixed Deposits not considered as cash and cash equivalents (net)	36,791.71	(46,303.51)
Purchase of property, plant and equipment and intangible assets	(209.62)	(256.58)
Intangible Assets Under Development	(13.84)	(15.45)
Purchase of investment at FVOCI	(18,497.79)	(2,807.10)
Investment in AIF	(813.01)	(100.00)
Net cash flows from/(used in) investing activities	**17,257.45**	**(49,482.64)**
Financing activities		
Debt securities issued (net)	9,506.86	11,318.77
Borrowings other than debt securities issued (net)	49,646.48	31,599.27
Proceeds from issuance of sharecapital	579.69	3,070.00
Proceeds from securities premium	9,332.53	38,470.75
Net cash flows from financing activities	**69,065.56**	**84,458.79**
Net increase/(decrease) in cash and cash equivalents	10,593.33	(955.84)
Cash and cash equivalents at the beginning of the year	3,224.31	4,180.15
Cash and cash equivalents at the end of the year (refer note 3)	**13,817.64**	**3,224.31**
Components of cash and cash equivalents		
Balances with banks		
In current accounts	13,817.64	3,157.89
Cheques in hand	-	66.42
Total cash and cash equivalents	**13,817.64**	**3,224.31**

Vivriti Capital Private Limited Chennai 600 035

Vivriti Capital Private Limited

Standalone Statement Of Cash Flows For The Year Ended March 31, 2021

(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Debt Securities	Borrowings (other than debt securities)
Balance as at March 31, 2020	**30,446.55**	**47,218.16**
Cash Flows (net)	8,916.63	49,069.52
Non Cash Changes (net)	590.23	576.96
Balance as at March 31, 2021	**39,953.41**	**96,864.64**

1. Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
2. Previous Years figures have been regrouped, wherever necessary to confirm to current year's classification.
3. Figures in brackets represent outflows.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

G. K. Subramaniam
Partner
Place: Mumbai
Date: April 28, 2021

For and on behalf of the Board of Directors
Vivriti Capital Private Limited

Gaurav Kumar
Managing Director
DIN 07767248

Vineet Sukumar
Managing Director
DIN 06848801

Shaik Mohammed Irfan Basha
Chief Financial Officer

Anuritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: April 28, 2021

Vivriti Capital Private Limited
Chennai
600 035

Vivriti Capital Private Limited
Statement Of Changes In Equity
(All amounts are in Rupees lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL

As at March 31, 2020	Changes in equity share capital during the year 2020-21	As at March 31, 2021
1,130.02	16.37	1,146.39

B. OTHER EQUITY

Particulars	Compulsorily Convertible Preference Shares	Optionally Convertible Redeemable Preference Shares	Other Equity						Total
			Reserves and Surplus				Other Comprehensive Income		
			Securities Premium	Retained Earnings	Employee Stock Option Reserve	Statutory Reserve	Debt Insurments through OCI	Remeasurement of defined benefit liability/ asset	
Balance as at March 31, 2019	**4,700.49**	-	**18,282.85**	**(446.40)**	**11.79**	**36.56**	-	**(4.39)**	**22,580.90**
Changes in equity for the year ended March 31, 2020									
Shares issued during the year	3,061.88	8.11	39,931.41	-	-	-	-	-	43,001.40
Share issue expenses	-	-	(967.30)	-	-	-	-	-	(967.30)
Amount recoverable from ESOP Trust	-	-	(493.36)	-	-	-	-	-	(493.36)
Stock Compensation expense during the year	-	-	-	-	72.67	-	-	-	72.67
Remeasurement of net defined benefit liability	-	-	-	-	-	-	-	9.06	9.06
Reclassification of remeasurement of net defined liability	-	-	-	-	-	-	-	-	-
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	(16.44)	-	(16.44)
Transfer to retained earnings	-	-	-	(16.44)	-	-	16.44	-	-
Profit for the year	-	-	-	1,029.09	-	-	-	-	1,029.09
Transfer to statutory reserve	-	-	-	(205.82)	-	205.82	-	-	-
Preference Dividend for CCPS	-	-	-	(0.01)	-	-	-	-	(0.01)
Balance as at March 31, 2020	**7,762.37**	**8.11**	**56,753.60**	**360.42**	**84.46**	**242.38**	-	**4.67**	**65,216.01**
Changes in equity for the year ended March 31, 2021									
Shares issued during the year	579.69	-	11,371.50	-	-	-	-	-	11,951.19
Share issue expenses	-	-	(154.73)	-	-	-	-	-	(154.73)
Amount recoverable from ESOP Trust	-	-	(1,873.12)	-	-	-	-	-	(1,873.12)
Stock Compensation expense during the year	-	-	-	-	138.40	-	-	-	138.40
Recoverable from subsidiaries	-	-	-	-	176.85	-	-	-	176.85
Remeasurement of net defined benefit liability	-	-	-	-	-	-	-	(11.31)	(11.31)
Reclassification of remeasurement of net defined liability	-	-	-	(6.65)	-	-	-	6.65	-
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	124.00	-	124.00
Transfer from retained earnings	-	-	-	(11.47)	-	-	11.47	-	-
Profit for the year	-	-	-	3,000.51	-	-	-	-	3,000.51
Transfer to statutory reserve	-	-	-	(600.10)	-	600.10	-	-	-
Balance as at March 31, 2021	**8,342.06**	**8.11**	**66,097.25**	**2,742.71**	**399.71**	**842.48**	**135.47**	-	**78,567.78**

The accompanying notes are an integral part of the Standalone Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

G. K. Subramanium
Partner
Place: Mumbai
Date: April 28, 2021

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited

Gaurav Kumar
Managing Director
DIN 07767248

Vineet Sukumar
Managing Director
DIN 06848800

Shaik Mohammed Irfan Basha
Chief Financial Officer
Place: Chennai
Date: April 28, 2021

Amritha Paitenkar
Company Secretary
Membership No: A49121

Vivriti Capital Private Limited
Chennai
600 035

Corporate Information

Vivriti Capital Private Limited (the Company) is a private limited Company domiciled in India and incorporated on June 22, 2017 under the provisions of the Companies Act, 2013 ("the Act"). The Company is registered with the Reserve Bank Of India ('RBI') under Section 45 IA of the RBI Act, 1934 as Non-Banking Finance Company (Non Deposit Accepting or Holding) (NBFC-ND) with effect from January 5, 2018.

I. Basis of preparation

1.1 Statement of Compliance

These standalone financial statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended notified under Section 133 of the Act, other relevant provisions of the Act.

These financial statements were authorised for issue by the Company's Board of Directors on April 27, 2021.

1.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity, are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non-Banking Financial Companies ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented separately.

Financial assets and financial liability are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis.

1.3 Functional and presentational currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakh (two decimals), unless otherwise indicated

1.4 Basis of Measurement

The financial statements have been prepared on the historical cost basis except for certain the financial instruments that are measured at fair values.
A historical cost is a measure of value used in accounting in which the price of an asset on the balance sheet is based on its nominal or original cost when acquired by the Company.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116.
Fair value measurements under Ind AS are categorised into fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access on measurement date.
• Level 2 inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
• Level 3 where unobservable inputs are used for the valuation of assets or liabilities.

1.5 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

a. Impairment of financial asset

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

The Company's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

b. Fair Value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

2. Significant accounting policies

2.1 Revenue recognition

A. Interest Income

Under Ind AS 109, interest income is recorded using the effective interest rate method for all financial instruments measured at amortised cost, financial instrument measured at Fair value through other comprehensive income ('FVOCI') and financial instrument measured at Fair Value Through Profit and Loss ('FVTPL'). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

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The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

When a financial asset becomes credit impaired and is, therefore, regarded as 'stage 3', the Company calculates interest income on the net basis. If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

B. Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

C. Fees and commission income

Arranger fees are recognised after the performance obligation in the contract is fulfilled and commission income such as guarantee commission, service income etc. are recognised on point in time or over the period basis, as applicable

D. Other interest income

Other interest income is recognised on a time proportionate basis

2.2 Financial instrument - initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument

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B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from this amount

C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised Cost
- FVOCI
- FVTPL

2.3 Financial assets and liabilities

A. Financial Assets

Business Model Assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as

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

Sole Payments of Principal and Interest (SPPI test)

As a second step of its classification process, the Company assesses the contractual terms of financial to identify whether they meet SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL

Accordingly, financial assets are measured as follows

i. Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

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A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans and advances are held to sale and collect contractual cash flows, they are measured at FVTOCI.

iii. Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL

iv. Investment in subsidiaries and alternate investment funds

The Company has accounted for its investments in subsidiaries at cost as per Ind AS 27 – Separate Financial Statements.

B. Financial Liabilities

Initial recognition and measurement

All financial liability are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method

2.4 Reclassification of financial assets and liabilities

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

2.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and condition

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a de-recognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

a. Financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

b. Financial liability

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

2.6 Impairment of financial assets

A. Overview of expected credit loss ('ECL') principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

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

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL.

Stage 3: Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

B. Calculation of ECLs

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

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

EAD: Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest

LGD: Loss Given Default ("LGD") is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those

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that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed

C. Loans and advances measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Forward looking information

In its ECL models, the Company relies on a forward looking macro parameters (GDP) and estimated the impact on the default at a given point of time.

2.7 Write offs

Financial assets are written off when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

2.8 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

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2.9 Property plant and equipment

A. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss

B. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company

C. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight Line method, and is generally recognised in the statement of profit and loss.

The Company follows estimated useful lives which are given under Part C of the Schedule II of the Act. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset Category	Estimated Useful Life
Computers and Accessories	3 Years
Leasehold Improvements	3 Years
Servers	6 Years
Office Equipment	5 Years
Furniture and Fixtures	10 Years

2.10 Intangible Assets

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the Straight line method, and is included in depreciation and amortisation in the Statement of Profit and Loss.

Asset Category	Estimated Useful Life
Computers software	4 Years

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2.11 Employee benefits

A. Post-employment benefits

Defined contribution plan
The Company's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees

Defined benefit plans

Gratuity
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss

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

B. Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

C. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- in case of non-accumulating compensated absences, when the absences occur

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D. Stock based compensation

The grant date fair value of equity settled share based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

2.12 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.
Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously

Deferred tax

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable

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entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.13 Leases

The Company as lessee
The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration to assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:
(i) the contract involves the use of an identified asset
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee.
Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.
ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.
Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.14 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method.

2.15 Cash and Cash Equivalents

Cash and cash equivalents comprises current account balances and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.16 Segment reporting- Identification of segments

An operating segment is a component of the Company that engages in business activities from which it many earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

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2.17 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity shareholders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive

2.18 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

2.19 Securities Premium Account

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

2.20 Goods and Services Input Tax Credit

Goods and Services tax input credit is recognised for in the books in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits.

2.21 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when:

(i) The Company has a present obligation (legal or constructive) as a result of a past event;

(ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

Contingent liability is disclosed in case of:

(i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or

(ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent Assets:

Contingent assets are not recognised in the financial statements.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.22 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for;

b) Uncalled liability on shares and other investments partly paid; and

c) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

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Note 3. Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Balances with banks:		
- In Current Accounts	13,817.64	3,157.89
(ii) Cheques on hand	-	66.42
Total	**13,817.64**	**3,224.31**

Note 4. Bank Balances other than cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
(i) In other Deposit accounts		
- original Maturity less than 3 months*	7,287.91	45,055.78
(ii) Earmarked balances with banks#		
- Deposits with Banks as Collateral	2,223.89	1,247.73
Total	**9,511.80**	**46,303.51**

*These deposits are earmarked against the bank overdraft availed by the Company stated in the note Note 15.

#Balance with banks in earmarked deposit accounts comprises deposits that have an original maturity exceeding 3 months as at balance sheet date and earns interest at fixed rate ranging from 4% p.a to 8.3% p.a.

Note 5. Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured - Considered Doubtful		
Outstanding for a period exceeding six months from the date due for payment	141.55	75.92
Less: Provision for impairment	(141.55)	(75.92)
Unsecured - Considered Good		
Outstanding for a period less than six months*	438.01	708.83
Less: Provision for impairment	(13.57)	-
Total	**424.44**	**708.83**

*Includes Dues from related parties, refer note 34

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. The above amount includes receivable from Vivriti Asset Management Private Limited amounting to Rs. 298.55 Lakhs, in which the directors of the Company are directors.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

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Note 6. Loans (At amortised cost)

Particulars	As at March 31, 2021	As at March 31, 2020
A. Based on Nature		
Term loans	160,308.18	82,241.70
Bills discounted	3,319.45	-
Loan to employees	36.97	46.27
Loan to ESOP trust	27.50	-
Loans and advances to related parties - Subsidiary (refer note 34)	-	900.00
Total - Gross	163,692.10	83,187.97
Less : Impairment loss allowance	(1,647.18)	(953.56)
Total - Net	**162,044.92**	**82,234.41**
B. Based on Security		
a. Secured by tangible assets (including advances against book debts)	145,128.93	82,241.70
b. Unsecured	18,563.17	946.27
Total - Gross	163,692.10	83,187.97
Less : Impairment loss allowance	(1,647.18)	(953.56)
Total - Net	**162,044.92**	**82,234.41**
Total	**162,044.92**	**82,234.41**

Note: All loans are in India and are granted to individuals or entities other than public sector.

The Company has provided Rs 30 lakh against the moratorium interest income recognised and collected earlier in line with the recent Supreme Court Judgement dated 23 March 2021 and RBI Circular 7 April 2021.

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Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts are in Rupees lakhs, unless stated otherwise)

Note 7. Investments

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in subsidiaries at cost (Unquoted)		
-Vivriti Asset Management Private Limited 10, 000 Equity shares of INR 10 each fully paid up (As at March 31, 2020: 1000 shares of INR 10 each)	2,751.00	1.00
-Credavenue Private Limited 10,000 Equity shares of INR 10 each fully paid up (Incorporated on August 21, 2020)	5,001.00	-
Investments in Alternate investment fund - FVTPL		
- Vivriti Samarth Bond Fund	99.49	100.00
- Vivriti Short Term Bond Fund	462.50	-
- Vivriti India Impact Bond Fund	351.02	-
Others - Unquoted - FVOCI		
-Non Covertible Debentures	11,885.29	8,225.91
-Pass Through Certificates	8,847.55	1,760.14
Total	**29,397.85**	**10,087.05**

All investments represented above are made in India

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Note 8. Others financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	255.42	193.83
Receivable from assigned loans	12.00	-
Other Advances	30.16	51.07
Total	**297.58**	**244.90**

Note 9. Current tax assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advance tax (net of provisions)	-	1,061.27
Total	-	**1,061.27**

Note 10. Deferred tax assets

Particulars	As at March 31, 2021	
	Asset	Liability
a) Provisions for employee benefit	82.42	-
b) Depreciation	52.96	-
c) Preliminary Expenses	2.15	-
d) Impairment of assets	573.86	-
e) Deferred lease asset	23.22	-
f) Amortised Fees Income	300.36	-
g) Fair valuation on financial instruments	-	23.73
Total	**1,034.97**	**23.73**
Net Deferred tax asset		**1,011.24**

Particulars	As at March 31, 2020	
	Asset	Liability
a) Provisions for employee benefit	46.80	-
b) Depreciation	21.15	-
c) Preliminary Expenses	3.22	-
d) Impairment of assets	254.48	-
e) Deferred lease asset	25.14	-
f) Amortised Fees Income	276.81	-
g) Fair valuation on financial instruments	5.58	-
Total	**633.18**	-
Net Deferred tax asset		**633.18**

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Note 11. Property, plant and equipment & Intangible Assets

Property, plant and equipment

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01, 2020	Additions	Deductions (Refer Note 37)	As at March 31, 2021	As at April 01, 2020	For the Year	Deductions (Refer Note 37)	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computers & Laptops	263.69	136.84	232.05	168.48	104.47	59.72	72.10	92.09	76.39	159.22
Office Equipments	128.65	-	-	128.65	54.16	29.55	-	83.71	44.94	74.49
Leasehold Improvements	364.98	56.34	-	421.32	210.38	107.69	-	318.07	103.25	154.60
Electrical Installations	149.82	2.61	-	152.43	29.16	17.67	-	46.83	105.60	120.66
Furniture & Fittings	196.78	13.71	-	210.49	39.84	20.42	-	60.26	150.23	156.94
Servers & Networks	92.16	-	-	92.16	28.56	16.19	-	44.75	47.41	63.60
Total	**1,196.08**	**209.50**	**232.05**	**1,173.53**	**466.57**	**251.24**	**72.10**	**645.71**	**527.82**	**729.51**

Intangible assets

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01, 2020	Additions	Deductions	As at March 31, 2021	As at April 01, 2020	For the Year	Deductions	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Software	151.85	0.12	-	151.96	26.01	35.65	-	61.66	90.30	125.84
Website	13.67	-	-	13.67	7.13	3.56	-	10.69	2.98	6.54
Total	**165.52**	**0.12**	**-**	**165.63**	**33.14**	**39.21**	**-**	**72.35**	**93.28**	**132.38**

Property, plant and equipment

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01, 2019	Additions	Deductions	As at March 31, 2020	As at April 01, 2019	For the Year	Deductions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Computers & Laptops	131.19	132.50	-	263.69	34.51	69.96	-	104.47	159.22	96.68
Office Equipments	128.55	0.10	-	128.65	26.31	27.85	-	54.16	74.49	102.25
Leasehold Improvements	266.40	98.58	-	364.98	98.36	112.02	-	210.38	154.60	168.04
Electrical Installations	145.35	4.46	-	149.82	13.97	15.19	-	29.16	120.66	131.38
Furniture & Fittings	195.06	1.72	-	196.78	19.42	20.41	-	39.83	156.95	175.64
Servers & Networks	76.25	15.90	-	92.16	13.66	14.91	-	28.57	63.59	62.60
Total	**942.81**	**253.27**	**-**	**1,196.08**	**206.23**	**260.34**	**-**	**466.57**	**729.51**	**736.58**

Intangible assets

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01, 2019	Additions	Deductions	As at March 31, 2020	As at April 01, 2019	For the Year	Deductions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Software	23.34	128.50	-	151.85	7.70	18.31	-	26.01	125.84	15.64
Website	13.67	-	-		3.56	3.57	-	7.13	(7.13)	10.11
Total	**37.01**	**128.50**	**-**	**151.85**	**11.27**	**21.88**		**33.14**	**118.71**	**25.75**

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Note 12. Others non financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid Expenses	227.35	164.37
Advance to vendors	133.69	48.34
Balance with Government Authorities	134.18	42.76
Deferred lease rentals	26.88	0.99
Total	**522.10**	**256.46**

Note 13. Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises *	1.72	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	821.13	197.24
Accrued Employee Benefit Expense	250.00	4.38
Total	**1,072.85**	**201.62**

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

Particulars	As at March 31, 2021	As at March 31, 2020
a) Amount outstanding but not due as at year end	1.72	-
b) Amount due but unpaid as at the year end	-	-
c) Amounts paid after appointed date during the year	0.50	-
d) Amount of interest accrued and unpaid as at year end	-	-
e) The amount of further interest due and payable even in the succeeding y	-	-

Note 14. Debt Securities (Measured at Amortised Cost)

Particulars	As at March 31, 2021	As at March 31, 2020
Redeemable Non-Convertible Debentures Medium-Term - Secured	39,953.41	30,446.55
Total	**39,953.41**	**30,446.55**
Debt securities in India	39,953.41	30,446.55
Debt securities outside India	-	-
Total	**39,953.41**	**30,446.55**

14.1 Security

(i) Redeemable Non-Convertible Debentures - Medium term is secured by way of exclusive charge over identified loan portfolio

(ii) The Company has not defaulted in the repayment of dues to its lendors during the current or previous period

(iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 14.2 based on the Contractual terms basis

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14.2 Details of Debentures - Contractual principal repayment value

Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put call option

Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at March 31, 2021	As at March 31, 2020
11.00% Vivriti Capital Private Limited - No put call option	< 1 year	19-Mar-21	Principal is Quarterly payment and Interest is Monthly payment	-	19,616.15
Market Linked Debentures - I	< 1 year	27-Sep-20	Principal and interest is Bullet payment	-	757.80
11.50% Vivriti Capital Private Limited	< 1 year	16-Aug-21	Principal is Quarterly payment and Interest is Monthly payment	1,004.46	3,016.01
Market Linked Debentures - II	< 1 year	13-Aug-21	Principal and interest is Bullet payment	603.04	542.51
10.75% Vivriti Capital Private Limited	2-3 years	31-Jul-23	Principal and interest is Half yearly payment	2,500.25	-
10.48% Vivriti Capital Private Limited	2-3 years	31-Jul-23	Principal is Quarterly payment and Interest is Monthly payment	1,923.38	-
Market Linked Debentures - III	1-2 years	27-Nov-22	Principal and interest is Bullet payment	1,023.46	-
10.00% Vivriti Capital Private Limited	< 1 year	16-Jun-21	Principal is Quarterly payment and Interest is Monthly payment	3,996.84	-
10.25% Vivriti Capital Private Limited	1-2 years	16-Jun-22	Principal is Quarterly payment and Interest is Monthly payment	1,995.58	-
10.71% Vivriti Capital Private Limited	1-2 years	05-Jul-22	Principal is bullet payment and interest is monthly payment	3,972.53	
9.90% Vivriti Capital Private Limited	1-2 years	25-Aug-22	Principal is monthly payment and interest in monthly payment	7,500.00	

Secured Redeemable Non-Convertible Debentures - Redeemable at par - With call option

Debt Reference	Remaining maturity	Due date of redemption	Terms of repayment	As at March 31, 2021	As at March 31, 2020
12.96% Vivriti Capital Private Limited	1-2 years	03-Mar-23	Principal is bullet payment and interest is monthly payment	2,541.54	2,517.92
12.12% Vivriti Capital Private Limited	1-2 years	26-Aug-22	Principal is Bullet payment and Interest is Half yearly payment	2,036.25	3,996.16
10.57% Vivriti Capital Private Limited	2-3 years	10-Feb-24	Principal is Quarterly payment and Interest is Monthly payment	1,013.19	-
Market Linked Debentures - IV	1-2 years	29-Jul-22	Principal and interest is Bullet payment	4,947.58	-
Market Linked Debentures - V	1-2 years	16-Oct-22	Principal and interest is Bullet payment	4,895.33	-

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Note 15. Borrowings (Other Than Debt Securities) - At amortised cost

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loans from Banks (Refer note 15.1 and 15.2 below)	58,882.55	17,639.16
Term Loans from other parties		
Financial institutions (Refer note 15.1 and 15.2	23,180.30	19,255.40
Securitisation (Collateralised debt obligation) (Refer note 15.3)	3,554.33	1,514.73
Loan Repayable on Demand		
From Banks (Overdraft) (Refer note 15.1 (ii) below)	7,247.46	7,808.87
Working capital demand loans from Banks (Cash Credit) (Refer note 15.1 (iii) below)	4,000.00	1,000.00
Total (A)	**96,864.64**	**47,218.16**
Borrowings in India	96,864.64	47,218.16
Borrowings outside India		-
Total (B)	**96,864.64**	**47,218.16**

15.1 Security

(i) Loans from banks and financial institutions are secured by first ranking and exclusive charge over identified receivables and guaranteed by directors of the Company.

(ii) Rate of interest payable on bank overdraft varies from 3.05% p.a to 3.4% p.a (March 31, 2020: 4.5% p.a to 5.8% p.a). The Company has taken bank overdraft against the deposit balances, refer note 4

(iii) Rate of interest payable on cash credit loans is 10.30% p.a. (March 31, 2020: 11% p.a.)

15.2 Details of term loans - Contractual principal repayment value

Rate of Interest	Maturity	Amount outstanding	
		31-Mar-21	31-Mar-20
6.57% to 12%	< 1 year	4,816.17	5,082.55
	1-2 years	21,031.96	14,906.95
	2-3 years	11,025.49	829.10
	3-4 years	7,362.32	-
Total		**44,235.93**	**20,818.60**
Base rate / MCLR + Spread (.5% to 4.75%)	< 1 year	5,346.10	2,607.78
	1-2 years	15,930.90	3,589.10
	2-3 years	2,658.79	9,879.09
	3-4 years	13,891.12	-
Total		**37,826.92**	**16,075.97**

15.3 Details of Securitisation

Rate of Interest	Maturity	Amount outstanding	
		31-Mar-21	31-Mar-20
11.25%	< 1 year	2,815.36	-
11.97%	< 1 year	738.97	903.35
	1-2 years	-	611.38
	2-3 years	-	-
Total		3,554.33	1,514.73

Collateralised debt obligation represent amount received against term loans securitised, which does not qualify for derecognition. The Company is expected to recover the same within a period of 1 year.

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Note 16. Other financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liability	1,038.49	1,311.92
Payable to Customers	27.36	22.57
Amounts payable on assets derecognised	189.27	-
Payable to capital creditors	12.38	929.25
Total	**1,267.50**	**2,263.74**

Note 17. Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision on non-fund exposure	392.34	120.93
Provision for Employee Benefits		
- Gratuity	18.08	35.82
- Compensated Absences	59.42	150.15
Provision for CCPS dividend	-	0.01
Total	**469.84**	**306.91**

Note 18. Other non-financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Remittances	173.18	80.42
Total	**173.18**	**80.42**

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Note 19a. Equity Share Capital

Particulars	As at March 31, 2021	As at March 31, 2020
AUTHORISED		
1,59,00,000 (As at March 31, 2020: 1,59,00,0000 shares) Equity Shares of Rs 10 each	**1,590.00**	**1,590.00**
ISSUED, SUBSCRIBED AND FULLY PAID UP		
1,56,41,010 (As at March 31, 2020: 1,44,89,600 shares) Equity shares of Rs. 10 each	1,564.10	1,448.97
Less: Shares held under Vivriti ESOP Trust	(417.71)	(318.95)
	1,146.39	**1,130.02**

Equity Shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
As at the beginning of the year	14,489,700	1,448.97	13,689,600	1,368.96
Issued during the year				
Under Employee stock option (ESOP) scheme	1,151,310	115.13	800,000	80.00
Others	-	-	100	0.01
As at the end of the year	**15,641,010**	**1,564.10**	**14,489,700**	**1,448.97**

Equity shares held by the trust

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
As at the beginning of the year	3,189,500	318.95	2,389,500	238.95
Issued during the year	987,560	98.76	800,000	80.00
As at the end of the year	**4,177,060**	**417.71**	**3,189,500**	**318.95**

Details of shareholders holding more than 5 percent shares in the Company are given below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	%	Number	%
Vineet Sukumar	4,900,000	31%	4,900,000	34%
Gaurav Kumar	4,900,000	31%	4,900,000	34%
Vivriti ESOP Trust	4,177,060	27%	3,189,500	22%

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

Terms/Rights attached to equity shares:
The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Note 19 b. Convertible Non-participating Preference Share Capital

Particulars	As at March 31, 2021	As at March 31, 2020
AUTHORISED		
8,34,37,063 (As at March 31, 2020: 78,348,035) Compulsorily Convertible Preference Shares of Rs. 10 each	8,343.71	7,834.80
850,000 (As at March 31, 2020: 850,000 shares) Optionally Convertible Redeemable Preference Shares of Rs. 60 each	510.00	510.00
	8,853.71	**8,344.80**
ISSUED, SUBSCRIBED AND FULLY PAID UP		
8,34,20,634 (As at March 31, 2020: 7,76,23,698) 0.001% Compulsorily Convertible Preference Shares of Rs. 10 each	8,342.06	7,762.37
ISSUED, SUBSCRIBED AND PARTIALLY PAID UP		
8,11,402 of Re. 1 each paid up (As at March 31, 2020: 8,11,402 of Re.1 each paid up) Optionally Convertible Redeemable Preference shares	8.11	8.11
	8,350.17	**7,770.48**

Compulsorily Convertible Redeemable Preference Shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
As at the beginning of the year	77,623,698	7,762.37	47,004,932	4,700.49
Issued during the year	5,796,936	579.69	30,618,766	3,061.88
As at the end of the year	**83,420,634**	**8,342.06**	**77,623,698**	**7,762.37**

Optionally Convertible Redeemable Preference Shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
As at the beginning of the year	811,402	8.11	-	-
Issued during the year	-	-	811,402	8.11
As at the end of the year	**811,402**	**8.11**	**811,402**	**8.11**

Details of preference shareholders holding

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	%	Number	%
Creation Investments LLC	63,266,409	76%	57,469,473	74%
Lightrock Growth Fund I S.A (Formerly known as Lightstone Fund SA)	10,077,112	12%	20,154,225	26%
Financial Investments SPC (affiliate of Lightrock Growth Fund I S.A., SICAV-RAIF)	10,077,113	12%	-	-

Notes:

During the year ended, the Company has issued 57,96,936, 0.001% Compulsorily Convertible Preference Shares ("CCPS") of face value Rs. 10/- aggregating Rs. 579.69 Lakhs which are convertible into equity shares at the option of CCPS holder during the conversion period.

Conversion of CCPS into equity shares will be as per the respective shareholders agreement and are treated pari-passu with equity shares on all voting rights. The CCPS if not converted by the preference shareholders shall be compulsorily converted into equity shares upon any of the following events

a. In connection with an IPO, immediately prior to the filing of red herring prospectus (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable law at the relevant time, and

b. By delivering a Conversion Notice at any time during the relevant Conversion Period as per the respective shareholders agreement.

The CCPS holders have a right to receive dividend, prior to the Equity shareholders and will be cumulative if preference dividend is not declared or paid in any year. The Company has bifurcated Equity and liability component on CCPS and shown entire conversion portion as Equity above and coupon on CCPS as liability under provision.

Lightstone Fund SA has changed its name to Lightrock Growth Fund I S.A., SICAV-RAIF, with effective from March 9, 2021.

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Note 20. Other equity

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Reserve		
Balance at the beginning of the year	242.38	36.56
Add: Transfer from retained earnings	600.10	205.82
Balance at the end of the year	**842.48**	**242.38**
Securities Premium		
Balance at the beginning of the year	56,753.60	18,282.85
Add : Premium received on shares issued during the year	11,371.50	39,931.41
Less : Utilised during the year for writing off share issue expenses	(154.73)	(967.30)
Less : Amount recoverable from Vivriti ESOP Trust	(1,873.12)	(493.36)
Balance at the end of the year	**66,097.25**	**56,753.60**
Employee Stock Option Reserve		
Balance at the beginning of the year	84.46	11.79
Add: Stock compensation expense during the year	138.40	72.67
Add: Recoverable from subsidiaries	176.85	-
Balance at the end of the year	**399.71**	**84.46**
Other Comprehensive Income		
Balance at the beginning of the year	**4.67**	**(4.39)**
Add/ (Less) : Remeasurement of net defined benefit liability	(11.31)	9.06
Less: Transfer to retained earnings	6.65	-
Add/ (Less) : Fairvaluation of investment in debt instruments (net)	124.00	(16.44)
Add: Transfer from retained earnings pertaining to prior years	11.47	16.44
Balance at the end of the year	**135.47**	**4.67**
Retained earnings		
Balance at the beginning of the year	360.42	(446.40)
Add : Profit/ (Loss) for the year	3,000.51	1,029.09
Add/ (less) : Transfer from other comprehensive income	(6.65)	(16.44)
Add/ (less) : Transfer to other comprehensive income	(11.47)	-
Less: Transfer to Statutory reserve	(600.10)	(205.82)
Less: Preference Dividend for CCPS	-	(0.01)
Balance at the end of the year	**2,742.71**	**360.42**
TOTAL	**70,217.61**	**57,445.53**

Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")
Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc in accordance with the provisions of the Companies Act, 2013.

Employee stock option reserves
The Company has stock option schemes under which options to subscribe for the Company's shares have been granted to eligible employees and key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments.

Other comprehensive income
a. The Company has elected to recognise changes in the fair value of investments in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within equity.

b. Remeasurement of the net defined benefit liabilities comprise actuarial gain or loss, return on plan assets excluding interest and the effect of asset ceiling, if any.

Retained earnings
Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. This reserve is free reserves which can be utilised for any purpose as may be required

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Note 21. Interest Income

Particulars	Year ended March 31, 2021		
	On Financial Assets measured at Amortised Cost	On Financial Assets classified at FVOCI	Total
Interest on Loans	17,192.40	-	17,192.40
Interest income from investments	1,785.62	517.10	2,302.72
Interest on deposits	629.14	-	629.14
Total	**19,607.16**	**517.10**	**20,124.26**

Particulars	Year Ended March 31, 2020		
	On Financial Assets measured at Amortised Cost	On Financial Assets classified at FVOCI	Total
Interest on Loans	9,764.92	-	9,764.92
Interest income from investments	1,242.50	249.89	1,492.39
Interest on Inter Corporate deposits	2.26	-	2.26
Interest on deposits	94.26	-	94.26
Total	**11,103.94**	**249.89**	**11,353.83**

Note 22. Fees and commission Income

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Fee and Commission Income	1,728.03	3,407.61
Total	**1,728.03**	**3,407.61**

Note 23. Net gain on fair value change on financial instruments

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Net gain on fair value changes	73.90	12.74
Total	**73.90**	**12.74**

Note 24. Other Income

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Interest on Rental Deposit	12.43	10.54
Rental income (refer note 34)	171.10	4.66
Interest on IT Refund	11.43	-
Liabilities no longer required written back	-	26.36
Reimbursement of expenses (refer note 34)	379.09	0.02
Total	**574.05**	**41.58**

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Note 25. Finance costs

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Interest on borrowings	5,745.42	2,442.78
Interest on Bank Overdraft	164.56	19.02
Interest on debt securities	3,377.59	3,583.09
Finance cost on Rental Deposit	11.98	10.26
Interest on discounting of financial instrutments	135.67	172.60
Total	**9,435.22**	**6,227.75**

Note 26. Impairment on financial instruments

Particulars	Year Ended March 31, 2021				
	Stage 1	Stage 2	Stage 3	Amount written off	Total
Loans - measured at cost	486.12	-	96.55	950.51	1,533.18
Investments - measured at FVOCI and FVTPL	53.05	-	-	389.86	442.91
Financial guarantee	129.84	-	262.50	542	934.45
Trade receivables	79.20	-	-	-	79.20
Total	**748.21**	**-**	**359.05**	**1,882.48**	**2,989.74**

Particulars	Year Ended March 31, 2020			
	Stage 1	Stage 2	Stage 3	Total
Loans - measured at cost	275.06	-	495.97	771.03
Investments - measured at FVOCI	0.43	-	-	0.43
Financial guarantee	119.73	-	-	119.73
Trade receivables	75.92	-	-	75.92
Total	**471.14**	**-**	**495.97**	**967.11**

Note 27. Employee benefit expense

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Salaries and Bonus	3,423.99	3,396.50
Contribution to provident and other funds	80.04	96.71
Staff Training and Welfare Expenses	17.72	79.02
Gratuity expenses	8.78	20.72
Share Based Payments to employees	138.40	72.67
Total	**3,668.93**	**3,665.62**

Note 28. Depreciation and amortisation expense

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Depreciation and amortisation expense	680.38	665.85
Total	**680.38**	**665.85**

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Note 29. Other expenses

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Administrative Expenses	6.82	6.18
Advertisment Expenses	-	21.50
Auditor's Remuneration (refer note 29.1)	44.65	35.03
Communication Expenses	49.83	35.85
Director Sitting Fees	26.16	19.00
Corporate social responsibility expenditure (refer note 29.2)	10.94	-
Insurance	93.16	46.79
Maintenances of Premises	181.62	180.80
Other Expenses	173.05	155.34
Professional Fees	523.93	308.25
Rates and Taxes	20.71	190.42
Recruitment related Fees	47.71	308.75
Subscription expenses	7.98	7.34
IT Cost	375.43	251.76
Travelling Expenses	109.46	292.47
Investor meet Expenses	-	41.64
Total	**1,671.45**	**1,901.12**

Note 29.1: Auditor's Remuneration

As auditor	Year ended March 31, 2021	Year Ended March 31, 2020
Statutory audit	22.00	14.00
Tax audit	2.00	10.50
Other services	20.65	10.53
Total	**44.65**	**35.03**

Note 29.2: Details of CSR expenditure

As auditor	Year ended March 31, 2021	Year Ended March 31, 2020
Gross amount required to be spent towards CSR u/s 135(5) of Companies Act, 2013	10.94	-
Gross amount spent during the year		
a) Construction / acquisiton of asset	-	-
b) Others	8.11	-

Note 30. Income Tax

The components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Current tax	1,481.97	666.93
Deferred tax relating to origination and reversal of temporary differences	(415.96)	(320.77)
Adjustment in respect of current income tax of prior years	-	13.06
Total Tax charge	**1,066.01**	**359.22**

During the previous year, the promulgated Taxation Law (Amendment) Ordinance 2019 has inserted section 115BBA in the Income Tax Act, 1961 providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The Company has irreversibly opted for the new tax rate i.e. 25.17%.

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30-1 Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years March 31, 2021 and 2020 are, as follows

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Accounting profit before tax	4,066.52	1,388.31
At India's statutory income tax rate of 25.17% (March 31, 2020: 25.17%)	1,023.54	349.44
Adjustment in respect of current income tax of prior years	-	13.06
Effect of enacted tax rate on Deferred tax	-	(3.28)
Others (On account of transfer of assets and liabilities)	42.47	-
Income tax expense reported in the statement of profit and loss	**1,066.01**	**359.22**

The effective income tax rate for March 31, 2021 26.21% is (March 31, 2020: 25.87%)

Note 31. Earnings Per Share

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Profit after tax	**3,000.51**	**1,029.09**
Weighted average number of equity shares (Basic)	15,420,211	13,989,878
Add: Dilutive effect relating to convertible shares	68,564,356	56,295,642
Earnings per share - Basic INR	19.46	7.36
Earnings per share - Diluted INR	3.57	1.46
Face value per share INR	**10.00**	**10.00**

Note:

Earnings per Share calculations are done in accordance with Ind AS 33 "Earnings per Share"

Note 32. Retirement Benefit

Defined contribution plans

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The Calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the following risks:

Interest rate risk: A fall in the discount rate, which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level may increase the plan's liability

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds

If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

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Asset Liability Matching (ALM) Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Defined Benefit Obligation at the beginning of the year	35.82	27.57
Service cost	6.25	18.85
Interest cost	2.53	1.87
Acquisitions/Divestures/Transfer	(41.63)	-
Return on plan assets (excluding amounts included in net interest expense)		-
Actuarial changes arising from changes in demographic assumptions	15.69	8.49
Actuarial changes arising from changes in financial assumptions	(0.57)	(32.13)
Experience adjustments	-	11.17
Contributions by employer	-	-
Defined Benefit Obligation at the end of the year	**18.08**	**35.82**
Fair Value of Plan Assets as at the End of the Year	-	-
Defined benefit obligation at the End of the Year	18.08	35.82
Amount Recognised in the Balance Sheet under Provisions	**18.08**	**35.82**
Cost of the Defined Benefit Plan for the Year		
Current Service Cost	6.25	18.85
Net interest Expense	2.53	1.87
Expected Return on Plan Assets	-	-
Net Cost recognized in the statement of Profit and Loss	**8.78**	**20.72**
Re-measurement Losses/(Gains)		
a) Effect of changes in financial assumptions	(0.57)	(32.13)
b) Effect of experience adjustments	-	11.17
c) Effect of changes in demographic assumptions	15.69	8.49
Net cost recognized in Other Comprehensive Income	**15.12**	**(12.47)**

Assumptions		
Discount rate	6.79%	6.79%
Future salary increase	3.00%	3.00%
Attrition Rate	5.00%	10.00%
Mortality	0.9 - 3.82%	1-3.75%

Sensitivity analysis

Particulars Sensitivity Level	As at March 31, 2021	As at March 31, 2020
Impact on defined benefit obligation (in ₹)		
1) Discount Rate		
1% increase	(1.91)	(5.02)
1% decrease	2.26	6.19
2) Future Salary Increases		
1% increase	2.23	6.28
1% decrease	(1.91)	(5.14)
3) Employee Turnover		
1% increase	0.33	0.81
1% decrease	(0.43)	(1.17)

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Maturity Analysis of benefit payments

Particulars	As at March 31, 2021	As at March 31, 2020
Within the next 12 months (next annual reporting period)	0.04	0.09
Between 2 and 5 years	0.04	0.37
Between 6 and 10 years	0.04	0.48
Beyond 10 years	17.96	34.88
Total expected payments	**18.08**	**35.81**

Notes:

The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 33. Segment Information

The Company has been operating only in one segment viz. financing activities and the operations being only in India, the disclosure requirements of Ind AS 108 is not applivable

Note 34. Related Party information

List of related parties where control exists

Subsidiary Companies		Vivriti Asset Management Private Limited Credavenue Private Limited (Incorporated on August 21, 2020)
Key Management Personnel		Mr. Vineet Sukumar, Managing Director Mr. Gaurav Kumar, Managing Director Mr. John Tyler Day, Nominee Director Mr. Kenneth Dan Vander Weele, Nominee Director Ms. Namrata Kaul, Independent Director Mr. Kartik Srivatsa, Nominee Director (appointed on May 30, 2020) Mr. Sridhar Srinivasan, Independent Director (resigned on August 28, 2020)
Entity in which KMP is a Director	Mr. Vineet Sukumar, Managing Director	1. Vivriti Asset Management Private Limited 2. Credavenue Private Limited
	Mr. Gaurav Kumar, Managing Director	1. Vivriti Asset Management Private Limited 2. Credavenue Private Limited

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a) Transactions with related parties

Particulars	31-Mar-21	31-Mar-20
Interest Income		
Vivriti Asset Management Private Limited	201.65	2.75
Rent income		
Vivriti Asset Management Private Limited	2.48	4.66
Credavenue Private Limited	168.62	-
Reimbursement of expenses		
Vivriti Asset Management Private Limited	**3.36**	160.92
Credavenue Private Limited	374.62	-
Platform fees expense:		
Credavenue Private Limited	396.84	-
Sale of fixed assets		
Credavenue Private Limited	159.95	-
Transfer of Provision for Employee Benefits		
Credavenue Private Limited	329.51	-
Employee share option recoverable		
Credavenue Private Limited	160.60	-
Fees and commission income:		
Vivriti Asset Management Private Limited	11.45	-
Credavenue Private Limited	69.71	-
Loan Given		
Vivriti Asset Management Private Limited	500.00	900.00
Loans repaid		
Vivriti Asset Management Private Limited	1,400.00	-
Equity contribution		
Vivriti Asset Management Private Limited	2,750.00	1.00
Credavenue Private Limited	5,001.00	-
Remuneration paid		
Mr. Vineet Sukumar	194.69	137.50
Mr. Gaurav Kumar	194.69	137.50
Directors Sitting fees		
Mr. Sridhar Srinivasan	8.25	8.00
Ms. Namrata Kaul	13.80	11.00

b) Balances with related parties

Particulars	31-Mar-21	31-Mar-20
Loan outstanding		
Vivriti Asset Management Private Limited	-	900.00
Interest accrued but not due on loan		
Vivriti Asset Management Private Limited	-	2.75
Trade payables		
Credavenue Private Limited	131.09	-
Trade receivables		
Vivriti Asset Management Private Limited	298.56	160.92

Notes:

1. There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
2. The transactions disclosed above are exclusive of GST

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Note 37

During the current year, the Company has formed its wholly-owned subsidiary Credavenue Private Limited as on August 21, 2020 and has transferred certain fixed assets, employees and related liabilities.

Note 38. Events after reporting date

There have been no event after the reporting date that require disclosure in the financial statements.

Note 39. Fair Value Measurements

Valuation Principles : Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e. exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instrument by category

The carrying value and fair value of financial instruments measured at fair value as of March 31, 2021 were as follows

Particulars	Carrying Value		Fair Value			
	FVTPL	FVOCI	Level 1	Level 2	Level 3	Total
Investment in Non Convertible Debentures	-	11,885.29	-	11,885.29	-	11,885.29
Investment in Pass Through Securities	-	8,847.55	-	8,847.55	-	8,847.55
Investment in Alternate Investment Fund	913.01	-	-	-	913.01	913.01

The carrying value and fair value of financial instruments measured at fair value as of March 31, 2020 were as follows

Particulars	Carrying Value		Fair Value			
	FVTPL	FVOCI	Level 1	Level 2	Level 3	Total
Investment in Non Convertible Debentures	-	8,225.91	-	8,225.91	-	8,225.91
Investment in Pass Through Securities	-	1,760.14	-	1,760.14	-	1,760.14
Investment in Alternate Investment Fund	100.00	-	-	-	100.00	100.00

Reconciliation of fair value measurement is as follows:

Particulars	For the Year Ended	
	31-Mar-21	31-Mar-20
Financial instruments measured at FVOCI		
Balance at the beginning of the year	11.47	27.91
Total loss measured through OCI	124.00	(16.44)
Balance at the end of the year	135.47	11.47

Note - Above balances are net of taxes

Sensitivity Analysis - Increase / Decrease by 1%

Particulars	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Investment in Non Convertible Debentures	(93.00)	194.63	(268.07)	202.26
Investment in Pass Through Securities	(2.72)	95.63	0.58	32.44
Investment in Alternate Investment Fund	17.43	8.42	(1.00)	1.00

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The carrying value and fair value of other financial instruments by categories as of March 31, 2021 were as follows:

Particulars	Carry Value	Fair Value			
	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value					
Cash and cash equivalents	13,817.64	-	13,817.64	-	13,817.64
Bank Balances other than above	9,511.80	-	9,511.80	-	9,511.80
Receivables	424.44	-	-	424.44	424.44
Loans	162,044.92	-	-	149,935.80	149,935.80
Investment	7,752.00	-	-	7,752.00	-
Other financial assets	30.16	-	-	30.16	30.16
Financial Liabilities not measured at fair value					
Trade payables	1,072.85	-	-	1,072.85	1,072.85
Debt Securities	39,953.41	-	-	39,953.41	39,953.41
Borrowings (Other than Debt Securities)	96,864.64	-	-	96,864.64	96,864.64
Other financial liabilities	1,267.50	-	-	1,267.50	1,267.50

The carrying value and fair value of other financial instruments by categories as of March 31, 2020 were as follows:

Particulars	Carry Value	Fair Value			
	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value					
Cash and cash equivalents	49,468.71	-	49,468.71	-	49,468.71
Bank Balances other than above	59.11	-	59.11	-	59.11
Receivables	701.40	-	-	701.40	701.40
Loans	82,215.04	-	-	75,528.47	75,528.47
Investment	1.00	-	-	1.00	-
Other financial assets	228.33	-	-	228.33	228.33
Financial Liabilities not measured at fair value					
Trade payables	201.62	-	-	201.62	201.62
Debt Securities	30,446.55	-	-	30,446.55	30,446.55
Borrowings (Other than Debt Securities)	47,218.16	-	-	47,218.16	47,218.16
Other financial liabilities	951.82	-	-	951.82	951.82

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The Company lend term loans at fixed & floating rates and the fair valuation is disclosed above.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

There has been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2021 and 2020. The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.
The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, etc.) at fair value.

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

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Note 40. Capital Management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period.

The primary objectives of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The company monitors capital using adjusted net debt (total borrowings net of cash and cash equivalents) to equity ratio.

Particulars	As at March 31, 2021	As at March 31, 2020
Gross Debt	136,818.05	77,664.71
Less: Cash and cash equivalents	13,817.64	3,224.31
Adjusted debt	123,000.41	74,440.40
Total Equity	79,714.17	66,346.03
Adjusted debt equity ratio	1.54	1.12

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

40.1 Regulatory capital

Particulars	31-Mar-21	31-Mar-20
Tier I capital	77,860.24	65,436.98
Tier II capital	1,189.70	353.85
Total Capital	**79,049.94**	**65,790.83**
Risk weighted assets	196,087.45	102,031.29
Capital to Risk Weighted Asset Ration(CRAR) - Tier I	39.71%	64.13%
Capital to Risk Weighted Asset Ration(CRAR) - Tier II	0.61%	0.35%
Capital to Risk Weighted Asset Ration(CRAR) - Total	**40.31%**	**64.48%**

40.2 Risk Management

The Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

40.2.1 Risk Management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has appointed the Supervisory Board which is responsible for monitoring the overall risk process within the Company and reports to the Audit Committee.

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The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Supervisory Board.

The Risk Management Unit is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with and reports to the Risk Committee, to ensure that procedures are compliant with the overall framework.

The Risk Controlling Unit is responsible for monitoring compliance with risk principles, policies and limits across the Company. Each business Company has its own unit which is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks of new products and structured transactions. It is the Company's policy that this unit also ensures the complete capture of the risks in its risk measurement and reporting systems. The Company's policy also requires that exceptions are reported on a daily basis, where necessary, to the Risk Committee, and the relevant actions are taken to address exceptions and any areas of weakness.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company's policy is that risk management processes throughout the Company are audited annually by the Internal Audit function, which examines both the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Supervisory Board and Audit Committee.

The company has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business, the company is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the company's effective management practice.

40.2.2 Risk Measurement and reporting systems

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Company also runs worst-case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Company. These limits reflect the business strategy and market environment of the Company as well as the level of risk that the Company is willing to accept, with additional emphasis on selected industries. In addition, the Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the businesses is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Board of Directors, the Risk Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, VaR, liquidity ratios and risk profile changes. On a monthly basis, detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for credit losses on a monthly basis. The Supervisory Board receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Company.

At all levels of the Company's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up-to-date information.

It is the Company's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Company on the utilisation of market limits, analysis of VaR, proprietary investments and liquidity, plus any other risk developments.

Stress testing is a fundamental pillar of the Company's risk management toolkit, to simulate various economic stress scenarios to help the Company set and monitor risk appetite and to ensure that the Company maintains a conservative risk profile. The outcome of tests is embedded into the individual credit, liquidity and funding risk profiles through limits and mitigation contingency plans and includes both financial and regulatory measures.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

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40.3 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit risk department of the Company's independent Risk Controlling Unit. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit risk managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit risk manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

40.3.1 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

Grouping

As per Ind AS 109, the Company is required to group the portfolio based on the shared risk characteristics. The Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups namely Loans, investments in pass through securities, investment in non-convertible debentures, colending and partial guarantees towards pooled bond & loan issuances.

Expected Credit Loss("ECL")

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probity is low. ECL is calculated based on the following components: a. Marginal probability of default ("MPD") b. Loss given default ("LGD") c. Exposure at default ("EAD") d. Discount factor ("D")

Expected Credit Losses are measured via a combination of Monte Carlo Simulations across three major cohorts of exposure and the losses across these three cohorts are then added and loss distribution is used to arrive at Expected Credit Loss (ECL)

- 12 month expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments on Stage I assets
- Lifetime expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments which have either become NPA (Stage III) or have displayed significant increase in credit risk (Stage II assets)
- Partial Guarantee product losses wherein a partial guarantee is extended to a pool of issuers- in this case; the entire EAD of all the issuances is considered to arrive at expected credit losses.

a) Marginal probability of default: PD is defined as the probability of whether borrowers will default on their obligations in the future. PD is derived from the external rating of the borrower by following steps:

1) To arrive at the PD, the annual default study published by rating agencies is relied upon. The default numbers published against each rating category in different studies are then aggregated to arrive at internal PD matrix for each rating category
2) The PD numbers published are on an annual scale and since the exposure of the instruments are on monthly basis, the monthly PD is then interpolated on a monthly basis by fitting the data points from annual PD curve using cubic splines.
3) Finally, the Through the Cycle (TTC) PDs are converted to Point in Time (PIT) PDs using forward looking variables (GDP etc) using combinations of correlation of underlying sectors asset quality and Pluto Tasche model.
4) The PDs derived from the methodology described above, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to 12 month marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year

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b) Loss Given Default (LGD): LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD.
The Company has considered an LGD of 65% on unsecured exposures and 50% on secured exposures as recommended by the Foundation Internal Ratings Based (FIRB) approach under Basel II guidelines issued by RBI.

Refer Note 40.8 to assess the impact of COVID-19

c) Exposure at Default (EAD): As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments.

The Company has considered outstanding expected future cash flows (including interest cashflows) , SLCE for all the loans at DPD bucket level for each of the risk segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. So discounting was done for computation of expected credit loss.

EAD is taken as the gross exposure under a facility upon default of an obligor. The amortized principal and the interest accrued is considered as EAD for the purpose of ECL computation
The advances have been bifurcated into following three stages:
Stage I – Advances with low credit risk and where there is no significant increase in credit risk. Hence, the advances up to 0 to 29 days are classified as Stage I.
Stage II – Advances with significant increase in credit risk. Hence the advances from 30 to 89 days are classified as Stage II.
Stage III – Advances that have defaulted / Credit impaired advances. Hence the advances with 90 days past due or Restructured Advances are classified as Stage III. Another loan of the same borrower whether in Stage I or Stage II is also considered as Stage III loan.

Note - Days past due has been computed after considering the RBI Circular dated March 27, 2020, for the aforesaid classification into Stage I, Stage II and Stage III Loans.

The Company had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers. The Company has recognised for interest on interest for the moratorium cases.

d) Discounting Factor: As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate which is obtained from the underlying yield (inclusive of processing fee) for each instrument.

Additionally, the model also uses correlation matrix for deriving correlation in events of stress between different borrowers in same segment.
Correlation Matrix: This provides correlation between different entities/sectors which are present in the structure. When defaults are simulated on the portfolio, these entities in same or different sectors default together to the extent of strength of correlation. The correlation between two entities is derived as follows

- Inherently, the entire NBFC sector carries a bit of correlation in terms of liquidity risk- in event of stress, we see the liquidity vanishing from NBFC sector very quickly
- There is slight overlap between entities operating in the same sector- for example event like GST and demonetization did impact all small business loans establishments, although to a varying extent
- For microfinance sector, since the loans are more homogenous, geopolitical, and social issues do tend to dominate majority of stress events and hence geographically exclusivity will help
- Occupation profiles of the underlying borrowers served by entities

ECL computation: Conditional ECL at DPD pool level was computed with the following method: Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

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40.4 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The company's exposure to market risk is a function of asset liability management activities. The company is exposed to interest rate risk and liquidity risk.

The Company continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

40.5 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

The operational risks of the company are managed through comprehensive internal control systems and procedures and key backup processes. In order to further strengthen the control framework and effectiveness, the company has established risk control self assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing
enterprise exposure.

The company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the company's readiness.

40.6 Liquidity Risk

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The company also has lines of credit that it can access to meet liquidity needs.

Refer Note No 41 for the summary of maturity profile of undiscounted cashflows of the company's financial assets and financial liabilities as at reporting period.

40.7 Interest Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the company is providing loans to Institutional Finance. The Company borrows through various financial instruments to finance its core lending activity. These activities expose the company to interest rate risk.
Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis. Substantially all loans reprice frequently, with interest rates reflecting current market pricing.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Company's statement of profit and loss and equity.

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As at March 31, 2021

Currency	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
Lendings	25 Basis point Up	Impact on Profit before Tax	460.04	Impact on Equity	344.25
	50 Basis point Up		920.08		688.50
	25 Basis point Down		(460.04)		(344.25)
	50 Basis point Down		(920.08)		(688.50)

Currency	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
Borrowings	25 Basis point Up	Impact on Profit before Tax	(325.15)	Impact on Equity	(243.31)
	50 Basis point Up		(650.30)		(486.62)
	25 Basis point Down		325.15		243.31
	50 Basis point Down		650.30		486.62

As at March 31, 2020

Currency	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
Lendings	25 Basis point Up	Impact on Profit before Tax	204.72	Impact on Equity	153.20
	50 Basis point Up		409.45		306.39
	25 Basis point Down		(204.72)		(153.20)
	50 Basis point Down		(409.45)		(306.39)

Currency	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
Borrowings	25 Basis point Up	Impact on Profit before Tax	(191.39)	Impact on Equity	(143.22)
	50 Basis point Up		(382.79)		(286.44)
	25 Basis point Down		191.39		143.22
	50 Basis point Down		382.79		286.44

40.8 The impact assessment of COVID-19

The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial statements includes the potential impact of the COVID-19 pandemic on the Company's financial statements which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability's on the Company's assets.

Further, the Company has, based on current available information and based on the policy approved by the board, determined the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's management has considered all information available upto the date of approval of these financial statements. Accordingly, the Company has made provision for expected credit loss on financial assets as at March 31, 2021. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

The extent to which the COVID-19 pandemic will further impact the Company's financial statement will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial Statements and the Company will continue to closely monitor any material changes to future economic conditions.

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Note 41. Maturity analysis of financial assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. They have been classified to mature and/or be repaid within 12 months. With regards to loans and advances to customers, the Company uses the same basis of expected repayment as used for estimating the EIR.

Particulars	As at March 31, 2021			As at March 31, 2020		
ASSETS	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Financial Assets						
Cash and cash equivalents	13,817.64	-	13,817.64	3,224.31	-	3,224.31
Bank Balance other than above	7,287.91	2,223.89	9,511.80	45,055.78	1,247.73	46,303.51
Trade Receivables	424.44	-	424.44	708.83	-	708.83
Loans	107,781.14	54,263.58	162,044.72	44,530.41	37,704.00	82,234.41
Investments	11,394.70	18,003.15	29,397.85	2,178.87	7,908.18	10,087.05
Other financial Assets	42.16	255.42	297.58	51.07	193.83	244.90
Total Assets	**140,747.99**	**74,746.04**	**215,494.03**	**95,749.26**	**47,053.75**	**142,803.01**
LIABILITIES						
Financial Liabilities						
Trade Payables						
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	1,072.85	-	1,072.85	201.62	-	201.62
Debt Securities	11,746.22	28,207.19	39,953.41	22,362.18	8,084.37	30,446.55
Borrowings (Other than debt securities)	56,480.82	40,383.82	96,864.64	32,426.76	14,791.40	47,218.16
Other financial liabilities	1,267.50	-	1,267.50	951.82	-	951.82
Total liabilities	**70,567.39**	**68,591.01**	**139,158.40**	**55,942.39**	**22,875.76**	**78,818.15**
Net	**70,180.59**	**6,155.03**	**76,335.63**	**39,806.88**	**24,177.98**	**63,984.86**

Note 42. Analysis Of Financial Assets And Financial Liabilities By Remaining Contractual Maturities

As at March 31, 2021

Particulars	On demand	Upto 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial Assets							
Cash and cash equivalents	13,817.64	-	-	-	-	-	13,817.64
Bank Balance other than above	-	-	-	9,511.80	-	-	9,511.80
Trade Receivables (Refer Note 2)	-	424.44	-	-	-	-	424.44
Loans (Refer Note 1 & Note 2)	-	13,549.04	26,591.25	67,640.85	53,782.21	481.37	162,044.72
Investments (Refer Note 1)	-	1,110.81	2,233.64	8,050.25	10,251.15	7,752.00	29,397.85
Other financial Assets	-	42.16	-	-	255.42	-	297.58
Total undiscounted financial assets	**13,817.64**	**15,126.45**	**28,824.89**	**85,202.90**	**64,288.78**	**8,233.37**	**215,494.03**
LIABILITIES							
Financial Liabilities							
Trade Payables	-	1,072.85	-	-	-	-	1,072.85
Debt Securities (Refer Note 1)	-	274.15	2,582.40	8,889.67	28,207.19	-	39,953.41
Borrowings (Other than debt securities) (Refer Note 1)	-	13,437.82	9,021.00	34,022.00	40,383.82	-	96,864.64
Other financial liabilities	-	1,267.50	-	-	-	-	1,267.50
Total undiscounted financial liabilities	**-**	**16,052.32**	**11,603.40**	**42,911.67**	**68,591.01**	**-**	**139,158.40**
Total net Undiscounted financial assets/(liabilities)	**13,817.64**	**(925.88)**	**17,221.49**	**42,291.23**	**(4,302.23)**	**8,233.37**	**76,335.63**

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Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts are in Rupees lakhs, unless stated otherwise)

As at March 31, 2020

Particulars	On demand	Upto 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial Assets							
Cash and cash equivalents	3,224.31			-	-	-	3,224.31
Bank Balance other than above	-	45,055.78	-	-	1,247.73	-	46,303.51
Trade Receivables (Refer Note 2)	-	708.83	-	-	-	-	708.83
Loans (Refer Note 1 & Note 2)	-	3,717.49	7,363.78	32,430.10	37,704.00	1,019.04	82,234.41
Investments (Refer Note 1)	-	180.66	388.27	1,609.92	4,207.31	3,700.87	10,087.05
Other financial Assets	-	51.07	-	-	193.83	-	244.90
Total undiscounted financial assets	**3,224.31**	**49,713.83**	**7,752.05**	**34,040.03**	**43,352.88**	**4,719.91**	**142,803.01**
LIABILITIES							
Financial Liabilities							
Trade Payables	-	201.62	-	-	-	-	201.62
Debt Securities (Refer Note 1)	-	547.93	4,881.13	16,933.12	8,084.37	-	30,446.55
Borrowings (Other than debt securities) (Refer Note 1)	-	9,599.54	4,174.26	18,652.96	14,791.40	-	47,218.16
Other financial liabilities	-	951.82	-	-	-	-	951.82
Total undiscounted financial liabilities	**-**	**11,300.91**	**9,055.40**	**35,586.08**	**22,875.76**	**-**	**78,818.15**
Total net Undiscounted financial assets/(liabilities)	**3,224.31**	**38,412.92**	**(1,303.34)**	**(1,546.05)**	**20,477.11**	**4,719.91**	**63,984.86**

Note1:

Loans, Investment, Debt securities and Borrowings balances includes the unamortised processing fee accounted in line with the EIR.

Note 2:

Loans and trade receivables balances are net off of provisions.

Note 3:

Information on the maturity pattern is based on the reasonable assumptions made by the management before considering impact of RBI Circular Dated 27 March, 2020.

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Disclosures as per the Reserve Bank of India

Note 42. Schedule to the Balance Sheet under Annex IV of Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking and Deposit taking Company (Reserve Bank) Directions, 2016

Particulars		Amount Outstanding	Amount Overdue
Liabilities Side			
42.1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :			
a Debentures	Secured	39,953.41	-
	Unsecured	-	-
b Deferred Credits		-	-
c Term loans (including overdraft and cash credits)		96,864.64	-
d Intercorporate loans and borrowings		-	-
e Commercial paper		-	-
f Public deposits		-	-
g Other loans		-	-
42.2. Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):			
a in the form of unsecured debentures		-	-
b in the form of partly secured debentures i.e. debentures wherein there is a shortfall in the value of security		-	-
c other public deposits		-	-

Asset Side	Amount Outstanding
42.3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
a. Secured	145,128.93
b. Unsecured	18,563.17
42.4. Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities	
a. Lease assets including lease rentals under sundry debtors	
i) Finance lease	-
ii) Operating lease	-
b. Stock on hire including hire charges under sundry debtors	
i) Assets on hire	-
ii) Repossessed Assets	-
c. Other loans counting towards asset financing activities	
i) Loans where assets have been repossessed	-
ii) Loans other than (a) above	-
42.5. Break up of investments	
Current Investments	
a. Quoted	
i) - Equity shares	-
- Preference shares	-
ii) Debentures and bonds	-
iii) Units of mutual funds	-
iv) Government securities	-
v) others	-
b. Unquoted	
i) - Equity shares	-
- Preference shares	-
ii) Debentures and bonds	-
iii) Units of mutual funds	-
iv) Government securities	-
v) others (Alternative Investment Fund)	-

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Asset Side	Amount Outstanding
Long term investments	
a. Quoted	
i) - Equity shares	-
- Preference shares	-
ii) Debentures and bonds	-
iii) Units of mutual funds	-
iv) Government securities	-
v) others	-
b. Unquoted	
i) - Equity shares	7,752.00
- Preference shares	-
ii) Debentures and bonds	11,885.29
iii) Units of mutual funds	-
iv) Government securities	-
v) others	
- Pass through securities	8,847.55
- Alternative Investment Fund	913.01

42.6. Borrower group-wise classification of assets financed as in (3) and (4) above :

Category	Amount net of provisions		
	Secured	Unsecured	Total
Related parties			
a. Subsidiaries	-	-	-
b. Companies in the same group	-	-	-
c. Other related parties	-	-	-
Other than related parties	143,481.75	18,563.17	162,044.92

42.7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market Value	Book Value (net of provisions)
Related parties		
a. Subsidiaries	-	7,752.00
b. Companies in the same group	-	-
c. Other related parties	-	-
Other than related parties	-	21,645.85

42.8. Other information

Particulars	Amount
a. Gross Non Performing Assets	
- Related parties	-
- Other than related parties	592.52
b. Net Non Performing Assets	
- Related parties	-
- Other than related parties	-
c. Assets acquired in satisfaction of debt	-

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Note 42a. Disclosures required in terms of Annexure XIV of the Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking and Deposit taking Company (Reserve Bank) Directions, 2016

42a.1. Capital

Particulars	Current Year	Previous Year
CRAR %	40.31%	64.48%
CRAR - Tier I Capital %	39.71%	64.13%
CRAR - Tier II Capital %	0.61%	0.35%
Amount of subordinated debt raised as Tier II Capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

42a.2. Investments

Particulars	Current Year	Previous Year
a Value of investments		
i) Gross value of investments		
- In India	29,397.85	10,087.05
- Outside India	-	-
ii) Provision for depreciation		
- In India	-	-
- Outside India	-	-
iii) Net value of investments		
- In India	29,397.85	10,087.05
- Outside India	-	-

42a.3. Derivatives

The Company has no exposure in relation to these items in the current year and the previous year

42a.4. Disclosures relating to Securitisation

Particulars	Amount
a No of SPVs sponsored by the applicable NBFC for securitisation transactions	2
b Total amount of securitised assets as per books of the SPVs sponsored	5,248.33
c Total amount of exposures retained by the applicable NBFC to comply with MRR as on the date of balance sheet	738.16
i) Off balance sheet exposures	
- First loss	-
- Others	-
ii) On balance sheet exposures	
- First loss	738.16
- Others	
d. Amount of exposures to securitisation transactions other than MRR	361.01

There Company has not entered into any such transactions during the current year

42a.4 (I). Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

There are no such transactions of this nature in the current and previous year

42a.5. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

	As at March 31, 2021			
Particulars	**Borrowing from Banks and others (Refer Note iii)**	**Debt Securities**	**Advances**	**Investments**
1 to 7 days	9,282.01	-	2,378.65	-
8 to 14 days	666.80	-	2,365.64	117.70
Over 14 days to one month	3,489.01	274.15	8,804.75	993.11
Over one month to 2 months	4,666.70	1,062.90	12,521.69	1,189.69
Over 2 months to 3 months	4,354.30	1,519.50	14,069.56	1,043.95
Over 3 Months up to 6 months	12,341.70	3,672.40	28,258.23	3,018.96
Over 6 Months up to 1 year	21,680.30	5,217.27	39,382.62	5,031.29
Over 1 year up to 3 years	36,263.87	28,207.19	50,644.93	3,714.03
Over 3 years up to 5 years	4,119.95	-	3,137.28	6,537.12
Over 5 years	-	-	481.37	7,752.00
Total	**96,864.64**	**39,953.41**	**162,044.72**	**29,397.85**

Note :

i) Information on the maturity pattern is based on the reasonable assumptions made by the management before considering impact of RBI Circular dated 27 March, 2020.
ii) Figures of Previous years are given in brackets
iii) Borrowings from Banks includes cash credit and overdraft facility classified under upto 30 days maturity period which are generally availed as rollover facility.

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42a.6. Details of Assignment transactions undertaken by applicable NBFCs

Particulars	Current Year	Previous Year
a) No. of accounts	10	-
b) Aggregate Value (net of provisions) of accounts sold	844.95	-
c) Aggregrate conserdation	760.45	-
d) Additional consideration realised in respect of accounts transferred in earlier years	-	-
e) Aggregrate gain/loss over net book value	-	-

42a.7. Details of non-performing financial assets purchased / sold

There are no such transactions of this nature in the current and previous year

42a.8. Exposures

a. Exposure to real estate sector

Particulars	Current Year	Previous Year
a. Direct Exposure		
i) Residential Mortgages	-	-
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		
ii) Commercial Real Estate	-	-
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure shall also include non-fund based limits		
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
- Residential	-	-
- Commercial Real Estate	-	-
b. Indirect Exposure		
Fund and non fund based exposure to Housing Finance Companies	8,090.25	4,899.09
Total exposure to real estate sector		

b. Exposure to Capital Market

The Company does not have any capital market or derivative transactions exposure as at March 31, 2021

42a.9. Details of financing of parent company products

There are no such transactions of this nature in the current and previous year

42a.10. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC

There are no such transactions of this nature in the current and previous year

42a.11. Unsecured Advances 18,488.91

42a.13. Disclosure of Penalties imposed by RBI and other regulators

There were no penalties imposed by RBI and other regulators in the current and previous year

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42a.14. Ratings assigned by credit rating agencies and migration of ratings during the year

Particulars	Rating Agency	Current Year	Previous Year
Bank Term Loans	ICRA	A- (Stable)	A- (Stable)
Non Convertible Debentures	ICRA	A- (Stable)	A- (Stable)

42a.15. Provisions and contingencies

Particulars	Current Year	Previous Year
Provisions for depreciation on Investment	-	-
Provision towards NPA including write off	2,241.54	495.97
Provision made towards Income tax	1,481.97	679.99
Other Provision and Contingencies	-	0.01
Provision for Standard Assets	748.21	395.13

Note- These are charge to the Statement of Profit and Loss.

42a.16. Draw Down from Reserves

There are no such transactions of this nature in the current and previous year

42a.17. Concentration of Advances

Particulars	Amount
Total Advances to twenty largest borrowers	49,640.64
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	30.34%

42a.18. Concentration of Exposures

Particulars	Amount
Total Exposure to twenty largest borrowers / customers	53,945.73
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	29.17%

42a.19. Concentration of NPAs

Total Exposure to top four NPA accounts (Gross exposure) 592.52

42a.20. Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector
Agriculture & allied activities	-
MSME	1.80%
Corporate borrowers	-
Services	-
Unsecured personal loans	-
Auto loans	-
Other loans	-

42a.21 (I) Movement of NPAs

Particulars	Current Year	Previous Year
a. Net NPAs to Net Advances	0.00%	0.15%
b. Movement of NPAs (Gross)		
- Opening balance	619.96	-
- Additions during the year	-	619.96
- Reductions during the year	27.44	-
- Closing balance	592.52	619.96
c. Movement of Net NPAs		
- Opening balance	123.99	-
- Additions during the year	-	123.99
- Reductions during the year	123.99	-
- Closing balance	-	123.99
d. Movement of provisions for NPAs (excluding provisions on standard assets)		
- Opening balance	495.97	-
- Additions during the year	96.55	495.97
- Reductions during the year	-	-
- Closing balance	592.52	495.97

Vivriti Capital Private Limited Chennai 600 035

42a.22. Disclosure of Customer complaints

Particulars	Current Year	Previous Year
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	124	95.00
No. of complaints redressed during the year	124	95.00
No. of complaints pending at the end of the year	-	-

42a.23. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)
There are no such transactions of this nature in the current and previous year

42a.24. Off-balance Sheet SPVs sponsored
There are no such transactions of this nature in the current and previous year

Note 43. Comparative figures
Previous period figures have been regrouped and reclassified wherever necessary to confirm current year's presentation.

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited

Gaurav Kumar	**Vineet Sukumar**	**Shaik Mohammed Irfan Basha**	**Amritha Paitenkar**
Managing Director	Managing Director	Chief Financial Officer	Company Secretary
DIN 07767248	DIN 06848801		Membership No. A49121

Place: Chennai
Date: April 28, 2021

Vivriti Capital Private Limited
Chennai
600 035

Deloitte Haskins & Sells LLP

Chartered Accountants
One International Centre,
27th – 32nd Floor, Tower 3,
Senapati Bapat Marg,
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Prabhadevi (W), Mumbai– 400 013
Maharashtra, India.

Phone: +91 22 6185 4000
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INDEPENDENT AUDITORS' REPORT

To The Members of Vivriti Capital Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Vivriti Capital Private Limited (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements 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 (ICAI) 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 made 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 audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 39.8 to the consolidated financial statements, which describe the potential impact of the COVID-19 pandemic on the Parent's financial statements and particularly the impairment provisions are dependent on future developments, which are highly uncertain.

Our report is not modified in respect of this matter.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
Impairment of carrying value of loans and advances: The Parent provides credit facility to Corporates which are secured by receivable of the borrowers and unsecured loans. In line with Ind AS 109 – Financial Instruments, Management estimates impairment provision using Expected Credit loss model for the loan exposure. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are timely identification and classification of the loans, determination of probability of defaults (PD) and estimation of loss given defaults (LGD) based on the value of collaterals and relevant factors. The Parent started lending activities in FY 2018-19. The Parent doesn't have credit loss history except for two loans which are fully provided /written off and has assigned PD to each borrower on the basis of the Parent's internal rating model on various rating agencies' database and LGD are based on RBI circular DBOD.No.BP.BC.67/21.06.202/2011-12 dated 22 December 2011 on implementation of the internal rating based (IRB) approaches for calculation of capital charge for credit risk for arriving at the estimated provision. The estimation of Expected Credit Loss (ECL) on financial instruments involve significant judgements and estimates. Following are points with increased level of audit focus: • Classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109; • Accounting interpretations and data used to build and run the models; • Inputs and Judgements used in determination of management overlay at various asset stages considering the current uncertain economic environment with the range of possible effects unknown to the country; • The disclosures made in consolidated financial statements for ECL especially in relation to judgements and estimates by	**Principal audit procedures performed:** We examined Board Policy approving methodologies for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the Parent. The parameters and assumptions used and their rationale and basis are clearly documented. We evaluated the design and operating effectiveness of controls across the processes relevant to determination of ECL, including the judgements and estimates. These controls, among others, included controls over the allocation of assets into stages including management's monitoring of stage effectiveness, model monitoring including the need for post model adjustments, model validation, credit monitoring, individual provisions and production of journal entries and disclosures. We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of 31st March 2021 by reconciling it with the balances as per loan balance register, investment register, and open financial guarantee report as on that date. We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. For exposure determined to be individually impaired, we tested a samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations. For forward looking assumptions used in ECL calculations, we held discussions with management, assessed the assumptions used and

the Management in determination of the ECL.	the probability weights assigned to the possible outcomes. We performed an overall assessment of the ECL provision including management's assessment on Covid-19 impact to determine if they were reasonable considering the Parent's portfolio, risk profile, credit risk management practices and the macroeconomic environment. We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management's report but does not include the consolidated financial statements and our auditor's report thereon. The Management's report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Management's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective 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 the assets of the Group 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 consolidated financial statements 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 financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities 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 their respective entities 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 are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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.
- Obtain an understanding of internal financial 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 expressing our opinion on whether the Parent 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 the 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 ability of the Group 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 statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance of the Parent and its subsidiaries included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and

other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Report on Other Legal and Regulatory Requirements

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent and taken on record by the Board of Directors of the Company, none of the directors of the Group companies is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' report of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Parent.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i) There were no pending litigations which would impact the consolidated financial position of the Group as at the year-end other than disclosed in note 35 (c) to the consolidated financial statements.

      ii) The Group did not have any material foreseeable losses as at year-end on long-term contracts including derivative contracts.

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iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)
UDIN: 21109839AAAAEQ5975

Place: Mumbai

Date: 28th April 2021

Deloitte
Haskins & Sells LLP

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated financial statements of Vivriti Capital Private Limited (hereinafter referred to as "Parent") as of and for the year ended 31st March 2021, we have audited the internal financial controls over financial reporting of the Parent.

Management's Responsibility for Internal Financial Controls

The Board of Director of the Parent is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)" (the "Guidance Note"). 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Deloitte
Haskins & Sells LLP

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us Parent, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the criteria for internal financial control over financial reporting established by the Parent considering the essential components of internal control stated in the Guidance Note.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)
UDIN: 21109839AAAAEQ5975

Place: Mumbai

Date: 28th April 2021

Vivriti Capital Private Limited
Consolidated Balance Sheet as at March 31, 2021
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note No.	As at 31 March 2021	As at March 31, 2020
ASSETS			
Financial assets			
Cash and cash equivalents	3	14,835.49	3,225.33
Bank Balances other than above	4	11,511.80	46,303.51
Receivables	5	1,057.00	624.99
Loans	6	162,156.59	81,315.04
Investments	7	25,719.37	10,985.95
Other financial assets	8	341.19	228.33
Total Financial Assets		**215,621.44**	**142,683.15**
Non-Financial assets			
Current Tax Assets	9	1,065.35	1,061.27
Deferred tax assets (Net)	10	1,421.21	655.24
Property, plant and equipment	11	736.74	729.51
Right of use asset	37	874.73	1,212.50
Other intangible assets	11	475.83	132.38
Intangible Assets Under Development		492.30	35.12
Other non-financial assets	12	647.57	300.46
Total Non-Financial Assets		**5,713.73**	**4,126.48**
Total Assets		**221,335.17**	**146,809.63**
EQUITY AND LIABILITIES			
LIABILITIES			
Financial Liabilities			
Trade Payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		12.13	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,023.39	204.68
Debt Securities	14	40,219.33	30,446.55
Borrowings (Other than Debt Securities)	15	98,446.05	47,220.90
Other financial liabilities	16	1,370.47	2,263.74
Total Financial Liabilities		**142,071.37**	**80,135.89**
Non-Financial Liabilities			
Provisions	17	821.29	311.15
Other non-financial liabilities	18	390.61	82.17
Total Non-Financial Liabilities		**1,211.90**	**393.32**
Total liabilities		**143,283.27**	**80,529.21**
EQUITY			
Equity Share Capital	19	1,146.39	1,130.02
Convertible Non-participating Preference Share Capital		8,350.17	7,770.48
Other equity	20	68,555.34	57,379.92
Total equity		**78,051.90**	**66,280.42**
Total equity and liabilities		**221,335.17**	**146,809.63**

The accompanying notes are an integral part of the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

G. K. Subramaniam
Partner
Place: Mumbai
Date: April 28, 2021

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited

Gaurav Kumar
Managing Director
DIN 07767248

Vineet Sukumar
Managing Director
DIN 0684880

Shaik Mohammed Irfan Basha
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: April 28, 2021

Vivriti Capital Private Limited Chennai 600 035

Vivriti Capital Private Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2021
(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from Operations			
Interest Income	21	20,360.93	11,351.07
Fees and commission Income	22	3,975.95	3,479.23
Net gain on derecognition of financial instruments		12.00	-
Net gain on fair value change on financial instruments	23	63.16	12.74
Total Revenue from Operations		**24,412.04**	**14,843.04**
Other Income	24	154.59	41.58
Total Income		**24,566.63**	**14,884.62**
Expenses			
Finance costs	25	9,607.81	6,227.75
Impairment on financial instruments	26	2,989.74	967.11
Employee benefit expense	27	6,119.48	3,730.86
Depreciation and amortisation expense	28	748.55	665.85
Other expenses	29	2,980.67	1,992.41
Total expenses		**22,446.25**	**13,583.98**
Profit before Tax		**2,120.38**	**1,300.64**
Tax expense			
- Current tax		1,481.97	679.99
- Deferred tax		(803.87)	(342.83)
Total tax expense	30	**678.10**	**337.16**
Net Profit After Tax		**1,442.28**	**963.48**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans (net)	32	(15.12)	12.47
Income tax impact		3.81	(3.41)
Items that will be reclassified to profit or loss			
Net (loss) / gain on financial instrutement designated at FVOCI		165.71	(22.07)
Income tax impact		(41.71)	5.63
Other Comprehensive Income		**112.69**	**(7.38)**
Total comprehensive income		**1,554.97**	**956.10**
Earnings per equity share (Face Value of INR. 10 each)			
Basic (₹)	31	**9.35**	**6.89**
Diluted (₹)	31	**1.72**	**1.27**

The accompanying notes are an integral part of the Consolidated Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

G. K. Subramaniam
Partner
Place: Mumbai
Date: April 28, 2021

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited

Gaurav Kumar
Managing Director
DIN 07767248

Vineet Sukumar
Managing Director
DIN 06848201

Shaik Mohammed Irfan Basha
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No: A49121

Place: Chennai
Date: April 28, 2021

Vivriti Capital Private Limited
Chennai
600 035

Viviti Capital Private Limited

Consolidated Cash Flow statement for the year ended March 31, 2021

(All amounts are in Rupees lakhs, unless stated otherwise)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Operating activities		
Profit before tax	2,120.38	1,300.64
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	748.55	665.85
Impairment on financial instruments	2,910.54	967.11
Interest on Lease on liability	(325.60)	(275.40)
Provision for doubtful debts	79.20	-
Net loss on financial asset designated at FVOCI	112.69	(7.38)
Share Based Payments to employees	315.25	72.67
Provision for Bonus	850.00	-
Provision for Gratuity	47.25	21.37
Provision for Leave Encashment	191.47	108.67
Operating Profit before working capital changes and adjustments for Interest received, Interest paid and Dividend received	**7,049.73**	**2,853.53**
Working capital changes		
Loans	(83,724.59)	(36,811.17)
Trade receivables and contract asset	(624.07)	(16.92)
Other Non-financial Assets	(347.11)	(164.60)
Trade payables and contract liability	980.82	(346.95)
Other financial liability	(619.81)	2,262.47
Other Non-financial liability	308.44	(1,420.67)
Provision	271.44	44.56
Cash flows used in operating activities	**(76,705.16)**	**(33,599.76)**
Income tax paid	(1,448.15)	(1,435.09)
Net cash flows from/(used in) operating activities	**(78,153.31)**	**(35,034.85)**
Interest paid	(8,121.53)	(5,959.66)
Interest received	16,063.44	11,086.09
Cash used in operations	**7,941.91**	**5,126.43**
Investing activities		
Proceeds from Maturity of Fixed Deposits	34,791.71	(46,303.51)
Purchase of property, plant and equipment and intangible assets	(709.33)	(256.54)
Intangible Assets Under Development	(457.18)	(15.45)
Purchase of investment at amortised cost	(14,733.42)	(3,806.00)
Net cash flows from/(used in) investing activities	**18,891.77**	**(50,381.51)**
Financing activities		
Debt securities issued	9,772.78	11,318.77
Borrowings other than debt securities issued	51,225.15	31,602.01
Proceeds from issuance of sharecapital	579.69	3,070.00
Proceeds from securities premium	9,294.08	38,470.75
Net cash flows from financing activities	**70,871.70**	**84,461.53**
Net increase in cash and cash equivalents	11,610.16	(954.83)
Cash and cash equivalents at the beginning of the year	3,225.33	4,180.15
Cash and cash equivalents at the end of the year	**14,835.49**	**3,225.33**
Components of cash and cash equivalents		
Balances with banks		
In current accounts	14,835.49	3,158.91
Current maturities of fixed deposits with Original Maturity of Less than 3 Months	-	-
Cheques in hand	-	66.42
Total cash and cash equivalents	**14,835.49**	**3,225.33**

Viviti Capital Private Limited Chennai 600 035

Viviriti Capital Private Limited
Consolidated Cash Flow statement for the year ended March 31, 2021
(All amounts are in Rupees lakhs, unless stated otherwise)

1. Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
2. Previous Years figures have been regrouped, wherever necessary to confirm to current year's classification
3. Figures in brackets represent outflows.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

G. K. Subramaniam
Partner
Place: Mumbai
Date: April 28, 2021

For and on behalf of the Board of Directors
Viviriti Capital Private Limited

Gaurav Kumar
Managing Director
DIN 07767248

Vineet Sukumar
Managing Director
DIN 06848804

Shaik Mohammed Irfan Basha
Chief Financial Officer

Amritha Paitenkar
Company Secretary
Membership No. A49121

Place: Chennai
Date: April 28, 2021

Viviriti Capital Private Limited
Chennai
600 035

Vivriti Capital Private Limited

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts are in Rupees lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL

As at March 31, 2020	Changes in equity share capital during the year 2020-21	As at 31 March 2021
1,130.02	16.38	1,146.39

B. OTHER EQUITY

Particulars	Compulsorily Convertible Preference Shares	Optionally Convertible Redeemable Preference Shares	Other Equity						Total
			Reserves and Surplus				Other Comprehensive Income		
			Securities Premium	Retained Earnings	Employee Stock Option Reserve	Statutory Reserve	Debt Instruments through OCI	Remeasurement of defined benefit liability/ asset	
Balance as at March 31, 2019	**4,700.49**	-	**18,282.85**	**(446.40)**	**11.79**	**36.56**	-	**(4.39)**	**22,580.90**
Changes in equity for the year ended March 31, 2020									
Shares issued during the year	3,061.88	8.11	39,931.41	-	-	-	-	-	43,001.40
Share issue expenses	-	-	(967.30)	-	-	-	-	-	(967.30)
Amount recoverable from ESOP Trust	-	-	(493.36)	-	-	-	-	-	(493.36)
Stock Compensation expense during the year	-	-	-	-	72.67	-	-	-	72.67
Remeasurement of net defined benefit liability	-	-	-	-	-	-	-	9.06	9.06
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	(16.44)	-	(16.44)
Transfer to retained earnings	-	-		(16.44)	-	-	16.44	-	-
Profit for the year	-	-	-	963.48	-	-	-	-	963.48
Transfer to statutory reserve	-	-	-	(205.82)	-	205.82	-	-	-
Preference Dividend for CCPS	-	-	-	(0.01)	-	-	-	-	(0.01)
Balance as at March 31, 2020	**7,762.37**	**8.11**	**56,755.60**	**294.81**	**84.46**	**242.38**	-	**4.67**	**65,150.40**
Changes in equity for the year ended March 31, 2021									
Shares issued during the year	579.69	-	11,371.50	-	-	-	-	-	11,951.19
Share issue expenses	-	-	(193.18)	-	-	-	-	-	(193.18)
Amount recoverable from ESOP Trust	-	-	(1,873.12)	-	-	-	-	-	(1,873.12)
Stock Compensation expense during the year	-	-	-	-	315.25	-	-	-	315.25
Recoverable from subsidiaries	-	-	-	-	-	-	-	-	-
Remeasurement of net defined benefit liability	-	-	-	-	-	-	-	(11.31)	(11.31)
Reclassification of remeasurement of net defined liability	-	-	-	(6.64)	-	-	-	6.64	-
Fair valuation of investment in debt instruments (net)	-	-	-	-	-	-	124.00	-	124.00
Transfer to retained earnings	-	-	-	(11.47)	-	-	11.47	-	-
Profit for the year	-	-	-	1,442.28	-	-	-	-	1,442.28
Transfer to statutory reserve	-	-	-	(600.10)	-	600.10	-	-	-
Balance as at March 31, 2021	**8,342.06**	**8.11**	**66,058.80**	**1,118.88**	**399.71**	**842.48**	**135.47**	-	**76,905.51**

The accompanying notes are an integral part of the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

G. K. Subramaniam
Partner

Place: Mumbai
Date: April 28, 2021

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited

Gaurav Kumar
Managing Director
DIN 07767248

Vineet Sukumar
Managing Director
DIN 06548801

Shaik Mohammed Irfan Basha
Chief Financial Officer
Place: Chennai
Date: April 28, 2021

Anuritha Pattenkar
Company Secretary
Membership No. A49121

Vivriti Capital Private Limited
Chennai
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Vivriti Capital Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2021

Corporate Information

Vivriti Capital Private Limited (the Parent) is a private limited Company domiciled in India and incorporated on June 22, 2017 under the provisions of the Companies Act, 2013 (the Act). The Parent is registered with the Reserve Bank Of India ('RBI') under Section 45 IA of the RBI Act, 1934 as Non-Banking Finance Company (Non Deposit Accepting or Holding) (NBFC-ND) with effect from January 5, 2018.

The Parent has one subsidiary namely "Vivriti Asset Management Private Limited ('Subsidiary')" which is carrying on the business of investment Company and also to provide portfolio management services to all kinds of Investment Funds.

The Parent and its subsidiary collectively referred as "the Group".

1. Basis of preparation

1.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act'), other relevant provisions of the Act

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) Rules 2016.

These consolidated financial statements were authorised for issue by the Parent's Board of Directors on April 28, 2021.

1.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity, are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non-Banking Financial Companies ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented separately.

Financial assets and financial liability are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis

1.3 Functional and presentational currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded off to the nearest lakhs (two decimals), unless otherwise indicated.

1.4 Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items

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A historical cost is a measure of value used in accounting in which the price of an asset on the balance sheet is based on its nominal or original cost when acquired by the Group.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116.
Fair value measurements under Ind AS are categorised into fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
• Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access on measurement date.
• Level 2 inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
• Level 3 where unobservable inputs are used for the valuation of assets or liabilities.

1.5 Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements

Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

a. Impairment of financial asset

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

The Group's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

b. Fair Value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

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2. Significant accounting policies

2.1 Revenue recognition

A. Interest income

Under Ind AS 109, interest income is recorded using the effective interest rate method for all financial instruments measured at amortised cost, financial instrument measured at Fair value through other comprehensive income ('FVOCI') and financial instrument measured at Fair Value Through Profit and Loss ('FVTPL'). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Parent recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Parent calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

When a financial asset becomes credit impaired and is, therefore, regarded as 'stage 3', the Parent calculates interest income on the net basis. If the financial asset cures and is no longer credit impaired, the Parent reverts to calculating interest income on a gross basis

B. Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

C. Fees and commission income

Arranger fees are recognised after the performance obligation in the contract is fulfilled and commission income such as guarantee commission, service income etc. are recognised on point in time or over the period basis, as applicable

D. Other interest income

Other interest income is recognised on a time proportionate basis

2.2 Financial instrument - initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from this amount

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C. Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised Cost
- FVOCI
- FVTPL

2.3 Financial assets and liabilities

A. Financial Assets

Business Model Assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as

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

Sole Payments of Principal and Interest (SPPI test)

As a second step of its classification process, the Group assesses the contractual terms of financial to identify whether they meet SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL

Accordingly, financial assets are measured as follows

i. Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans and advances are held to sale and collect contractual cash flows, they are measured at FVTOCI.

iii. Financial assets at fair value through profit or loss (FVTPL)

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A financial asset which is not classified in any of the above categories are measured at FVTPL

B. Financial Liabilities

Initial recognition and measurement

All financial liability are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method

2.4 Reclassification of financial assets and liabilities

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made.

2.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and condition

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

a. Financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

b. Financial liability

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

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2.6 Impairment of financial assets

A. Overview of expected credit loss ('ECL') principles

In accordance with Ind AS 109, the Group uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

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

Stage 1: When loans are first recognised, the Group recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the life time ECL.

Stage 3: Loans considered credit impaired are the loans which are past due for more than 90 days. The Group records an allowance for life time ECL.

B. Calculation of ECLs

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

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

EAD: Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest

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

The Group has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed

C. Loans and advances measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets

D. Forward looking information

In its ECL models, the Group relies on a forward looking macro parameters (GDP) and estimated the impact on the default at a given point of time

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2.7 Write offs

Financial assets are written off when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss

2.8 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

2.9 Property plant and equipment

A. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss

B. Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2018, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

C. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

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D. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight Line method, and is generally recognised in the statement of profit and loss.

The Group follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset Category	Estimated Useful Life
Computers and Accessories	3 Years
Leasehold Improvements	3 Years
Servers	6 Years
Office Equipment	5 Years
Furniture and Fixtures	10 Years

2.10 Intangible Assets

Intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2018, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the Straight line method, and is included in depreciation and amortisation in Statement of Profit and Loss

Asset Category	Estimated Useful Life
Computers software	4 Years

2.11 Employee benefits

A. Post-employment benefits

Defined contribution plan
The Group's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees

Defined benefit plans

Gratuity
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

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Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss

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

B. Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

C. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- in case of non-accumulating compensated absences, when the absences occur

D. Stock based compensation

The grant date fair value of equity settled share based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

2.12 Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously

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Deferred tax

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.13 Leases

The Company as lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration to assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee.
Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.14 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method.

2.15 Cash and Cash Equivalents

Cash and cash equivalents comprises current account balances and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.16 Segment reporting- Identification of segments

An operating segment is a component of the Group that engages in business activities from which it many earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

2.17 Earnings per share

The Group reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity shareholders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

2.18 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated.

2.19 Securities Premium Account

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

2.20 Goods and Services Input Tax Credit

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Goods and Services tax input credit is recognised for in the books in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits.

2.21 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when:

(i) The Group has a present obligation (legal or constructive) as a result of a past event;

(ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

Contingent liability is disclosed in case of:

(i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or

(ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent Assets:

Contingent assets are not recognised in the financial statements.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.22 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for;

b) Uncalled liability on shares and other investments partly paid; and

d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

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Note 3. Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Balances with banks:		
- In Current Accounts	14,835.49	3,158.91
(ii) Cheques on hand	-	66.42
Total	**14,835.49**	**3,225.33**

Note 4. Bank Balances other than cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
(i) In other Deposit accounts		
- original Maturity less than 3 months*	9,287.91	45,055.78
(ii) Earmarked balances with banks#		
- Deposits with Banks as Collateral	2,223.89	1,247.73
Total	**11,511.80**	**46,303.51**

*These deposits are earmarked against the bank overdraft availed by the Company stated in the note Note 15.

#Balance with banks in earmarked deposit accounts comprises deposits that have an original maturity exceeding 3 months as at balance sheet date and earns interest at fixed rate ranging from 4% p.a to 8.3% p.a.

Note 5. Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured - Considered Doubtful		
Outstanding for a period exceeding six months from the date due for payment	141.55	75.92
Less: Provision for impairment	(141.55)	(75.92)
Unsecured - Considered Good		
Outstanding for a period less than six months	1,070.57	624.99
Less: Provision for impairment	(13.57)	-
Total	**1,057.00**	**624.99**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. The above amount includes receivable from Vivriti Asset Management Private Limited amounting to Rs. 298.55 Lakhs, in which the directors of the Parent Company are directors.

Note 6. Loans (At amortised cost)

Particulars	As at March 31, 2021	As at March 31, 2020
A. Based on Nature		
Loans	160,265.95	82,222.33
Bills discounted	3,361.68	-
Loan to employees	148.64	46.27
Loan to ESOP trust	27.50	-
Total - Gross	163,803.77	82,268.60
Less : Impairment loss allowance	(1,647.18)	(953.56)
Total - Net	**162,156.59**	**81,315.04**
B. Based on Security		
a. Secured by tangible assets (including advances against book debts)	145,240.60	82,222.33
b. Unsecured	18,563.17	46.27
Total - Gross	163,803.77	82,268.60
Less : Impairment loss allowance	(1,647.18)	(953.56)
Total - Net	**162,156.59**	**81,315.04**

Note: All loans are in India and are granted to individuals or entities other than public sector.

The Group has provided Rs 30 lakh against the moratorium interest income recognised and collected earlier in line with the recent Supreme Court Judgement dated 23 March 2021 and RBI Circular 7 April 2021

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Note 7. Investments

Particulars	As at March 31, 2021	As at March 31, 2020
Investments in Alternate investment fund - FVTPL		
- Vivriti Samarth Bond Fund	1,244.05	999.90
- Vivriti India Impact Bond Fund	1,053.06	-
- Vivriti Short Term Bond Fund	645.62	-
Others - Unquoted - FVOCI		
-Non Covertible Debentures	13,929.09	8,225.91
-Pass Through Certificates	8,847.55	1,760.14
Total	**25,719.37**	**10,985.95**

All investments represented above are made in India

Note 8. Others financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
Accured service income	24.03	26.80
Security Deposits	275.00	193.83
Receivable from loans assigned	12.00	
Other Advances	30.16	7.70
Total	**341.19**	**228.33**

Note 9. Current tax assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advance tax (net of provisions)	1,065.35	1,061.27
Total	**1,065.35**	**1,061.27**

Note 10. Deferred tax assets

Particulars	As at March 31, 2021	
	Asset	Liability
a) Provisions for employee benefit	321.88	-
b) Depreciation	36.91	-
c) Preliminary Expenses	2.15	-
d) Impairment of assets	573.86	-
e) Deferred lease asset	23.22	-
g) Amortised Fees Income	300.36	-
h) Business loss	186.56	-
i) Fair valuation on financial instruments	-	23.73
Total	**1,444.94**	**23.73**
Net Deferred tax asset		**1,421.21**

Particulars	As at March 31, 2020	
	Asset	Liability
a) Provisions for employee benefit	47.87	-
b) Depreciation	21.15	-
c) Preliminary Expenses	3.22	-
d) Impairment of assets	254.48	-
e) Deferred lease asset	25.14	-
f) Amortised Fees Income	276.81	-
g) Business loss	20.99	-
h) Fair valuation on financial instruments	5.58	-
Total	**655.24**	**-**
Net Deferred tax asset		**655.24**

Note 12. Others non financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid Expenses	259.54	208.37
Advance to vendors	170.02	48.34
Balance with Government Authorities	191.30	42.76
Deferred lease rentals	26.71	0.99
Total	**647.57**	**300.46**

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Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts are in Rupees lakhs, unless stated otherwise)

Note 11. Property, plant and equipment & Intangible Assets
Property, plant and equipment

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at March 31,2020	Additions	Deductions	As at 31 March 2021	As at March 31,2020	For the Year	Deductions	As at 31 March 2021	As at 31 March 2021	As at March 31,2020
Computers & Laptops	263.69	230.05	-	493.74	104.47	103.93	-	208.40	285.34	159.22
Office Equipments	128.65	-	-	128.65	54.16	29.56	-	83.72	44.93	74.49
Leasehold Improvements	364.98	56.34	-	421.32	210.38	107.69	-	318.07	103.25	154.60
Electrical Installations	149.81	2.61	-	152.42	29.16	17.67	-	46.83	105.59	120.65
Furniture & Fittings	196.78	13.71	-	210.49	39.83	20.42	-	60.25	150.24	156.95
Servers & Networks	92.15	-	-	92.15	28.57	16.19	-	44.76	47.39	63.58
Total	**1,196.06**	**302.71**	**-**	**1,498.77**	**466.57**	**295.46**	**-**	**762.03**	**736.74**	**729.49**

Intangible assets :

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at March 31,2020	Additions	Deductions	As at 31 March 2021	As at March 31,2020	For the Year	Deductions	As at 31 March 2021	As at 31 March 2021	As at March 31,2020
Software	151.85	406.62	-	558.46	26.01	59.60	-	85.61	472.85	125.84
Website	13.67	-	-	13.67	7.13	3.56	-	10.69	2.98	6.54
Total	**165.52**	**406.62**	**-**	**572.13**	**33.15**	**63.16**	**-**	**96.30**	**475.83**	**132.38**

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2019	Additions	Deductions	As at March 31,2020	As at April 01,2019	For the Year	Deductions	As at March 31,2020	As at March 31,2020	As at March 31,2019
Computers & Laptops	131.19	132.50	-	263.69	34.51	69.96	-	104.47	159.22	96.68
Office Equipments	128.55	0.10	-	128.65	26.31	27.85	-	54.16	74.49	102.24
Leasehold Improvements	266.40	98.58	-	364.98	98.36	112	-	210.38	154.60	168.04
Electrical Installations	145.35	4.46	-	149.81	13.97	15.19	-	29.16	120.65	131.38
Furniture & Fittings	195.06	1.72	-	196.78	19.42	20.41	-	39.83	156.95	175.64
Servers & Networks	76.25	15.90	-	92.15	13.66	14.91	-	28.57	63.58	62.59
Total	**942.80**	**253.26**	**-**	**1,196.06**	**206.23**	**260.34**	**-**	**466.57**	**729.49**	**736.57**

Intangible assets :

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2019	Additions	Deductions	As at March 31,2020	As at April 01,2019	For the Year	Deductions	As at March 31,2020	As at March 31,2020	As at March 31,2019
Software	23.34	128.50	-	151.85	7.70	18.31	-	26.01	125.84	15.64
Website	13.67	-	-	13.67	3.56	3.57	-	7.13	6.54	10.11
Total	**37.01**	**128.50**	**-**	**165.52**	**11.27**	**21.88**	**-**	**33.14**	**132.38**	**25.75**

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Note 13. Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises*	12.13	0.02
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,173.39	200.28
Accrued Employee Benefit Expense	850.00	4.38
Total	**2,035.52**	**204.68**

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

Particulars	As at March 31, 2021	As at March 31, 2020
a) Amount outstanding but not due as at year end	1.91	0.02
b) Amount due but unpaid as at the year end	10.22	-
c) Amounts paid after appointed date during the year	0.50	-
d) Amount of interest accrued and unpaid as at year end	-	-
e) The amount of further interest due and payable even in the succeeding year	-	-

Note 14. Debt Securities (At Amortised Cost)

Particulars	As at March 31, 2021	As at March 31, 2020
Redeemable Non-Convertible Debentures Medium-Term - Secured	40,219.33	30,446.55
Total	**40,219.33**	**30,446.55**
Debt securities in India	40,219.33	30,446.55
Debt securities outside India	-	-
Total	**40,219.33**	**30,446.55**

14.1 Security

(i) Redeemable Non-Convertible Debentures - Medium term is secured by way of exclusive charge over identified loan portfolio.

(ii) The Company has not defaulted in the repayment of dues to its lendors during the current or previous period

(iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 14.2 based on the Contractual terms basis

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14.2 Details of Debentures - Contractual principal repayment value

Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put call option

Debt Reference	Remaining Maturity	Due date of redemption	Terms of repayment	As at March 31, 2021	As at March 31, 2020
11.00% Vivriti Capital Private Limited - No put call option	< 1 year	19-Mar-21	Principal is Quarterly payment and Interest is Monthly payment	-	
Market Linked Debentures - I	< 1 year	27-Sep-20	Principal and interest is Bullet payment	-	
11.50% Vivriti Capital Private Limited	< 1 year	16-Aug-21	Principal is Quarterly payment and Interest is Monthly payment	1,004.46	1,000.00
Market Linked Debentures - II	< 1 year	13-Aug-21	Principal and interest is Bullet payment	603.04	535.00
10.75% Vivriti Capital Private Limited	2-3 years	31-Jul-23	Principal and interest is Half yearly payment	2,500.25	2,500.00
10.48% Vivriti Capital Private Limited	2-3 years	31-Jul-23	Principal is Quarterly payment and Interest is Monthly payment	1,923.38	2,013.88
Market Linked Debentures - III	1-2 years	27-Nov-22	Principal and interest is Bullet payment	1,023.46	1,000.00
10.00% Vivriti Capital Private Limited	< 1 year	16-Jun-21	Principal is Quarterly payment and Interest is Monthly payment	3,996.84	4,000.00
10.25% Vivriti Capital Private Limited	1-2 years	16-Jun-22	Principal is Quarterly payment and Interest is Monthly payment	1,995.58	2,000.00
10.71% Vivriti Capital Private Limited	1-2 years	05-Jul-22	Principal is bullet payment and interest is monthly payment	3,983.43	
9.90% Vivriti Capital Private Limited	1-2 years	25-Aug-22	Principal is monthly payment and interest in monthly payment	7,500.00	

Secured Redeemable Non-Convertible Debentures - Redeemable at par - With call option

Debt Reference	Remaining Maturity	Due date of redemption	Terms of repayment	As at March 31, 2021	As at March 31, 2020
12.96% Vivriti Capital Private Limited	1-2 years	03-Mar-23	Principal is bullet payment and interest is monthly payment	2,541.54	2,500.00
12.12% Vivriti Capital Private Limited	1-2 years	26-Aug-22	Principal is Bullet payment and Interest is Half yearly payment	2,036.25	2,000.00
10.57% Vivriti Capital Private Limited	2-3 years	10-Feb-24	Principal is Quarterly payment and Interest is Monthly payment	1,014.28	2,000.00
Market Linked Debentures - IV	1-2 years	29-Jul-22	Principal and interest is Bullet payment	5,049.59	
Market Linked Debentures - V	1-2 years	16-Oct-22	Principal and interest is Bullet payment	5,047.25	

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Note 15. Borrowings (Other Than Debt Securities) - At amortised cost

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loans from Banks (Refer note 15.1 and 15.2 below)	58,882.55	17,639.16
Term Loans from other parties		
Financial institutions (Refer note 15.1 and 15.2	23,180.30	19,258.14
Securitisation (Refer note 15.3)	3,557.83	1,514.73
Loan Repayable on Demand		
From Banks (Overdraft) (Refer note 15.1 (ii) and (iii) below)	8,825.37	7,808.87
Working capital demand loans from Banks (Cash Credit) (Refer note 15.1 (iii) below)	4,000.00	1,000.00
Total (A)	**98,446.05**	**47,220.90**
Borrowings in India	98,446.05	47,220.90
Borrowings outside India	-	-
Total (B)	**98,446.05**	**47,220.90**

15.1 Security

(i) Loans from banks and financial instituitions are secured by first ranking and exclusive charge over identified receivables and guaranteed by directors of the Parent Company.

(ii) Rate of interest payable on bank overdraft varies from 3.05% p.a to 3.4% p.a (March 31, 2020: 4.5% p.a to 5.8% p.a). The Group has taken bank overdraft against the deposit balances, refer note 4

(iii) Rate of interest payable on cash credit loans is 10.30% p.a. (March 31, 2020: 11% p.a.)

15.2 Details of term loans - Contractual principal repayment value

Rate of Interest	Maturity	Amount outstanding	
		31-Mar-21	31-Mar-20
10.00% to 12%	< 1 year	4,823.39	5,092.76
	1-2 years	21,031.96	14,981.36
	2-3 years	11,025.49	833.33
	3-4 years	7,362.32	-
Total		**44,243.15**	**20,907.45**
Base rate / MCLR + Spread (.5% to 4.75%)	< 1 year	5,338.88	2,613.64
	1-2 years	15,930.90	3,601.33
	2-3 years	2,658.79	10,000.00
	3-4 years	13,891.12	-
Total		**37,819.70**	**16,214.96**

15.3 Details of Securitisation

Rate of Interest	Maturity	Amount outstanding	
		31-Mar-21	31-Mar-20
11.25%	< 1 year	2,815.36	
11.97%	< 1 year	738.97	903.35
	1-2 years	-	611.38
	2-3 years	-	-
Total		**3,554.33**	**1,514.73**

Collateralised debt obligation represent amount received against term loans securitised, which does not qualify for derecognition. The Group is expected to recover the same within a period of 1 year.

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Note 16. Other financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liability	1,038.46	1,311.92
Advances from customers	82.57	22.57
Amounts payable on assets derecognised	189.27	-
Payable to capital creditors	60.17	929.25
Total	**1,370.47**	**2,263.74**

Note 17. Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision on non-fund exposure	392.34	120.93
Provision for Employee Benefits		
- Gratuity	83.72	36.45
- Compensated Absences	345.23	153.76
Provision for CCPS dividend	-	0.01
Total	**821.29**	**311.15**

Note 18. Other non-financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Remittances	390.01	82.10
Others	0.60	0.07
Total	**390.61**	**82.17**

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Note 19 a - Equity Share Capital

Particulars	As at March 31, 2021	As at March 31, 2020
AUTHORISED		
1,59,00,000 (As at March 31, 2019: 2,00,00,000 shares, As at April 1, 2018: 1,00,00,000 shares) Equity Shares of Rs 10 each	1,590.00	1,590.00
ISSUED, SUBSCRIBED AND FULLY PAID UP		
1,44,89,600 (As at March 31, 2019: 1,36,89,600 shares, As at April 1, 2018: 8,50,00,000 shares) Equity shares of Rs. 10 each	1,564.10	1,448.97
Less: 31,89,500 Shares held under Vivriti ESOP Trust	(417.71)	(318.95)
	1,146.39	**1,130.02**

Reconciliation of number of shares outstanding at the beginning and at the end of the year

Equity Shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
As at the beginning of the year	14,489,700	1,448.97	13,689,600	1,368.96
Issued during the year				
Under Employee stock option (ESOP) scheme	1,151,310	115.13	800,000	80.00
Others	-	-	100	0.01
As at the end of the year	**15,641,010**	**1,564.10**	**14,489,700**	**1,448.97**

Equity shares held by the trust

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
As at the beginning of the year	3,189,500	318.95	2,389,500	238.95
Issued during the year	987,560	98.76	800,000	80.00
As at the end of the year	**4,177,060**	**417.71**	**3,189,500**	**318.95**

Details of shareholders holding more than 5 percent shares in the Group are given below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	%	Number	%
Vineet Sukumar	4,900,000	31%	4,900,000	34%
Gaurav Kumar	4,900,000	31%	4,900,000	34%
Vivriti ESOP Trust	4,177,060	27%	3,189,500	22%

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

Terms/Rights attached to equity shares:

The Group has a single class of equity shares. Accordingly all equity shares rank equally with regard to dividends and share in the Group's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Note 19 b- Convertible Non-participating Preference Share Capital

Particulars	As at March 31, 2021	As at March 31, 2020
AUTHORISED		
78,348,035 (As at March 31, 2019: 4,78,83,494 shares; As at April 1, 2018: Nil) Compulsorily Convertible Preference Shares of Rs. 10 each	8,343.71	7,834.80
850,000 (As at March 31, 2019: NIL shares, As at April 1, 2018: Nil) Optionally Convertible Redeemable Preference Shares of Rs. 60 each	510.00	510.00
	8,853.71	**8,344.80**
ISSUED, SUBSCRIBED AND FULLY PAID UP		
7,76,23,698 (As at March 31, 2019: 47,004,932; As at April 1, 2018: Nil) 0.001% Compulsorily Convertible Preference Shares of Rs. 10 each	8,342.06	7,762.37
ISSUED, SUBSCRIBED AND PARTIALLY PAID UP		
8,11,402 (As at March 31, 2019: Nil) Optionally Convertible Redeemable Preference shares partially paid of Rs 1 each	8.11	8.11
	8,350.17	**7,770.48**

Compulsorily Convertible Preference Shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
As at the beginning of the year	**77,623,698**	**7,762.37**	47,004,932	4,700.49
Issued during the year	5,796,936	579.69	30,618,766	3,061.88
As at the end of the year	**83,420,634**	**8,342.06**	**77,623,698**	**7,762.37**

Optionally Convertible Preference Shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
As at the beginning of the year	811,402	8.11	-	-
Issued during the year	-	-	811,402	8.11
As at the end of the year	**811,402**	**8.11**	**811,402**	**8.11**

Details of preference shareholders holding more than 5 percent shares in the Group are given below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	%	Number	%
Creation Investments LLC	63,266,409	76%	57,469,473	74.0%
Lightrock Growth Fund I S.A (Formerly known as Lightstone Fund SA)	10,077,112	12%	20,154,225	26.0%
Financial Investments SPC (affiliate of Lightrock Growth Fund I S.A., SICAV	10,077,113	12%	-	0.0%

Notes:

During the year ended, the Parent Company has issued 57,96,936, 0.001% Compulsorily Convertible Preference Shares ("CCPS") of face value Rs. 10/- aggregating Rs. 579.69 Lakhs which are convertible into equity shares at the option of CCPS holder during the conversion period.

Conversion of CCPS into equity shares will be as per the respective shareholders agreement and are treated pari-passu with equity shares on all voting rights. The CCPS if not converted by the preference shareholders shall be compulsorily converted into equity shares upon any of the following events:

a. In connection with an IPO, immediately prior to the filing of red herring prospectus (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable law at the relevant time; and

b. By delivering a Conversion Notice at any time during the relevant Conversion Period as per the respective shareholders agreement.

The CCPS holders have a right to receive dividend, prior to the Equity shareholders and will be cumulative if preference dividend is not declared or paid in any year. The Parent Company has bifurcated Equity and liability component on CCPS and shown entire conversion portion as Equity above and coupon on CCPS as liability under provision.

Lightstone Fund SA has changed its name to Lightrock Growth Fund I S.A., SICAV-RAIF, with effective from March 9, 2021.

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Note 20. Other equity

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Reserve		
Balance at the beginning of the year	242.38	36.56
Add: Transfer from retained earnings	600.10	205.82
Balance at the end of the year	**842.48**	**242.38**
Securities Premium		
Balance at the beginning of the year	56,753.60	18,282.85
Add : Premium received on shares issued during the year	11,371.50	39,931.41
Less : Utilised during the year for writing off share issue expenses	(193.18)	(967.30)
Less : Amount recoverable from Vivriti ESOP Trust	(1,873.12)	(493.36)
Balance at the end of the year	**66,058.80**	**56,753.60**
Employee Stock Option Reserve		
Balance at the beginning of the year	84.46	11.79
Add: Stock compensation expense during the year	315.25	72.67
Balance at the end of the year	**399.71**	**84.46**
Other Comprehensive Income		
Balance at the beginning of the year	**4.67**	**(4.39)**
Add/ (Less) : Remeasurement of net defined benefit liability	(11.31)	9.06
Less : Transfer to retained earnings	6.64	-
Add/ (Less) : Fairvaluation of investment in debt instruments (net)	124.00	(16.44)
Less : Transfer to retained earnings	11.47	16.44
Balance at the end of the year	**135.47**	**4.67**
Retained earnings		
Balance at the beginning of the year	294.81	(446.40)
Add : Profit/ (Loss) for the year	1,442.28	963.48
Add/ (less) : Transfer from other comprehensive income	(18.11)	(16.44)
Less: Preference Dividend for CCPS	-	(0.01)
Less: Transfer to Statutory reserve	(600.10)	(205.82)
Add/Less: Ind AS adjustments on transition	-	-
Balance at the end of the year	**1,118.88**	**294.81**
TOTAL	**68,555.34**	**57,379.92**

Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act, 1934")
Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc in accordance with the provisions of the Companies Act, 2013.

Employee stock option reserves
The Group has stock option schemes under which options to subscribe for the Group's shares have been granted to eligible employees and key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments.

Other comprehensive income
a. The Group has elected to recognise changes in the fair value of investments in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within equity
b. Remeasurement of the net defined benefit liabilities comprise actuarial gain or loss, return on plan assets excluding interest and the effect of asset ceiling, if any

Retained earnings
Surplus in the statement of profit and loss is the accumulated available profit of the Group carried forward from earlier years. This reserve is free reserves which can be utilised for any purpose as may be required

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Note 21. Interest Income

Particulars	Year ended March 31, 2021		
	On Financial Assets measured at Amortised Cost	On Financial Assets classified at FVOCI	Total
Interest on Loans	17,245.80	-	17,245.80
Interest income from investments	1,785.62	679.65	2,465.27
Interest on Inter Corporate deposits	-	-	-
Interest on term deposits	649.86	-	649.86
Total	**19,681.28**	**679.65**	**20,360.93**

Particulars	Year Ended March 31, 2020		
	On Financial Assets measured at Amortised Cost	On Financial Assets classified at FVOCI	Total
Interest on Loans	9,762.17	-	9,762.17
Interest income from investments	-	1,492.39	1,492.39
Interest on Inter Corporate deposits	2.26	-	2.26
Interest on term deposits	94.26	-	94.26
Total	**9,858.68**	**1,492.39**	**11,351.07**

Note 22. Fees and commission Income

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Fee and Commission Income	3,975.95	3,479.23
Total	**3,975.95**	**3,479.23**

Note 23. Net gain on fair value changes

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Net gain on fair value changes	63.16	12.74
Total	**63.16**	**12.74**

Note 24. Other Income

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Interest on Rental Deposit	12.43	10.54
Rental income from related party	(6.38)	4.66
Interest on IT Refund	11.43	-
Liabilities written back	-	26.36
Other income	137.11	0.02
Total	**154.59**	**41.58**

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Note 25. Finance costs

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Interest on borrowings	5,947.07	2,442.78
Interest on Bank Overdraft	168.09	19.02
Interest on debt securities	3,345.00	3,583.09
Interest cost on Rental Deposit	11.98	10.26
Interest on discounting of financial instrutments	135.67	172.60
Total	**9,607.81**	**6,227.75**

Note 26. Impairment on financial instruments

Particulars	Year ended March 31, 2021				
	Stage 1	Stage 2	Stage 3	Amount written off	Total
Loans - measured at cost	486.11	-	96.55	950.51	1,533.18
Investments - measured at cost and FVTPL	53.05	-	-	389.86	442.91
Financial guarantee	129.84	-	804.61	-	934.45
Trade receivables	79.20	-	-	-	79.20
Total	**748.20**	**-**	**901.16**	**1,340.37**	**2,989.74**

Particulars	Year Ended March 31, 2020			
	Stage 1	Stage 2	Stage 3	Stage 3
Loans - measured at cost	275.06	-	495.97	771.03
Investments - measured at cost and FVTPL	0.43	-	-	0.43
Financial guarantee	119.73	-	-	119.73
Trade receivables	75.92	-	-	75.92
Total	**471.14**	**-**	**495.97**	**967.11**

Note 27. Employee benefit expense

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Salaries and Bonus	5,649.71	3,458.98
Contribution to provident and other funds	80.04	98.82
Staff Training and Welfare Expenses	42.35	79.02
Gratuity expenses	32.13	21.37
Share Based Payments to employees	315.25	72.67
Total	**6,119.48**	**3,730.86**

Note 28. Depreciation and amortisation expense

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Depreciation and amortisation expense	748.55	665.85
Total	**748.55**	**665.85**

Note 29. Other expenses

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Administrative Expenses	9.50	6.18
Advertisment Expenses	-	24.90
Auditor's Remuneration (refer note below)	48.15	36.53
Communication Expenses	50.08	35.85
Director Sitting Fees	45.16	25.00
Distribution expenses	153.34	-
Corporate social responsibility expenditure (refer note 29.2)	10.94	-
Insurance	108.69	46.79
Maintenances of Premises	192.06	180.80
Other Expenses	461.52	168.23
Professional Fees	980.40	370.46
Rates and Taxes	20.91	190.42
Recruitment related Fees	80.07	308.75
Rent of Premises	-	4.66
Subscription expenses	9.09	7.97
IT Cost	639.74	251.76
Travelling Expenses	171.02	292.47
Investor meet Expenses	-	41.64
Total	**2,980.67**	**1,992.41**

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Auditor's Remuneration

As auditor	Year Ended March 31, 2020	Year Ended March 31, 2020
Statutory audit	25.50	15.00
Tax audit	2.00	11.00
Other services	20.65	10.53
Total	**48.15**	**36.53**

Note 30. Income Tax

The components of income tax expense for the years ended 31 March 2021 and 2020 are:

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Current tax	1,481.97	666.93
Deferred tax relating to origination and reversal of temporary differences	(803.87)	(342.83)
Adjustment in respect of current income tax of prior years	-	13.06
Total Tax charge	**678.10**	**337.16**
Current tax	1,481.97	679.99
Deferred tax	(803.87)	(342.83)

30.1 Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March 2019 and 2018 is, as follows

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Accounting profit before tax	2,120.38	1,300.64
At India's statutory income tax rate of 25.17% (March 31, 2019: 27.82%)	533.70	327.37
Adjustment in respect of current income tax of prior years	-	13.06
Effect of enacted tax rate on Deferred tax	144.40	(3.27)
others		
Income tax expense reported in the statement of profit and loss	**678.10**	**337.16**

The effective income tax rate for March 31, 2020 is 25.74% (March 31, 2019: 25.95%).

Note 31. Earnings Per Share

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2020
Profit after tax	**1,442.28**	**963.48**
Weighted average number of equity shares (Basic)	15,420,211	13,989,878
Add: Dilutive effect relating to convertible shares	68,564,356	56,295,642
Earnings per share - Basic INR	9.35	6.89
Earnings per share - Diluted INR *	1.72	1.37
Face value per share INR	**10.00**	**10.00**

Note:
Earnings per Share calculations are done in accordance with Ind AS 33 "Earnings per Share"

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Note 32. Retirement Benefits

Defined contribution plans

The Group makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Group's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The calculation of the Group's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Particulars	Year ended March 31, 2021	Year Ended March 31, 2020
Defined Benefit Obligation at the beginning of the year	35.81	27.57
Service cost	30.26	18.85
Interest cost	2.53	1.87
Actuarial changes arising from changes in demographic assumptions	15.69	8.49
Actuarial changes arising from changes in financial assumptions	(0.57)	(32.13)
Experience adjustments		11.17
Contributions by employer	-	-
Defined Benefit Obligation at the end of the year	**83.72**	**35.81**
Fair Value of Plan Assets as at the End of the Year	-	-
Defined benefit obligation at the End of the Year	83.72	35.81
Amount Recognised in the Balance Sheet under Provisions	**83.72**	**35.81**
Cost of the Defined Benefit Plan for the Year		
Current Service Cost	30.26	18.85
Net interest Expense	2.53	1.87
Expected Return on Plan Assets	-	-
Net Cost recognized in the statement of Profit and Loss	**32.79**	**20.72**
Re-measurement Losses/(Gains)		
a) Effect of changes in financial assumptions	(0.57)	(32.13)
b) Effect of experience adjustments	-	11.17
c) Effect of changes in demographic assumptions	15.69	8.49
Net cost recognized in Other Comprehensive Income	**15.12**	**(12.47)**

Assumptions

Discount rate	6.79%	6.79%
Future salary increase	3.00%	3.00%
Attrition Rate	5.00%	10.00%
Mortality	0.9 - 3.82%	1-3.75%

Senstivity analysis

Impact on defined benefit obligation	Sensitivity Level	Discount Rate	Future Salary Increases	Employee Turnover
As at March 31, 2021	1% increase	(1.91)	2.23	0.33
	1% decrease	2.26	(1.91)	(0.43)
As at March 31, 2020	1% increase	(5.02)	6.28	0.81
	1% decrease	6.19	(5.14)	(1.17)

Maturity Analysis of benefit payments

Particulars	As at March 31, 2021	As at March 31, 2020
Within the next 12 months (next annual reporting period)	0.04	0.09
Between 2 and 5 years	0.04	0.37
Between 6 and 10 years	0.04	0.48
Beyond 10 years	17.96	34.88
Total expected payments	**18.08**	**35.81**

Notes:

The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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Note 33. Segment Information

The Group has been operating only in one segment viz. financing and related activities and the operations being only in India, the disclosure requirements of Ind AS 108 is not applicable.

Note 34. Related Party information

List of related parties where control exists

Key Management Personnel		Mr. Vineet Sukumar, Managing Director Mr. Gaurav Kumar, Managing Director Mr. John Tyler Day, Nominee Director Mr. Kenneth Dan Vander Weele, Nominee Director Ms. Namrata Kaul, Independent Director Mr. Sridhar Srinivasan, Independent Director
Entity in which KMP is a Director	Mr. Vineet Sukumar, Managing Director	1. Vivriti Asset Management Private Limited 2. Credavenue Private Limited
	Mr. Gaurav Kumar, Managing Director	1. Vivriti Asset Management Private Limited 2. Credavenue Private Limited

a) Transactions with related parties

Particulars	For the year ended	
	31-Mar-21	31-Mar-20
Remuneration paid		
Mr. Vineet Sukumar	194.69	137.50
Mr. Gaurav Kumar	194.69	137.50
Directors Sitting fees		
Mr. Sridhar Srinivasan	8.25	8.00
Ms. Namrata Kaul	13.80	11.00

Note 35. Contingent Liabilities and Commitments

a) Contingent liabilities

Particulars	As at	
	31-Mar-21	31-Mar-20
Guarantees issued to third party	4,946.13	7,807.02

b) Commitments

Particulars	As at	
	31-Mar-21	31-Mar-20
Capital commitments	98.83	18.53
Undrawn committed sanctions to borrowers	325.00	-

c) Litigations

The Group has pending litigation amounting to INR 592.52 Lakh against its borrowers (March 31, 2020 INR 592.52).

Note 36. ESOP Disclosure

The Group constituted the Vivriti ESOP Trust (the Trust) to administer the Employee Stock Options (ESOP) scheme and allotted 15,19,000 (March 31, 2020: 16,57,000) equity shares to Trust. The Trust has granted 15,19,000 (March 31, 2020: 16,57,000) options under the Employee Stock Option Scheme to employees spread over a vesting period of 2 to 5 years. The details of which are as follows;

Plan	Grant date	No. of Options	Exercise Price (Amount in Rs.)	Vesting Period
Scheme 1	30-Jun-18	1,679,500	10.00	2 to 5 years
Scheme 2	19-Jul-19	697,500	47.48	1 to 5 years
Scheme 3	18-Nov-19	909,500	71.67	1 to 5 years
Scheme 4	15-Dec-19	50,000	71.67	1 to 5 years
Scheme 5	30-Jun-20	1,139,000	173.66	4 Years
Scheme 6	30-Sep-20	150,000	173.66	4 Years
Scheme 7	31-Dec-20	230,000	173.66	4 Years

Vesting Condition : Time based vesting (for all schemes)

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Reconciliation of outstanding options	Number of Options	
	As at March 31, 2021	As at March 31, 2020
Outstanding at beginning of the year	2,905,900	1,679,500
Forfeited during the year	(314,500)	(347,000)
Exercised during the year	(126,650)	(83,600)
Granted during the year	1,519,000	1,657,000
Outstanding at the end of the year	3,983,750	2,905,900
Vested and exercisable as at end of the year	350,375	-

The fair value of the options is estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions:

Particular	As at March 31, 2021	As at March 31, 2020
Dividend Yield*	-	-
Expected Life	2 - 6 years	3 - 6 years
Risk free interest rate	4.09%- 8.32%	5.56%- 7.01%
Volatility**	14.70%- 31.75%	14.70%- 18.82%

* Group has not paid any dividend till date.

** Group is a unlisted entity and having no listed peer companies, so volatility of BSE Finance Index for the historical period as per the time to maturity in each vesting has been considered.

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Note 37. Events after reporting date

There have been no event after the reporting date that require disclosure in the financial statements.

Note 38. Fair Value Measurements

Valuation Principles: Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e, exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique

Financial instrument by category

The carrying value and fair value of financial instruments measured at fair value as of March 31, 2021 were as follows

Particulars	Carrying Value		Fair Value			
	FVTPL	FVOCI	Level 1	Level 2	Level 3	Total
Investment in Non Convertible Debentures	-	13,929.09	-	13,929.09	-	13,929.09
Investment in Pass Through Securities	-	8,847.55	-	8,847.55	-	8,847.55
Investment in Alternate Investment Fund	2,942.73	-	-	2,942.73	-	2,942.73

The carrying value and fair value of financial instruments measured at fair value as of March 31, 2020 were as follows

Particulars	Carrying Value		Fair Value			
	FVTPL	FVOCI	Level 1	Level 2	Level 3	Total
Investment in Non Convertible Debentures	-	8,225.91	-	8,225.91	-	8,225.91
Investment in Pass Through Securities	-	1,760.14	-	1,760.14	-	1,760.14
Investment in Alternate Investment Fund	999.90	-	-	999.90	-	999.90

Reconciliation of fair value measurement is as follows:

Particulars	For the Year Ended	
	31-Mar-21	31-Mar-20
Financial instruments measured at FVOCI		
Balance at the beginning of the year	11.47	27.91
Total loss measured through OCI	124.00	-16.44
Balance at the end of the year	135.47	11.47

Sensitivity Analysis - Increase / Decrease by 1%

Particulars	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Investment in Non Convertible Debentures	(93.00)	194.63	(268.07)	202.26
Investment in Pass Through Securities	(33.37)	58.83	0.58	32.44
Investment in Alternate Investment Fund	69.04	112.91	(1.00)	1.00

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The carrying value and fair value of other financial instruments by categories as of March 31, 2021 were as follows

Particulars	Carry Value	Fair Value			
	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value					
Cash and cash equivalents	14,835.49	-	14,835.49	-	14,835.49
Bank Balances other than above	11,511.80	-	11,511.80	-	11,511.80
Receivables	1,057.00	-	-	1,057.00	1,057.00
Loans	162,156.59	-	-	150,047.67	150,047.67
Other financial assets	341.19	-	-	341.19	341.19
Financial Liabilities not measured at fair value					
Trade payables	2,035.52	-	-	2,035.52	2,035.52
Debt Securities	40,219.33	-	-	40,219.33	40,219.33
Borrowings (Other than Debt Securities)	98,446.05	-	-	98,446.05	98,446.05
Other financial liabilities	1,370.47	-	-	1,370.47	1,370.47

The carrying value and fair value of other financial instruments by categories as of March 31, 2020 were as follows

Particulars	Carry Value	Fair Value			
	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value					
Cash and cash equivalents	3,225.33	-	3,225.33	-	3,225.33
Bank Balances other than above	46,303.51	-	46,303.51	-	46,303.51
Receivables	624.99	-	-	624.99	624.99
Loans	81,315.04	-	-	74,628.47	74,628.47
Other financial assets	228.33	-	-	228.33	228.33
Financial Liabilities not measured at fair value					
Trade payables	204.68	-	-	204.68	204.68
Debt Securities	30,446.55	-	-	30,446.55	30,446.55
Borrowings (Other than Debt Securities)	47,220.90	-	-	47,220.90	47,220.90
Other financial liabilities	2,263.74	-	-	2,263.74	2,263.74

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The Group lend term loans at fixed rate and the fair valuation is disclosed above.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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Note 39. Capital Management

The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of The Group's capital is monitored using, among other measures, the regulations issued by RBI.

The Group has complied in full with all its externally imposed capital requirements over the reported period.

The primary objectives of the Group's capital management policy is to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, The Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

39.1 Regulatory capital

Particulars	March 31, 2021	March 31, 2020
Tier I capital	78,259.40	65,436.98
Tier II capital	1,189.70	353.85
Total Capital	**79,449.10**	**65,790.83**
Risk weighted assets	196,189.84	102,031.29
Capital to Risk Weighted Asset Ration(CRAR) - Tier I	39.89%	64.13%
Capital to Risk Weighted Asset Ration(CRAR) - Tier II	0.61%	0.35%
Capital to Risk Weighted Asset Ration(CRAR) - Total	**40.50%**	**64.48%**

39.2 Risk Management

The Group has operations in India. Whilst risk is inherent in The Group's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to The Group's continuing profitability and each individual within The Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

39.2.1 Risk Management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has appointed the Supervisory Board which is responsible for monitoring the overall risk process within The Group and reports to the Audit Committee.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Supervisory Board.

The Risk Management Unit is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with and reports to the Risk Committee, to ensure that procedures are compliant with the overall framework.

The Risk Controlling Unit is responsible for monitoring compliance with risk principles, policies and limits across the Company. Each business Company has its own unit which is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks of new products and structured transactions. It is the Company's policy that this unit also ensures the complete capture of the risks in its risk measurement and reporting systems. The Company's policy also requires that exceptions are reported on a daily basis, where necessary, to the Risk Committee, and the relevant actions are taken to address exceptions and any areas of weakness.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

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The Company's policy is that risk management processes throughout the Company are audited annually by the Internal Audit function, which examines both the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Supervisory Board and Audit Committee.

The company has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business, the company is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the company's effective management practice

39.2.2 Risk Measurement and reporting systems

The Group's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. the Group also runs worst-case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur

Monitoring and controlling risks is primarily performed based on limits established by the Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept, with additional emphasis on selected industries. In addition, the Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities

Information compiled from all the businesses is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Board of Directors, the Risk Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, VaR, liquidity ratios and risk profile changes. On a monthly basis, detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for credit losses on a monthly basis. The Supervisory Board receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Group.

At all levels of the Group's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up-to-date information.

It is the Group's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Group on the utilisation of market limits, analysis of VaR, proprietary investments and liquidity, plus any other risk developments.

Stress testing is a fundamental pillar of the Group's risk management toolkit, to simulate various economic stress scenarios to help the Group set and monitor risk appetite and to ensure that the Group maintains a conservative risk profile. The outcome of tests is embedded into the individual credit, liquidity and funding risk profiles through limits and mitigation contingency plans and includes both financial and regulatory measures.

It is the Group's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Group is exposed to that they decide to take on. the Group's continuous training and development emphasises that employees are made aware of the Group's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Group's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

39.3 Credit Risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. the Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit risk department of the Group's independent Risk Controlling Unit. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit risk managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit risk manager, as well as the business with tools like credit risk systems, policies, models and reporting

the Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

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39.3.2 Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

Grouping

As per Ind AS 109, the Group is required to group the portfolio based on the shared risk characteristics. the Group has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups namely Loans, investments in pass through securities, investment in non-convertible debentures, colending and partial guarantees towards pooled bond & loan issuances.

Expected Credit Loss("ECL")

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probity is low. ECL is calculated based on the following components: a. Marginal probability of default ("MPD") b. Loss given default ("LGD") c. Exposure at default ("EAD") d. Discount factor ("D")

Expected Credit Losses are measured via a combination of Monte Carlo Simulations across three major cohorts of exposure and the losses across these three cohorts are then added and loss distribution is used to arrive at Expected Credit Loss (ECL)

- 12 month expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments on Stage I assets
- Lifetime expected credit losses (basis defaults in Monte Carlo simulation) across the financial instruments which have either become NPA (Stage III) or have displayed significant increase in credit risk (Stage II assets)
- Partial Guarantee product losses wherein a partial guarantee is extended to a pool of issuers- in this case, the entire EAD of all the issuances is considered to arrive at expected credit losses

a) Marginal probability of default: PD is defined as the probability of whether borrowers will default on their obligations in the future. PD is derived from the external rating of the borrower by following steps:

1) To arrive at the PD, the annual default study published by rating agencies is relied upon. The default numbers published against each rating category in different studies are then aggregated to arrive at internal PD matrix for each rating category
2) The PD numbers published are on an annual scale and since the exposure of the instruments are on monthly basis, the monthly PD is then interpolated on a monthly basis by fitting the data points from annual PD curve using cubic splines
3) Finally, the Through the Cycle (TTC) PDs are converted to Point in Time (PIT) PDs using forward looking variables (GDP etc) using combinations of correlation of underlying sectors asset quality and Pluto Tasche model
4) The PDs derived from the methodology described above, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year

b) Loss Given Default (LGD): LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD. the Group has considered the workout LGD approach by considering historical losses and recoveries.

The Company has considered an LGD of 65% on unsecured exposures and 50% on secured exposures as recommended by the Foundation Internal Ratings Based (FIRB) approach under Basel II guidelines issued by RBI.

Refer Note 39.8 to assess the impact of COVID-19

c) Exposure at Default (EAD): As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments.

The Company has considered outstanding expected future cash flows (including interest cashflows) , SLCE for all the loans at DPD bucket level for each of the risk segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. So discounting was done for computation of expected credit loss.

EAD is taken as the gross exposure under a facility upon default of an obligor. The amortized principal and the interest accrued is considered as EAD for the purpose of ECL computation

The advances have been bifurcated into following three stages:

Stage I – Advances with low credit risk and where there is no significant increase in credit risk. Hence, the advances up to 0 to 29 days are classified as Stage I.

Stage II – Advances with significant increase in credit risk. Hence the advances from 30 to 89 days are classified as Stage II.

Stage III – Advances that have defaulted / Credit impaired advances. Hence the advances with 90 days past due or Restructured Advances are classified as Stage III. Another loan of the same borrower whether in Stage I or Stage II is also considered as Stage III loan.

Note - Days past due has been computed after considering the RBI Circular dated March 27, 2020, for the aforesaid classification into Stage I, Stage II and Stage III Loans.

The Company had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers. The Company has recognised for interest on interest for the moratorium cases.

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d) Discounting Factor: As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate which is obtained from the underlying yield (inclusive of processing fee) for each instrument.

Additionally, the model also uses correlation matrix for deriving correlation in events of stress between different borrowers in same segment.

Correlation Matrix: This provides correlation between different entities/sectors which are present in the structure. When defaults are simulated on the portfolio, these entities in same or different sectors default together to the extent of strength of correlation. The correlation between two entities is derived as follows:

- Inherently, the entire NBFC sector carries a lot of correlation in terms of liquidity risk- in event of stress, we see the liquidity vanishing from NBFC sector very quickly
- There is slight overlap between entities operating in the same sector- for example event like GST and demonetization did impact all small business loans establishments, although to a varying extent
- For microfinance sector, since the loans are more homogenous, geopolitical, and social issues do tend to dominate majority of stress events and hence geographically exclusivity will help
- Occupation profiles of the underlying borrowers served by entities

ECL computation: Conditional ECL at DPD pool level was computed with the following method: Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

39.4 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The company's exposure to market risk is a function of asset liability management activities. The company is exposed to interest rate risk and liquidity risk.

The Company continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee.

39.5 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

The operational risks of the company are managed through comprehensive internal control systems and procedures and key backup processes. In order to further strengthen the control framework and effectiveness, the company has established risk control self assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing
enterprise exposure.

The company has put in place a robust Disaster Recovery (DR) plan, which is periodically tested. Business Continuity Plan (BCP) is further put in place to ensure seamless continuity of operations including services to customers, when confronted with adverse events such as natural disasters, technological failures, human errors, terrorism, etc. Periodic testing is carried out to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the company's readiness.

39.6 Liquidity Risk

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The company also has lines of credit that it can access to meet liquidity needs.

Refer Note No 41 for the summary of maturity profile of undiscounted cashflows of the company's financial assets and financial liabilities as at reporting period.

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39.7 Interest Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of the company is providing loans to Institutional Finance. The Company borrows through various financial instruments to finance its core lending activity. These activities expose the company to interest rate risk.
Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis. Substantially all loans reprice frequently, with interest rates reflecting current market pricing.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Company's statement of profit and loss and equity.

As at 31 March 2021

Currency	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
Lendings	25 Basis point Up	Impact on Profit before Tax	460.04	Impact on Equity	344.25
	50 Basis point Up		920.08		688.50
	25 Basis point Down		(460.04)		(344.25)
	50 Basis point Down		(920.08)		(688.50)

Currency	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
Borrowings	25 Basis point Up	Impact on Profit before Tax	(325.15)	Impact on Equity	(243.31)
	50 Basis point Up		(650.30)		(486.62)
	25 Basis point Down		325.15		243.31
	50 Basis point Down		650.30		486.62

As at March 31, 2020

Currency	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
Lendings	25 Basis point Up	Impact on Profit before Tax	202.47	Impact on Equity	151.51
	50 Basis point Up		404.95		303.02
	25 Basis point Down		(202.47)		(151.51)
	50 Basis point Down		(404.95)		(303.02)

Currency	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
Borrowings	25 Basis point Up	Impact on Profit before Tax	(191.39)	Impact on Equity	(143.22)
	50 Basis point Up		(382.79)		(286.44)
	25 Basis point Down		191.39		143.22
	50 Basis point Down		382.79		286.44

39.8 The impact assessment of COVID-19

The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial statements/results, includes the potential impact of the COVID-19 pandemic on the Parent Company's financial statements/results which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Parent Company and its subsequent impact on the recoverability's on the Parent Company's assets.

Further, the Parent Company has, based on current available information and based on the policy approved by the board, determined the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Parent Company's management has considered all information available upto the date of approval of these financial statements/results. Accordingly, the Parent Company has made provision for expected credit loss on financial assets as at March 31, 2021. Based on the current indicators of future economic conditions, the Parent Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

The extent to which the COVID-19 pandemic will further impact the Parent Company's financial statement/results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Parent Company. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial Statements/results and the Parent Company will continue to closely monitor any material changes to future economic conditions.

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Notes to the consolidated financial statements for the year ended March 31, 2021
(All amounts are in Rupees lakhs, unless stated otherwise)

Note 40. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. They have been classified to mature and/or be repaid within 12 months. With regards to loans and advances to customers, the Group uses the same basis of expected repayment as used for estimating the EIR.

Particulars	As at 31 March 2021			As at March 31, 2020		
ASSETS	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Financial Assets						
Cash and cash equivalents	14,835.49	-	14,835.49	3,225.33	-	3,225.33
Bank Balance other than above	9,287.91	2,223.89	11,511.80	45,055.78	1,247.73	46,303.51
Trade Receivables	1,057.00	-	1,057.00	624.99	-	624.99
Loans	107,893.01	54,263.58	162,156.59	43,539.06	37,775.98	81,315.04
Investments	11,394.70	14,324.67	25,719.37	2,178.87	8,807.08	10,985.95
Other financial Assets	54.19	287.00	341.19	34.50	193.83	228.33
Total Assets	**144,522.30**	**71,099.14**	**215,621.44**	**94,658.53**	**48,024.62**	**142,683.15**
LIABILITIES						
Financial Liabilities						
Trade Payables						
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	2,035.52	-	2,035.52	204.68	-	204.68
Debt Securities	11,824.40	28,394.93	40,219.33	22,904.70	7,541.85	30,446.55
Borrowings (Other than debt securities)	58,062.23	40,383.82	98,446.05	32,429.50	14,791.40	47,220.90
Other financial liabilities	1,370.47	-	1,370.47	2,263.74	-	2,263.74
Total liabilities	**73,292.62**	**68,778.75**	**142,071.37**	**57,802.62**	**22,333.25**	**80,135.87**
Net	**71,229.68**	**2,320.39**	**73,550.07**	**36,855.91**	**25,691.37**	**62,547.28**

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(All amounts are in Rupees lakhs, unless stated otherwise)

Note 41. Analysis Of Financial Assets And Financial Liabilities By Remaining Contractual Maturities

As at March 31, 2021

Particulars	On demand	Upto 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial Assets							
Cash and cash equivalents	14,835.49		-	-	-	-	14,835.49
Bank Balance other than above	-	9,287.91	-	-	2,223.89	-	11,511.80
Trade Receivables (Refer Note 2)	-	1,057.00	-	-	-	-	1,057.00
Loans (Refer Note 1 & Note 2)	-	13,549.04	26,591.25	67,752.72	53,782.21	481.37	162,156.59
Investments (Refer Note 1)	-	1,110.81	2,233.64	8,050.25	14,324.67	-	25,719.37
Other financial Assets	-	54.19	-	-	287.00	-	341.19
Total undiscounted financial assets	**14,835.49**	**25,058.95**	**28,824.89**	**75,802.97**	**70,617.77**	**481.37**	**215,621.44**
LIABILITIES							
Financial Liabilities							
Trade Payables							
(i) total outstanding dues of creditors other	-	2,035.52	-	-	-	-	2,035.52
Debt Securities (Refer Note 1)	-	275.97	2,599.59	8,948.84	28,394.93	-	40,219.33
Borrowings (Other than debt securities) (Refer Note 1)	-	15,019.23	9,021.00	34,022.00	40,383.82	-	98,446.05
Other financial liabilities	-	1,370.47	-	-	-	-	1,370.47
Total undiscounted financial liabilities	-	**18,701.19**	**11,620.59**	**42,970.84**	**68,778.75**	-	**142,071.37**
Total net Undiscounted financial assets/(liabilities)	**14,835.49**	**6,357.76**	**17,204.30**	**32,832.13**	**1,839.02**	**481.37**	**73,550.07**

As at March 31, 2020

Particulars	On demand	Upto 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial Assets							
Cash and cash equivalents	3,225.33		-	-	-	-	3,225.33
Bank Balance other than above	-	45,055.78	-	-	1,247.73	-	46,303.51
Trade Receivables (Refer Note 2)	-	624.99	-	-	-	-	624.99
Loans (Refer Note 1 & Note 2)	-	3,700.16	7,367.98	32,450.31	37,775.98	20.61	81,315.04
Investments (Refer Note 1)	-	180.66	388.27	1,609.92	4,207.31	4,599.77	10,985.95
Other financial Assets	-	34.50	-	-	193.83	-	228.33
Total undiscounted financial assets	**3,225.33**	**49,596.09**	**7,756.25**	**34,060.24**	**43,424.85**	**4,620.38**	**142,683.15**
LIABILITIES							
Financial Liabilities							
Trade Payables							
(i) total outstanding dues of creditors other	-	204.68	-	-	-	-	204.68
Debt Securities (Refer Note 1)	-	547.93	4,881.13	17,475.63	7,541.85	-	30,446.55
Borrowings (Other than debt securities) (Refer Note 1)	-	9,599.54	4,174.26	18,652.96	14,791.40	-	47,218.16
Other financial liabilities	-	2,263.74	-	-	-	-	2,263.74
Total undiscounted financial liabilities	-	**12,615.89**	**9,055.40**	**36,128.59**	**22,333.25**	-	**80,133.13**
Total net Undiscounted financial assets/(liabilities)	**3,225.33**	**36,980.20**	**-1,299.14**	**-2,068.36**	**21,091.60**	**4,620.38**	**62,550.02**

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Note 42. Comparative figures
Previous year figures have been regrouped and reclassified wherever necessary to confirm current year's presentation.

For and on behalf of the Board of Directors of
Vivriti Capital Private Limited

Gaurav Kumar	**Vineet Sukumar**	**Shaik Mohammed Irfan Basha**	**Amritha Paitenkar**
Managing Director	Managing Director	Chief Financial Officer	Company Secretary
DIN 07767248	DIN 06848801		Membership No: A49121

Place: Chennai
Date : April 28, 2021

Vivriti Capital Private Limited
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ANNEXURE B

ICRA LIMITED RATINGS LETTER, RATING RATIONALE, REVALIDATED LETTER AND PRESS RELEASE

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ICRA

ICRA Limited

CONFIDENTIAL

ICRA/Vivriti Capital Private Limited/07062023/4 June 07, 2023

Mr. Vineet Sukumar
Founder & Managing Director
Vivriti Capital Private Limited
Floor No.12, Prestige Polygon
Anna Salai, Teynampet,
Mount Road,
Chennai-600035

Dear Sir,

Re: ICRA Credit Rating for Rs. 500.00 crore NCD Programme (Public issuance) of Vivriti Capital Private Limited (instrument details in *Annexure*)

Please refer to the Rating Agreement/Statement of Work dated May 05, 2023 executed between ICRA Limited ("ICRA") and your company for carrying out the rating of the aforesaid NCD Programme. The Rating Committee of ICRA, after due consideration, has assigned a **[ICRA]A** (pronounced as ICRA A) rating to the captioned NCD Programme. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. The outlook on the long-term rating is Stable.

In any of your publicity material or other document wherever you are using the above assigned rating, it should be stated as **[ICRA]A(Stable).** We would request if you can provide your acceptance on the above Rating by sending an email or signed attached acknowledgement to us latest by June 13, 2023 as acceptance on the assigned rating. In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned rating by the aforesaid date, the rating will be treated by us as non accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed by the Securities and Exchange Board of India (SEBI) vide SEBI circular dated January 6, 2023.

Any intimation by you about the above rating to any banker/lending agency/government authorities/stock exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to

our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds, debentures and/ or other instruments of like nature to be issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s), or occurrence of any significant development that could impact the ability of the company to raise funds such as restriction imposed by any authority from raising funds through issuance of debt securities through electronic bidding system. Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

SRINIVASAN RANGASWAMY

Digitally signed by SRINIVASAN RANGASWAMY
Date: 2023.06.07 10:17:29 +05'30'

(R Srinivasan)
Vice President
r.srinivasan@icraindia.com

ICRA

ICRA Limited

Acknowledgement

(To be signed and returned to ICRA Limited)

Please refer to your rating communication letter dated June 07, 2023. I hereby unconditionally accept and acknowledge the assigned rating.

We confirm that the undersigned is legally authorized to accept the rating on behalf of Vivriti Capital Private Limited.

For Vivriri Capital Private Limited

_____

Name:

Designation:

Date:

***Note**: Please return a copy of the above communication along with the acknowledgement to ICRA Limited at richardson.xavier@icraindia.com*

June 09, 2023

Vivriti Capital Private Limited: Ratings reaffirmed/assigned

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Market linked debentures (MLD)	75.65	75.65	PP-MLD[ICRA]A (Stable); reaffirmed
Non-convertible debentures (NCDs)	298.00	298.00	[ICRA]A (Stable); reaffirmed
	50.00	0.00	[ICRA]A (Stable); reaffirmed and withdrawn
	0.00	300.00	[ICRA]A (Stable); assigned
NCD – Public issuance	0.00	500.00	[ICRA]A (Stable); assigned
Long term – Fund-based CC	55.00	55.00	[ICRA]A (Stable); reaffirmed
Long term – Fund-based term loans	2,045.00	2,045.00	[ICRA]A (Stable); reaffirmed
Total	**2,523.65**	**3,273.65**	

** Instrument details are provided in Annexure I*

Rationale

The ratings factor in the steady increase in the share of retail exposures in Vivriti Capital Private Limited's (VCPL) assets under management (AUM) and its improving earnings performance. The AUM increased to Rs. 5,836 crore in March 2023 from Rs. 3,880 crore in March 2022 (Rs. 1,905 crore in March 2021), supported by co-lending and the non-financial enterprises segment. The share of retail exposures (via co-lending/partnership arrangements and purchase of retail asset pools) in its AUM increased to 28% in March 2023 from 24% in March 2022 (9% in March 2021). VCPL's return on average managed assets improved to 2.2% in FY2023 from 1.9% in FY2022, supported by low credit costs.

The company has raised Rs. 1,297 crore of capital since its incorporation in 2018. The latest equity raises of Rs. 220 crore in Q1 FY2023 and Rs. 317 crore in FY2022 have helped the company keep its capital profile under control even as the AUM expanded at a high rate. VCPL has steep growth plans with the AUM expected to increase at a compound annual growth rate (CAGR) of about 40% over the next three years. Considering the growth plans, VCPL would be required to raise capital regularly, going forward, to keep its leverage under control.

The ratings also take into consideration VCPL's exposure to borrowers with a moderate risk profile, largely comprising small and mid-sized non-banking financial companies (NBFCs) and enterprises (other than financial sector entities). However, portfolio concentration has moderated with the top 20 exposures reducing to 23% of the AUM in March 2023 from 26% in March 2022 (29% in March 2021). The concentration is envisaged to decline further, going forward. VCPL has, however, maintained a healthy asset quality with gross stage 3 of 0.3% as of March 2023 (0.3% as of March 2022).

ICRA has reaffirmed and withdrawn the long-term rating on the Rs. 50.00-crore non-convertible debentures (NCDs), in accordance with its policy on the withdrawal of credit ratings, as the instruments have matured and have been fully repaid.

Key rating drivers and their description

Credit strengths

Increasing share of retail segment – VCPL has scaled up its AUM since the start of operations in FY2018 and had grown by 50%

in FY2023 to reach an AUM of Rs. 5,836 crore as of March 2023 (Rs. 5,680 crore; excluding the trading book[1]). The AUM consists of exposures to financial service entities (~36% as of March 2023), followed by non-financial enterprises finance (~26%), co-lending/partnership arrangements (26%), investment in pass-through certificates (PTCs; 6%), purchase of retail asset pools (2%) and supply chain finance (SCF; ~4%). The share of retail exposures (co-lending/partnership arrangements and purchase of retail asset pools) in its AUM increased to 28% in March 2023 from 24% in March 2022 (9% in March 2021). The co-lending arrangements are largely in the consumer loans, small business loans and vehicle finance segments. These exposures are generally covered by a first loss default guarantee (FLDG), which somewhat limits the credit risk at present.

Exposure to small business loan financing entities continued to account for the largest share in the overall AUM at 19% (19% in March 2022) as of March 2023, followed by microfinance institution (MFI) financing at 10% (13% in March 2022). The company's exposure to guarantees was modest at less than 1%. Going forward, the exposure to guarantees and subordinated PTC investments is likely to remain restricted.

Going forward, the company is expected to further increase the share of retail exposure, SCF and the non-financial enterprises segment. The performance of the exposures in the relatively newer non-financial enterprises segment would, however, remain a monitorable from a rating perspective.

Capitalisation profile supported by regular infusions – VCPL's capitalisation profile is characterised by a managed gearing[2] of 3.3x as of March 2023 (3.0x as of March 2022). The managed gearing, adjusted for exposure to associates and subsidiaries[3], stood at 3.6x as of March 2023 (3.3x as of March 2022). VCPL had raised capital of Rs. 220 crore from TVS Shriram Growth Fund (new investor) in Q1 FY2023. It had previously raised Rs. 317 crore from its existing investors in FY2022, Rs. 100 crore from Creation Investments LLC (Creations) in FY2021, Rs. 350 crore from LGT Lightstone in March 2020 and Rs. 310 crore from Creations during January-May 2019.

VCPL intends to maintain the leverage below 4x while embarking on a steep growth plan over the medium term. Thus, its ability to obtain equity capital in a timely manner would be crucial, apart from securing commensurate funding lines. Vivriti Asset Management Private Limited (VAM; subsidiary of VCPL) also raised Rs. 77 crore from investors in FY2022 and Q1 FY2023. As of March 2023, VCPL had investments of Rs. 127 crore in VAM and CredAvenue Private Limited (CAPL). The company's overall exposure to its subsidiary and associates is expected to be capped at 10% of its net worth. VCPL is expected to divest its holdings in CAPL in the near term.

Improving net profitability; managing interest margins would be key monitorable – VCPL's net profitability improved to 2.2% in FY2023 from 1.9% (2.0%, adjusted for the impact of the capital raised in March 2022) in FY2022 (1.0% in FY2020), mainly driven by some improvement in the margins and low provision & credit costs. VCPL's operating cost increased to 1.7% in FY2023 from 1.3% in FY2022 as it is investing in its operational and infrastructural setup to support its growth plans. Provision & credit costs declined to 0.2% in FY2023 from 0.4% in FY2022 and 1.6% in FY2021, backed by the controlled asset quality indicators. Going forward, its ability to maintain stability in margins, given the expected increase in the cost of funds in the near term, would be a key monitorable.

Credit challenges

Steep growth plans – VCPL commenced operations in June 2017 and received its NBFC licence in January 2018. Its AUM increased to Rs. 5,836 crore as of March 2023 from Rs. 3,880 crore as of March 31, 2022 (Rs. 1,905 crore as of March 2021), at a CAGR of 75% over the last two years. ICRA notes that the majority of VCPL's exposures have an original tenor of less than three years and are monthly amortising in nature.

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[1] *Vivriti invests in debt securities (including market linked debentures) for a short duration (about 15-60 days), based on its liquidity and the available investment opportunity*

[2] *(Total debt including guarantee and assigned book / net worth)*

[3] *(Total debt including guarantee and assigned book / net worth reduced by investments and loans to VAM and CAPL)*

VCPL is expected to increase its AUM at a CAGR of around 40% over the next three years. The growth is expected to be supported by increasing diversification into retail exposures via co-lending/partnership arrangements and exposures to the non-financial enterprises segment. The company's ability to continue strengthening its operations and infrastructure would be critical for sustaining the high growth rate while maintaining its healthy asset quality position amidst the increasingly competitive environment.

Exposure to borrowers with moderate risk profile; increase in share of enterprise (non-financial sector) exposures a monitorable – VCPL's credit exposures are predominantly to small and mid-sized NBFCs and corporates with moderate risk profiles. About 17% (not including co-lending, direct assignment (DA), PTC and SCF) of the AUM, as of March 2023, was towards entities that are not rated, marginally up from about 16% in March 2022 (25% in March 2021). ICRA notes the steady increase in the share of non-financial enterprises finance in the overall AUM to ~30% (including SCF) in March 2023 from 15% in March 2020. As the company has a relatively lower track record in the enterprises segment vis-à-vis NBFCs and given its intention to increase its share further in this segment, the performance of this segment would remain a monitorable. The company has set up a separate team to scale up the portfolio in the enterprises segment.

ICRA, however, notes the moderation in the concentration of exposures with the top 20 exposures accounting for about 23% of the AUM as of March 2023 (down from 26% as of March 2022) vis-à-vis 29% as of March 2021. Further, the increasing share of the co-lending segment (26% as of March 2023) provides diversification benefits, supporting VCPL's risk profile to an extent. Going forward, VCPL's ability to reduce the concentration of its top exposures as per its envisaged plan would remain key from a rating perspective.

As of March 2023, the company's gross stage 3 assets were minimal at 0.3% (0.3% as of March 2022) and was largely provided for. VCPL carried provisions of 0.8% of the AUM as of March 2023 (0.8% and 1.5% as of March 31, 2022 and March 31, 2021, respectively). Going forward, the ability to keep the credit costs under control, considering the wholesale nature of the exposures and the growth expectation, would be important.

Liquidity position: Adequate

VCPL had a free cash and bank balance of Rs. 294.5 crore and unutilised bank lines of Rs. 100.0 crore as on March 31, 2023 against debt repayment obligations of Rs. 965.3 crore during April 2023 - June 2023. The liquidity profile draws comfort from the healthy collection efficiency level, which stood at ~97-99% in H2 FY2023. Further, the asset-liability maturity (ALM) profile, as of March 2023, reflected positive cumulative mismatches across all buckets. VCPL has about 53 lenders with banks comprising ~53% of the overall borrowings followed by NBFCs (~18%); private wealth managers, mutual funds and other foreign investors accounted for the balance.

Rating sensitivities

Positive factors – ICRA could upgrade the ratings if the company improves its earnings profile significantly and keeps a tight control over its delinquencies. A sustained reduction in its exposure concentration could also positively impact the ratings.

Negative factors – ICRA could downgrade the ratings or revise the outlook to Negative if there is a deterioration in the asset quality (90+ days past due (dpd)/AUM beyond 3%), thereby impacting the earnings performance on a sustained basis. A sustained increase in the managed gearing above 4.5x or a deterioration in the liquidity profile would also impact the ratings.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's Credit Rating Methodology for Non-banking Finance Companies Rating Approach – Consolidation Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable

Consolidation/Standalone	For arriving at the ratings, ICRA has considered the standalone financials of VCPL. However, in line with ICRA's limited consolidation approach, the funding requirement of its subsidiary (VAM), going forward, has been factored in.

About the company

VCPL is a registered non-deposit taking systemically important non-banking financial company (NBFC-ND-SI). Promoted by Mr. Vineet Sukumar and Mr. Gaurav Kumar in June 2017, VCPL provides diverse debt financing solutions including loans, working capital finance and trade finance to NBFCs and other enterprises. It has also started expanding its presence in the retail segment through various co-lending partnerships with other NBFCs.

In FY2023, VCPL reported a net profit of Rs. 129.3 crore on a standalone basis on total managed assets of Rs. 6,784.0 crore while it reported a net profit of Rs. 67.4 crore on total managed assets of Rs. 4,824.4 crore in FY2022.

VCPL has shareholding in two group entities – VAM and CAPL. VAM is a ~67% subsidiary (on a diluted basis) and manages alternative investment funds (AIFs). It manages eight funds with a combined AUM of Rs. 1,993.6 crore as of March 2023. VCPL holds 50.45% of the stake in its associate company, CAPL, which is in the syndication platform business.

Key financial indicators (audited) – IndAS

Vivriti Capital Private Limited (standalone)	FY2021	FY2022	FY2023
Total income	225.1	351.7	671.2
Profit after tax	30.0	67.4	129.3
Net worth	797.1	1,196.2	1,564.8
AUM	1,905	3,880	5,836
Total managed assets	2,244.6	4,824.4	6,784.0
RoMA	1.6%	1.9%	2.2%
Return on net worth	4.1%	6.8%#	9.4%
Gearing (times)	1.7	3.0*	3.2
Managed gearing (times)	1.8	3.0	3.3
Gross NPA	0.3%	0.3%	0.3%
Net NPA	0.0%	0.07%	0.08%
CRAR	40.3%	29.6%	25.7%

*Source: Company, ICRA Research; # Net worth, including equity, raised in March 2022; *Gearing was 2.76x as per the audited financial statements (calculated excluding bank overdrafts and unamortised issue expenses)*
Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

S. No.	Instrument	Current Rating (FY2024)				Chronology of Rating History for the Past 3 Years					
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in FY2024 Jun-09-2023	Date & Rating in FY2023 Dec-23-2022	Aug-30-2022	Jul-01-2022	Date & Rating in FY2022 Dec-22-2021	Aug-03-2021	Date & Rating in FY2021 Mar-19-2021
1	NCD	Long term	298.00	215.00	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A- (Positive)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
2	NCD	Long term	300.00	0.00	[ICRA]A (Stable)	-	-	-	-	-	-
3	NCD	Long term	50.00	0.00	[ICRA]A (Stable); withdrawn	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A- (Positive)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
4	NCD – Public issuance	Long term	500.00	0.00	[ICRA]A (Stable)	-	-	-	-	-	-
5	MLD	Long term	75.65	10.00	PP-MLD[ICRA]A (Stable)	PP-MLD[ICRA]A (Stable)	PP-MLD[ICRA]A (Stable)	PP-MLD[ICRA]A (Stable)	PP-MLD[ICRA]A- (Positive)	PP-MLD[ICRA]A- (Stable)	PP-MLD[ICRA]A- (Stable)
6	Long-term fund-based CC	Long term	55.00	55.00	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A- (Positive)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
7	Long-term fund-based TL	Long term	2,045.00	2,045.00	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A- (Positive)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
8	Long term – Unallocated	Long term	0.00	0.00	-	-	-	-	[ICRA]A- (Positive)	[ICRA]A- (Stable)	[ICRA]A- (Stable)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Market linked debenture	Moderately Complex
Non-convertible debenture	Simple
Non-convertible debenture – Public issuance	Simple
Long-term fund-based CC	Simple
Long-term fund-based TL	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click Here

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long term – Term loans	Mar-19-2021	NA	Oct-31-2025	2,045.00	[ICRA]A (Stable)
NA	Long-term fund-based CC	NA	NA	NA	55.00	[ICRA]A (Stable)
INE01HV07148	NCD	Feb-02-2021	10.57%	Feb-02-2024	10.00	[ICRA]A (Stable)
INE01HV07122	NCD	Dec-31-2020	10.25%	Jun-30-2022*	20.00	[ICRA]A (Stable)
INE01HV07148	NCD	Feb-10-2021	10.57%	Feb-10-2024	10.00	[ICRA]A (Stable)
INE01HV07288	NCD	Mar-31-2022	3M T-Bill Linked	Sep-30-2024	50.00	[ICRA]A (Stable)
INE01HV07379	NCD	Apr-04-2023	10.15%	May-25-2026	25.00	[ICRA]A (Stable)
INE01HV07387	NCD	Apr-19-2023	8.62%	Apr-18-2025	100.00	[ICRA]A (Stable)
INE01HV07189	NCD	May-25-2021	10.50%	Aug-25-2022	30.00	[ICRA]A (Stable); withdrawn
INE01HV07049	NCD	Aug-26-2019	12.12%	Aug-26-2022	20.00	[ICRA]A (Stable); withdrawn
Unutilised	NCD	NA	NA	NA	383.00	[ICRA]A (Stable)
Unutilised	NCD – Public issuance	NA	NA	NA	500.00	[ICRA]A (Stable)
INE01HV07106	MLD	Nov-27-2020	NIFTY LINKED	Nov-27-2022*	10.00	PP-MLD[ICRA]A (Stable)
Unutilised	MLD	NA	NA	NA	65.65	PP-MLD[ICRA]A (Stable)

Source: Company

**ICRA is awaiting the relevant documentation from the company on these recently matured securities for the withdrawal of the ratings outstanding*

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for limited consolidated analysis

Company Name	Vivriti Ownership*	Consolidation Approach
Vivriti Asset Management Private Limited	66.78%	Limited Consolidation

*Source: Company; *on a diluted basis*

ANALYST CONTACTS

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Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

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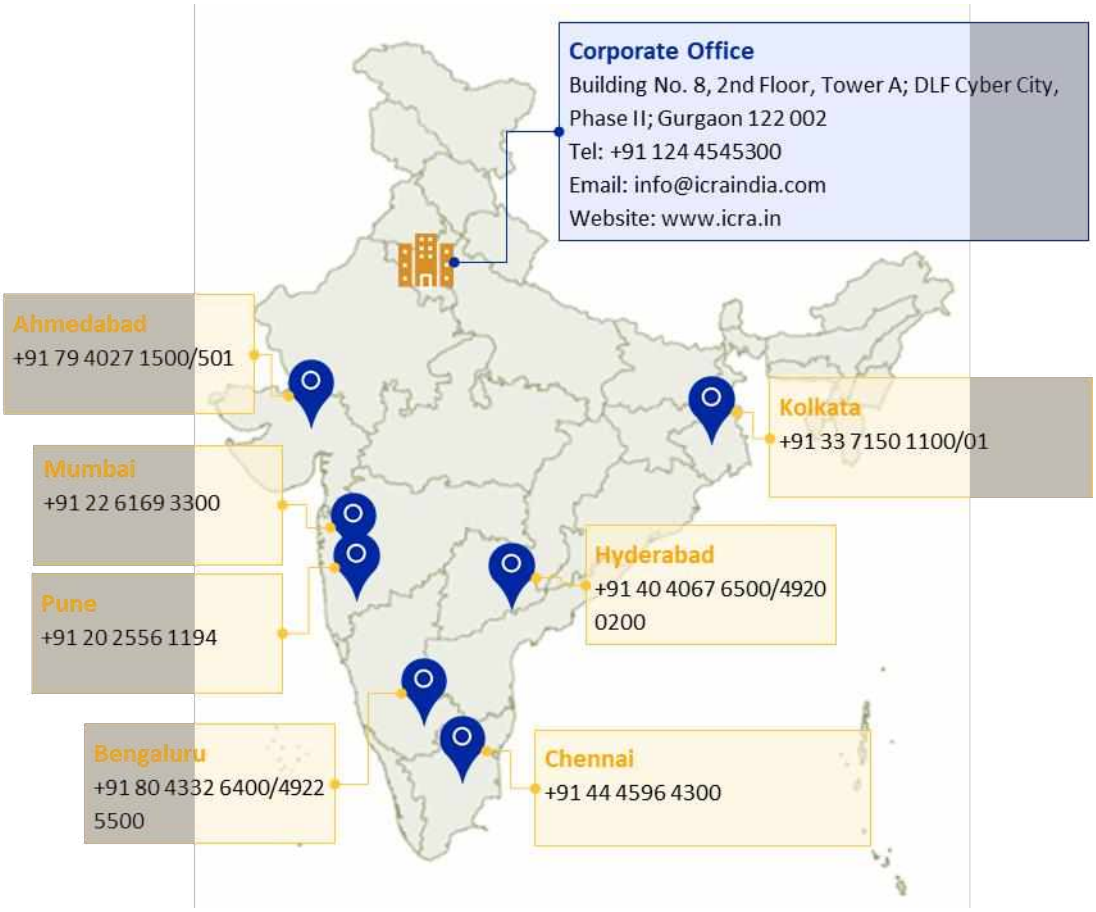
Branches



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ICRA

ICRA Limited

CONFIDENTIAL

ICRA/Vivriti Capital Limited/12072023/1 July 12, 2023

Mr. Vineet Sukumar
Founder & Managing Director
Vivriti Capital Limited
Floor No.12, Prestige Polygon
Anna Salai, Teynampet,
Mount Road,
Chennai-600035

Dear Sir,

Re: ICRA-assigned rating for Rs. 500.00 crore Non-Convertible Debenture (NCD) Programme (Public issuance) of Vivriti Capital Limited

---

Please refer to your request dated July 11, 2023 for revalidating the rating letter issued for the captioned programme.

We confirm that the "**[ICRA]A**" (pronounced as ICRA A) rating assigned to your captioned programme and last communicated to you vide our letter dated June 07, 2023 stands. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. The outlook on the rating is Stable. The amount unutilized against this is Rs. 500.00 crore.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref. No.ICRA/Vivriti Capital Private Limited/07062023/4 dated June 07, 2023.

The Rating assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated Instrument Issued/availed by your company.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

SRINIVASAN RANGASWAMY
Digitally signed by SRINIVASAN RANGASWAMY
Date: 2023.07.13 10:44:32 +05'30'

(R Srinivasan)
Vice President
r.srinivasan@icraindia.com

ANNEXURE C

CARE RATINGS LETTER, RATING RATIONALE, REVALIDATED LETTER AND PRESS RELEASE

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No. CARE/HO/RL/2023-24/1555

Shri Parth Sanghani
Head - Treasury
Vivriti Capital Private limited
12th floor, Prestige Polygon,
No. 471, Anna Salai, Nandanam
Chennai
Tamil Nadu 600035

June 12, 2023

Confidential

Dear Sir,

Credit rating for Proposed Non-Convertible Debenture

1. Please refer to your request for rating of proposed Non-Convertible Debentures issue aggregating to Rs.500.00 crore of your company. The proposed NCDs would have tenure of 18 to 27 months.

2. The following ratings have been assigned by our Rating Committee:

Sr. No.	Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
1.	Non Convertible Debentures	500.00	CARE A; Positive (Single A; Outlook: Positive)	Assigned
	Total Instruments	500.00 (Rs. Five Hundred Crore Only)		

3. Please arrange to get the rating revalidated in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you that is June 9, 2023.

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.

7. The rationale for the rating will be communicated to you separately.

8. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

9. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

10. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

11. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.

12. Our ratings are **not** recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

CARE Ratings Limited

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Disclaimer

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Vivriti Capital Private Limited

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Non-convertible Debentures (Public issue)	500.00	CARE A; Positive	Assigned
Long-term bank facilities	2,750.00	CARE A; Positive	Reaffirmed
Market-linked debentures	100.00	CARE PP-MLD A; Positive	Reaffirmed
Market-linked debentures	200.00	CARE PP-MLD A; Positive	Reaffirmed
Market-linked debentures	100.00	CARE PP-MLD A; Positive	Reaffirmed
Market-linked debentures	100.00	CARE PP-MLD A; Positive	Reaffirmed
Market-linked debentures	200.00	CARE PP-MLD A; Positive	Reaffirmed
Market-linked debentures	100.00	CARE PP-MLD A; Positive	Reaffirmed
Market-linked debentures	300.00	CARE PP-MLD A; Positive	Reaffirmed
Market Linked debentures	300.00	CARE PP-MLD A; Positive	Reaffirmed
Non-convertible debentures	200.00	CARE A; Positive	Reaffirmed
Non-convertible debentures	100.00	CARE A; Positive	Reaffirmed
Non-convertible debentures	100.00	CARE A; Positive	Reaffirmed
Non-convertible debentures	300.00	CARE A; Positive	Reaffirmed
Commercial paper	150.00	CARE A1	Reaffirmed

Details of instruments/facilities in Annexure-1.

Detailed rationale and key rating drivers

The ratings assigned to the debt instruments of Vivriti Capital Private Limited (VCPL) factor in the comfortable capitalisation levels supported by periodical equity capital raise backed by marque private equity (PE) funds, which has helped the company build its assets under management (AUM) of over ₹5,800 crore with tangible net worth of over ₹1,500 crore as on March 31, 2023. The ratings further factor in experience of the promoters in the financial services business, diversified resource profile with reduction in borrowing from non-banking finance companies (NBFCs) and improvement in profitability as reflected in the return on total assets (ROTA) aided with increase in the scale of business and good asset quality.

The ratings are constrained by improving but limited track record of operations of VCPL, moderate seasoning of the significant proportion its AUM as the growth rate stood relatively high in the past two years, relatively higher cost of borrowings as compared to peers, concentration risk with enterprise loan book (financial as well as non-financial sector entities), exposure to borrowers which are largely small and mid-sized NBFCs having moderate risk profile and limited experience in lending to non-financial entities. Although, the proportion of loans to financial services entities is decreasing, it continues to form significant proportion of total loan book.

In the near term, managing its margin by reducing the cost of borrowing would be a key challenge for VCPL. Furthermore, VCPL would be required to raise equity capital periodically to support its AUM growth plan and would be important to maintain the leverage level below 4x.

VCPL started its lending operations in April 2018, with exposures to small and mid-sized NBFCs and started diversification into non-financial sector enterprises in 2019, tie-ups with retail originators for co-lending in early 2020 and supply chain finance in 2021. VCPL also provides asset management services through 'Vivriti Asset management Private Limited' (VAM), which has AUM of ₹1,994 crore as on March 31, 2023 (total set-up of seven funds with approval of further three more under process).

VCPL developed its proprietary technology platform 'CredAvenue' which also functions as one of the sources of loan origination for VCPL, as well as providing data analytics that assists in monitoring of loan portfolio. During FY21 (refers to the period from April 01 to March 31), the platform 'CredAvenue' was transferred to a separate entity 'CredAvenue Private Limited' (CAPL) which was a wholly-owned subsidiary of VCPL till end

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

of FY21. CAPL is considered as an associate by VCPL. In August 2021, VCPL renounced its voting rights in favour of shareholders of VCPL. During September 2021, CAPL raised equity through Series A fund raising largely from private equity investors which resulted in VCPL's shareholding getting diluted to 58.29%. Furthermore, during March 2022, CAPL raised additional equity capital through Series B funding from private equity investors resulting in further dilution of VCPL's shareholding in CAPL to 50.52%. As a result, CAPL has become an associate company of VCPL; however, the promoters and investors of VCPL continue to hold shareholding in CAPL. VCPL has classified it as an associate and the consolidation of CAPL would be as an associate based on equity method from FY22. Furthermore, VCPL does not plan to infuse any additional funds in CAPL and its shareholding in CAPL is expected to be reduced going forward.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in the resource profile with reduction in the cost of funds in line with peers.
- Improvement in seasoning of loan portfolio with stable asset quality parameters on a sustained basis.

Negative factors

- Deterioration in the asset quality with gross non-performing asset (GNPA) greater than 3%.
- Moderation in the capitalisation levels with overall gearing of 4x or above.

Analytical approach

CARE Ratings Limited (CARE Ratings) has considered standalone financials of VCPL. Earlier the analytical approach was consolidated for VCPL along with CredAvenue Private Limited (CAPL) and Vivriti Asset Management Private Limited (VAM). During FY22, post two rounds of capital raise by CAPL, the shareholding of VCPL had reduced to 50.52%. Furthermore, VCPL has not retained control on CAPL and has classified it as an associate, and the consolidation of CAPL would be as an associate based on equity method from FY22. Furthermore, VCPL does not plan to infuse any additional funds in CAPL and its shareholding in CAPL is expected to be reduced going forward. VAM also raised equity during FY22 resulting in VCPL's shareholding coming down to 75.54%. VAM is expected to remain a subsidiary of VCPL; however, the funding support from VCPL to VAM going forward would be low and limited to 10% of the net worth of VCPL. Accordingly, CARE Ratings has considered a standalone view of VCPL for arriving at the rating with limited expected support to VAM.

Outlook: Positive

The outlook for VCPL is positive mainly on account of improving profitability as depicted by significant improvement in ROTA and expected reduction in the cost of borrowings going forward due to reduced reliance on NBFC's for funds.

Detailed description of the key rating drivers

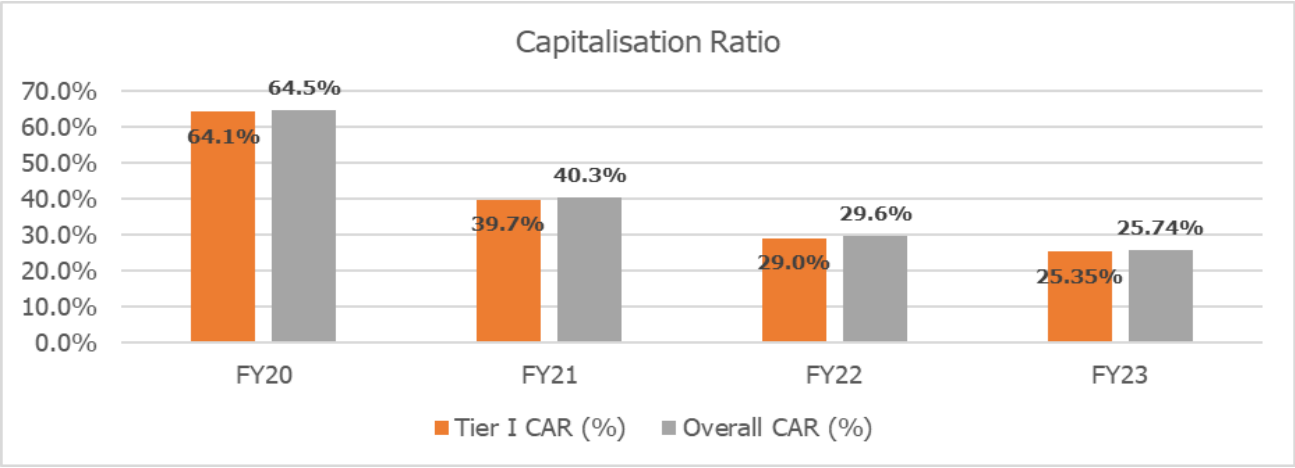
Key rating strengths

Adequate capitalisation of VCPL with regular capital infusion from private equity investors

In the initial and an ongoing phase of operations, VCPL has been able to raise equity capital of around ₹1,299 crore from private equity investors – Creation Investments LLC (₹480 crore since January 2019), of which ₹70 crore was raised in March 2022, LGT Lightstone (₹350 crore in March 2020 and ₹247 crore in March 2022) and TVS Capital Fund (₹221 crore in May 2022) which resulted in the company having tangible net worth (TNW) of ₹1,552 crore as on March 31, 2023. (March 31, 2022: ₹1,187 crore) on a standalone basis. As on March 31, 2023 Creation Investments India III held shareholding of 52.02%, LGT Lightstone group held 11.99% and the promoters, founders (Vineet Sukumar and Gaurav Kumar) and employee ESOP stock held 18.09% shareholding. VCPL has raised ₹220 crore in May 2022 from TVS Capital Fund. VCPL, on a standalone basis, reported capital adequacy ratio (CAR) of 25.74% as on March 31, 2023 (March 31, 2022: 29.57%) with Tier-I CAR of 25.35% (P.Y.: 29%). The table below shows capital raised by VCPL from PE funds over the last four years.

Investors	Year	Amount
Creation Investments	Jan-19	100
Creation Investments	Feb-19	100
Creation Investments	Mar-19	35
Creation Investments	May-19	75
Lightrock (LGT)	Mar-20	350
Creation Investments	Sep-20	101
Creation Investments	Mar-22	70
Lightrock (LGT)	Mar-22	247
TVS Capital Growth Fund	May-22	221
Total		**1,299**

The company has significantly scaled up its loan portfolio over the last three years to reach Assets Under Management (AUM) of ₹5,836 crore as on March 31, 2023 and plans to continue to scale up its loan portfolio over the next three years. As the company has increased its borrowings to grow its loan portfolio, the overall gearing has increased from 2.99x as on March 31, 2022 to 3.25x as on March 31, 2023. Although, VCPL has plans to significantly scale up its loan portfolio but is expected to remain under 4x on steady state basis and CARE Ratings expects that the company would be able to raise equity capital to support the significant growth plans. A trend in capitalisation ratios and gearing is given in the table below.



VCPL does not envisage incremental funding support to CAPL, as the company has been raising funds on its own. Furthermore, the significant amount of equity raised by CAPL would help it to fund its losses, and VCPL is not expected to increase its shareholding in the company to fund incremental losses if any.

Experience of promoters and management team in financial services

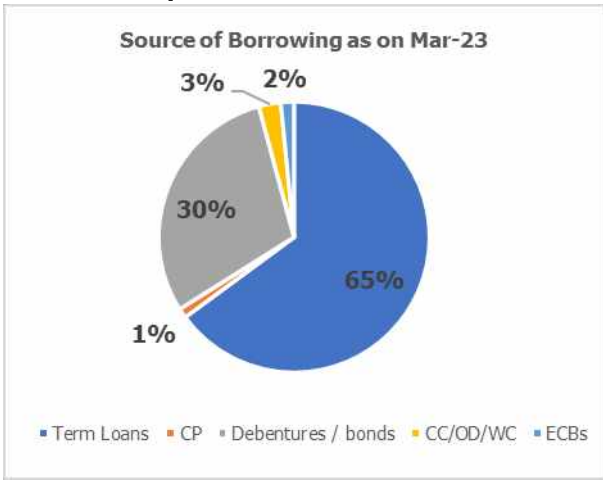
The company initially started with developing digital platform for arranging / deal making business in FY18. It started lending operation in April 2018, and the asset management business in February 2019. The promoter and founding team members have extensive experience in financial services which will help in increasing the scale of business aggressively. Both the promoters, Vineet Sukumar (Managing Director) and Gaurav Kumar (Non-Executive Director) have extensive experience in arranging and lending business, especially to financial services entities.

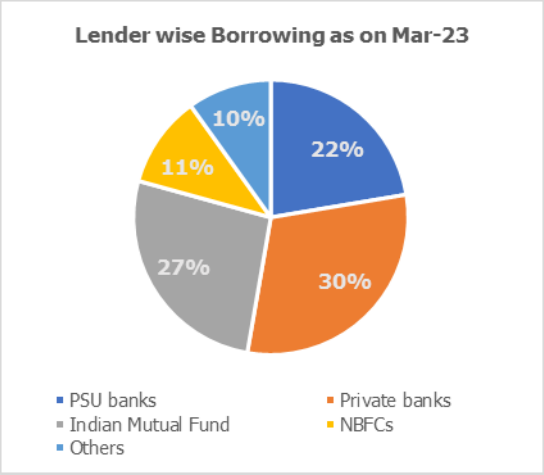
Credit underwriting supported by technology platform

The company has well-defined process to evaluate the credit, starting with onboarding of client digitally through own team as well as CredAvenue platform. In the initial phase, majority of the sourcing was through CredAvenue; however, the proportion of business sourced through own team has been increasing and the company is focusing on decrease in business sourced through the CredAvenue platform. For credit evaluation that is carried out by VCPL's credit and risk team, the company has put in place process for carrying out detailed due diligence for all the financial services entities as well as non-financial sector enterprises clients and continues monitoring the credit once it is disbursed. While there are sectoral and single borrower exposure norms in place along with cap on subordinated exposures which provides comfort, CARE Ratings expects VCPL to have prudential deal selection considering the riskier asset class of the borrowers. VCPL uses their own resources for origination of credit opportunities which were relied on CredAvenue platform earlier.

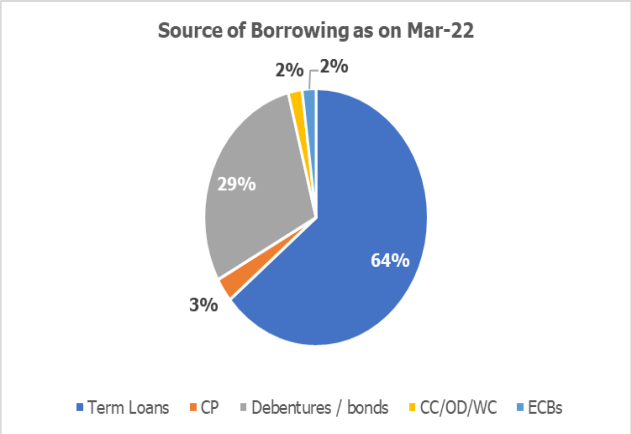
The AUM of VCPL increased by 60% during FY23 to reach ₹5,836 crore as on March 31, 2023 as compared with ₹3,639 crore as on March 31, 2022, to mix of NBFCs, non-NBFCs and through co-lending. As on March 31, 2023, 62% of AUM comprises Enterprise loans, which includes small and mid-sized NBFCs as well as non-NBFCs, and the rest 38% constitute of retail loans which include small ticket-sized loans for working capital to entities including supply chain finance (SCF) and co-lending.

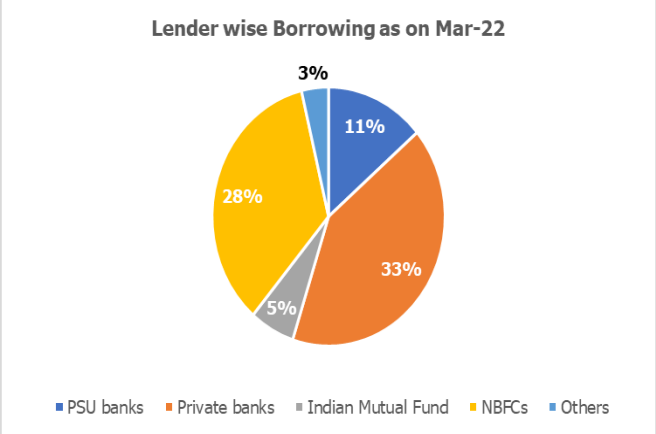
Diversified resource profile





The company have nearly 61 lender relationships with nearly 53% of borrowings from banks and rest from other NBFCs, financial institutions, mutual funds, etc, as on March 31, 2023. CARE Ratings expects the company to increase its borrowings during the year by tying up new credit lines to grow the portfolio as envisaged by VCPL. As on March 31, 2023, the overall borrowings of VCPL consists of term loans (65%), bonds (30%), working capital lines (3%) and others (2%). The company had to face increased cost of funds in FY23 despite which they were able to maintain their profit margin at 19% (FY22: 19%). The cost of funds continues to remain relatively higher as compared to the peers. The ability to secure new lender tie-ups at competitive interest rates to grow loan book as envisaged by VCPL will be key monitorable going forward.





Key rating weaknesses

Limited track record of operations and moderate seasoning of the significant proportion of the loan book
The group has started lending operation in April 2018 with FY19 being the first full year of operations. The company's customer base included entities in the financial services largely small and mid-sized NBFCs, which have moderate risk profile. The lending to NBFCs is for an average amortising tenure of two years.
Later, the company started diversifying the book with exposures to enterprise segment (non-financial) with two years of average amortising tenor, supply chain finance (three to four months tenor) and co-lending book (six months to three years). The company has seen around two credit cycles of lending to financial as well as nonfinancial sector and delinquencies have remained low with nil restructured assets; however, majority of the book has been disbursed in the last one year.

Customer Segment

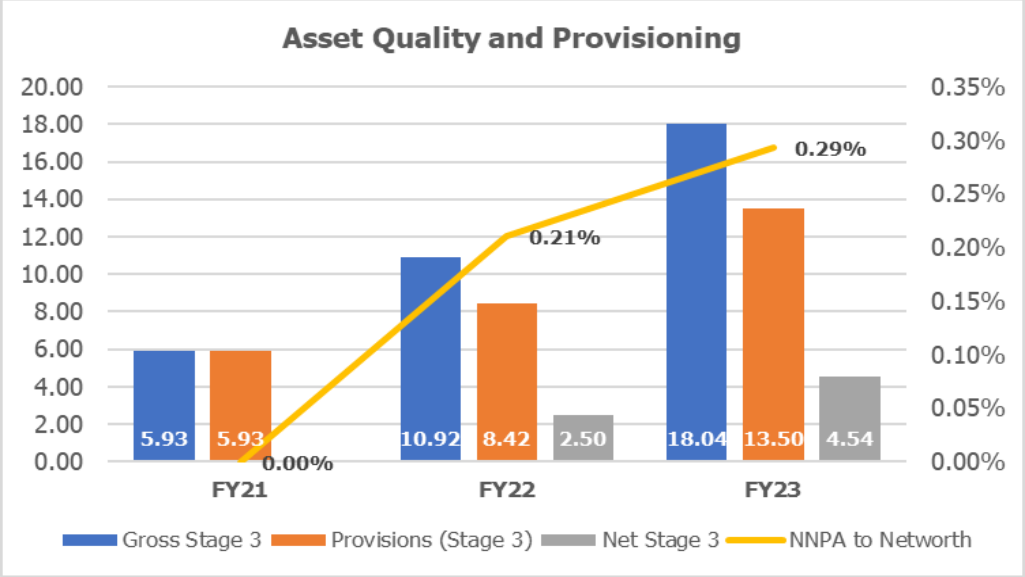
Product Wise (₹ Crore)	March 31, 2021	%	March 31, 2022	%	March 31, 2023	%
Enterprise	1,600	84	2,239	62	3,619	62
Retail	305	16	1,400	38	2,217	38
Total AUM	**1,905**	**100%**	**3,639**	**100%**	**5,836**	**100%**

Product wise split

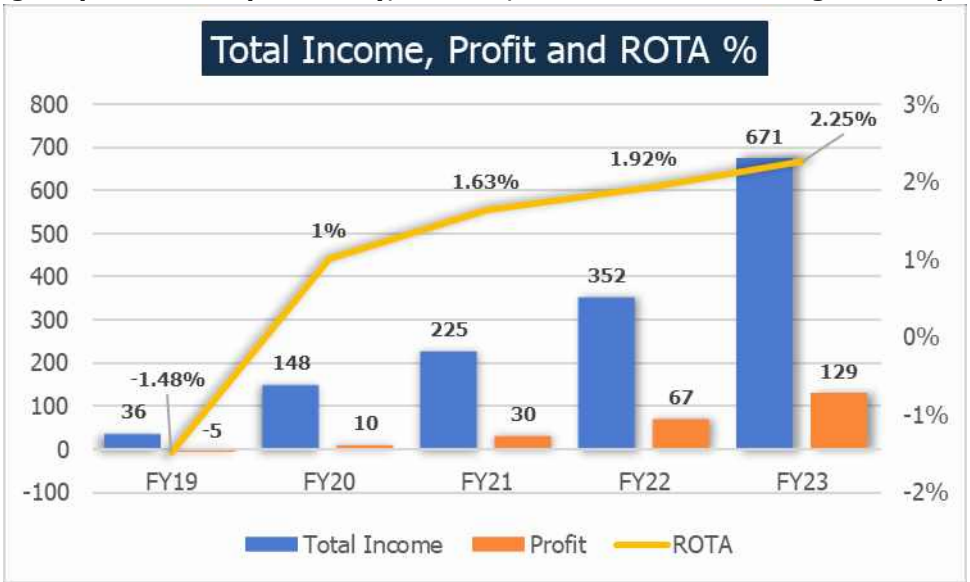
Product Wise (₹ Crore)	March 31, 2021	%	March 31, 2022	%	March 31, 2023	%
Term Debt	1,447	76	2,057	56	3,330	57
Guarantee	49	3	42	1	11	0
WCDL	104	5	141	4	279	5
Supply Chain	34	2	177	5	266	5
Retail (Total)	271	14	1,223	34	1,951	33
Total Book	**1,905**	**100%**	**3,639**	**100%**	**5,836**	**100%**

Furthermore, the co-lending book, which constituted around 33% of AUM, is backed by first loss default guarantee by the originators, which makes the book relatively secured for VCPL and VCPL is expected to ramp-up its book. VCPL envisages to achieve around 20-30% share of exposures to each of the four verticals, viz., lending to financial services enterprises, nonfinancial sector enterprises, supply chain financing and co-lending each in the next 3-4 years.

The ability to maintain robust asset quality going forward will be a key monitorable. During FY23, the company saw marginal deterioration in its Gross Stage 3 assets to 0.31% as on March 31, 2023, from 0.29% as on March 31, 2022, with Stage 3 provision coverage ratio (PCR) of 75% as on March 31, 2023, as compared to PCR of 77% as on March 31, 2022.



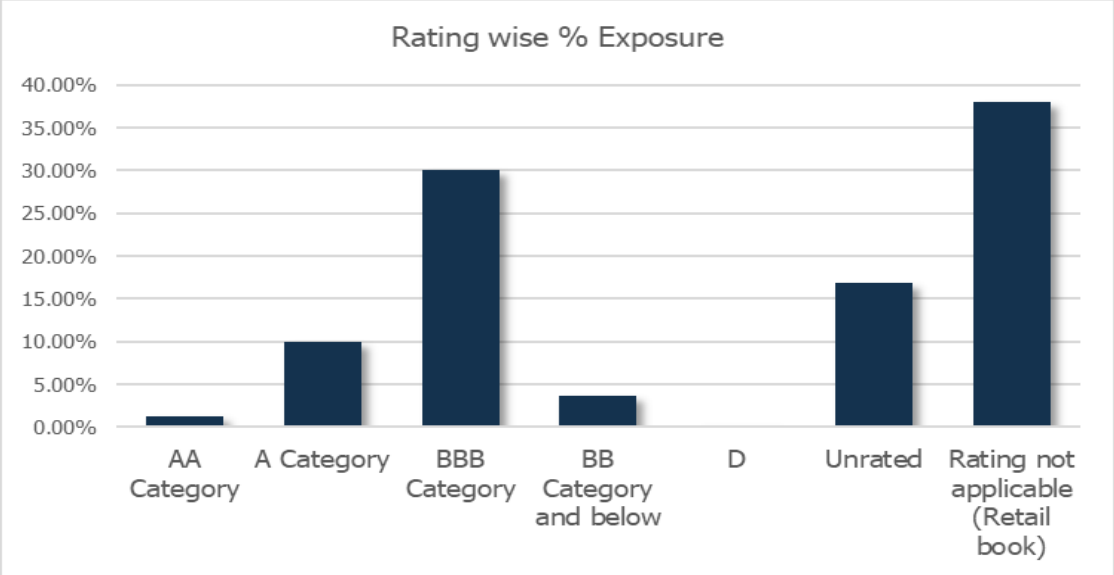
Moderate, though improvement in profitability; however, cost of funds remains higher than peers



The company's yield on advances was at 13.42% for FY23 and its net interest margin (NIM) for FY23 stood at 3.64% (P.Y.: 3.55%), as the company increased its leverage and scaled up the operations. The company saw its cost of borrowing increasing during FY23 to around 9.08% for FY23 from 8.07% for FY22; it continues to remain higher than peer companies. The operating expenses constituted 1.72% of average total assets for FY23 (P.Y.: 1.35%), which are expected to lower down in the medium term due to increase in the scale of operations. VCPL reported pre-provision operating profit (PPOP) of ₹182 crore (standalone) in FY23 as compared with ₹105 crore in FY22. VCPL's credit cost reduced with lower provisioning which helped VCPL to report profit after tax (PAT) of ₹129 crore on total income of ₹671 crore during FY23 as against PAT of ₹67 crore on a total income of ₹352 crore during FY22. VCPL's Return on Total Assets (ROTA) increased from 1.92% in FY22 to 2.25% in FY23.

The transfer of CredAvenue to subsidiary CAPL during H2FY21 and improvement in the scale of lending business is leading to improvement in standalone profitability of VCPL. CARE Ratings expects that with increase in the scale of operations, efficiencies of scale will aid operating leverage resulting in improvement in standalone profitability. The company has reported a 92% growth on a Y-o-Y basis in its standalone profit as compared with last year, which is attributed towards rise in total income, controlled operating expenses and lower provisioning cost.

Exposure to riskier asset class posing asset quality risks and largely enterprise exposures with concentration risk



Sector wise Split	% Exposure	Total Amt O/S in Cr
Small Business Loans	26.1%	1,520.37
Consumer Finance	20.7%	1,205.60
MFI	10.4%	606.21
Diversified	5.9%	341.42
Two Wheeler Finance	5.0%	291.87
Renewable Energy	2.4%	138.51
Agriculture	2.3%	136.41
Textiles, Apparel & Luxury Goods	2.3%	134.21
Others	24.9%	1,461.20

The company provides loan to small and mid-sized enterprises (financial as well as non-financial entities). The credit profile of the target segment is relatively risky in nature with significant exposures to MFI entities, SME funding providers, vehicle finance and consumer finance. As on March 31, 2023, around 62% of the book consisted of enterprise term loans. CARE Ratings takes comfort from the internal capping of exposure per entity as well as the company's plan to limit the ticket size going forward, which along with envisaged growth in the loan book, will help in moderating the concentration going forward.

Majority of the borrowers either belong to the rating band of BBB category or the unrated category which makes the credit profile of VCPL moderately risky. Around only 11% of the company's loan book is exposed to AAA or AA rated borrowers. The company also holds limited experience in lending to non-financial entities which the company is trying to diversify.

VCPL predominantly lending to mid-corporate and NBFCs has concentration in its loan portfolio. Top 20 exposure constituted 15% of AUM as on March 31, 2023 as compared to 16% of AUM as on December 31, 2022.

CARE Ratings takes note that the company has managed asset quality parameters well despite the challenging operating environment impacted by COVID-19 in the last couple of years, and managing the asset quality of this riskier segment of book will be key monitorable going forward.

Liquidity: Adequate

As per the standalone asset liability maturity (ALM) statement as on March 31, 2023, there were no cumulative mismatches in any bucket for up to one year. The company has a debt repayment of ₹2,683 crore up to one year against which it has inflows worth ₹3,550 crore and unencumbered cash and bank balances worth ₹295 crore. VCPL reported liquidity coverage ratio (LCR) of 116% for the quarter ended March 31, 2023.

Applicable criteria

Policy on default recognition
Consolidation
Financial Ratios - Financial Sector
Short Term Instruments
Rating Outlook and Credit Watch
Rating Methodology – Non-Banking Finance Companies (NBFC)
Market Linked Notes
Non-Banking Financial Companies
Policy on Withdrawal of Ratings

About the company

Industry Classification

Macro-Economic Indicator	Sector	Industry	Basic Industry
Financial Services	**Financial Services**	**Finance**	**Non-Banking Finance Company (NBFC)**

Vivriti Capital Private Limited (VCPL) is a systemically important non-deposit taking non-banking finance company (NBFC-ND-SI) registered with the Reserve Bank of India (RBI). It was started in June 2017 by Vineet Sukumar and Gaurav Kumar with focus to provide financial services to financial as well as non-financial entities, including lending through VCPL, asset management services through Vivriti Asset Management, and arranging capital through proprietary platform CredAvenue, which was transferred to its subsidiary, now associate CAPL in H2FY21. VCPL provides term and supply chain finance to small and mid-sized financial and non-financial entities with AUM of ₹5,836 crore (₹3,639 crore as on March 31, 2022) provided to 270+ enterprise clients (208 as on March 31, 2022) and 10 lakh+ retail clients (9 lakh+ as on March 31, 2022) (through co-lending agreements with other NBFCs) as on March 31, 2023.

Financial Performance

₹ Crore

As on / Period Ended	FY21	FY22	FY23
Total Income	**225.12**	**351.67**	**671.21**
Interest Expended	94.35	199.06	390.42
Net Interest Income	**100.60**	**119.93**	**195.99**
Operating Expenses	104.18	75.66	162.55
PPOP	**70.56**	**105.26**	**182.01**
Provisions	29.90	14.62	9.17
PBT	**40.67**	**90.64**	**172.84**
PAT	**30.01**	**67.37**	**129.30**
Balance Sheet			
Tangible Net Worth	786	1,187	1,552
Total Borrowings	1,368	3,556	5,047
Investments	294	985	1,404
Loan outstanding (balance sheet)	1,844	2,995	4,603
Total Assets	**2,201**	**4,803**	**6,710**
Overall Debt/ Equity ratio (times)	1.74	2.99	3.25
Capital Adequacy Ratio (CAR) (%)	40.5	29.58	25.74
Tier I CAR %	39.89	29.04	25.35
Net Interest Margin (%)	5.84	3.55	3.64
ROTA (%)	1.63	1.92	2.25
RONW (%)	4.16	6.83	9.44
Gross NPA (%)	0.46	0.29	0.31
Net NPA Ratio (%)	-	0.07	0.08
Provision Coverage	100.00	77.14	74.86
Net NPA to Net worth (%)	-	0.21	0.29

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Please refer Annexure-2

Details of rated facilities: Please refer Annexure-3

Complexity level of various instruments rated: Annexure-4

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned
Fund-based - LT-Term Loan	-	-	-	November 30, 2026	2,750	CARE A; Positive
Debentures-Market Linked Debentures	INE01HV07205 INE01HV07213	August 06, 2021	G Sec Linked	February 06, 2023	100	CARE PP-MLD A; Positive
Debentures-Market Linked Debentures	INE01HV07239	November 24, 2021	G Sec Linked	April 03, 2023	50	CARE PP-MLD A; Positive
Debentures-Market Linked Debentures	INE01HV07262	February 04, 2022	G Sec Linked	June 04, 2022	100	CARE PP-MLD A; Positive
Debentures-Market Linked Debentures	INE01HV07270	March 14, 2022	G Sec Linked	July 14, 2023	200	CARE PP-MLD A; Positive
Debentures-Market Linked Debentures	INE01HV07221	November 24, 2021	9.00%	April 03, 2023	50	CARE PP-MLD A; Positive
Debentures-Market Linked Debentures	INE01HV07296	June 24,2022	8.50%	April 05 ,2024	200	CARE PP-MLD A; Positive
Debentures-Market Linked Debentures	INE01HV07312	September 28, 2022	8.60%	July 26, 2024	200	CARE PP-MLD A; Positive
Debentures-Market Linked Debentures	INE01HV07320	December 15, 2022	8.60%	December 13, 2024	300	CARE PP-MLD A; Positive
Debentures-Market Linked Debentures	Proposed	-	-	-	200	CARE PP-MLD A; Positive
Debentures-Non-Convertible Debentures	INE01HV07288	March 31, 2021	3MTBILL LINKED	September 30, 2024	50	CARE A; Positive
Debentures-Non-Convertible Debentures	INE01HV07114	December 16, 2020	10%	June 16, 2022	60	CARE A; Positive
	INE01HV07122	December 31, 2020	10.25%	June 30, 2022		
Debentures-Non-Convertible Debentures	INE01HV07304	September 26, 2022	9.55%	September 25, 2024	50	CARE A; Positive
Debentures-Non-Convertible Debentures	INE01HV07247	November 30, 2021	10.90% XIRR	December 30, 2022	85	CARE A; Positive
	INE01HV07254	February 23, 2022	10.20%	February 28, 2023		
Debentures-Non-Convertible Debentures	INE01HV07338	December 26, 2022	10.25%	December 26, 2024	49	CARE A; Positive
Debentures-Non-Convertible Debentures	INE01HV07346	February 28, 2023	9.67%	May 28, 2024	50	CARE A; Positive
Debentures-Non-Convertible Debentures	Proposed	-	-	-	356	CARE A; Positive
Debentures-Non-Convertible Debentures (Public issue)	Proposed	-	-	-	500	CARE A; Positive
Commercial Paper-Commercial Paper (Standalone)	INE01HV14151	November 23, 2022	7.99%	March 23, 2023	12	CARE A1

Commercial Paper-Commercial Paper (Standalone)	INE01HV14177	December 21, 2022	7.90%	March 24, 2023	10	CARE A1
Commercial Paper-Commercial Paper (Standalone)	INE01HV14185	January 25, 2023	7.99%	April 25, 2023	10	CARE A1
Commercial Paper-Commercial Paper (Standalone)	INE01HV14193	February 17, 2023	8.45%	May 19, 2023	20	CARE A1
Commercial Paper-Commercial Paper (Standalone)	Not yet placed	-	-	Up to 365 days	98	CARE A1

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	2750.00	CARE A; Positive	-	1)CARE A; Positive (17-Mar-23) 2)CARE A; Positive (12-Dec-22) 3)CARE A; Positive (24-Nov-22) 4)CARE A; Stable (26-Sep-22) 5)CARE A; Stable (23-Jun-22)	1)CARE A; Stable (17-Feb-22) 2)CARE A; Stable (04-Jan-22) 3)CARE A; Stable (18-Nov-21) 4)CARE A; Stable (14-Sep-21) 5)CARE A; Stable (12-Jul-21)	-
2	Debentures-Market Linked Debentures	LT	100.00	CARE PP-MLD A; Positive	-	1)CARE PP-MLD A; Positive (17-Mar-23) 2)CARE PP-MLD A; Positive	1)CARE PP-MLD A; Stable (18-Nov-21) 2)CARE PP-MLD A; Stable	-

						(12-Dec-22) 3)CARE PP-MLD A; Positive (24-Nov-22) 4)CARE PP-MLD A; Stable (23-Jun-22)	(14-Sep-21) 3)CARE PP-MLD A; Stable (06-Aug-21)	
3	Debentures-Non Convertible Debentures	LT	200.00	CARE A; Positive	-	1)CARE A; Positive (17-Mar-23) 2)CARE A; Positive (12-Dec-22) 3)CARE A; Positive (24-Nov-22) 4)CARE A; Stable (23-Jun-22)	1)CARE A; Stable (18-Nov-21)	-
4	Debentures-Market Linked Debentures	LT	200.00	CARE PP-MLD A; Positive	-	1)CARE PP-MLD A; Positive (17-Mar-23) 2)CARE PP-MLD A; Positive (12-Dec-22) 3)CARE PP-MLD A; Positive (24-Nov-22) 4)CARE PP-MLD A; Stable (23-Jun-22)	1)CARE PP-MLD A; Stable (18-Nov-21)	-

5	Debentures-Non Convertible Debentures	LT	100.00	CARE A; Positive	-	1)CARE A; Positive (17-Mar-23) 2)CARE A; Positive (12-Dec-22) 3)CARE A; Positive (24-Nov-22) 4)CARE A; Stable (23-Jun-22)	1)CARE A; Stable (18-Nov-21)	-
6	Commercial Paper-Commercial Paper (Standalone)	ST	150.00	CARE A1	-	1)CARE A1 (17-Mar-23) 2)CARE A1 (12-Dec-22) 3)CARE A1 (24-Nov-22) 4)CARE A1 (23-Jun-22)	1)CARE A1 (17-Feb-22) 2)CARE A1 (17-Feb-22) 3)CARE A1 (24-Jan-22)	-
7	Debentures-Market Linked Debentures	LT	100.00	CARE PP-MLD A; Positive	-	1)CARE PP-MLD A; Positive (17-Mar-23) 2)CARE PP-MLD A; Positive (12-Dec-22) 3)CARE PP-MLD A; Positive (24-Nov-22)	1)CARE PP-MLD A; Stable (17-Feb-22)	-

						4)CARE PP-MLD A; Stable (23-Jun-22)		
8	Debentures-Market Linked Debentures	LT	100.00	CARE PP-MLD A; Positive	-	1)CARE PP-MLD A; Positive (17-Mar-23) 2)CARE PP-MLD A; Positive (12-Dec-22) 3)CARE PP-MLD A; Positive (24-Nov-22) 4)CARE PP-MLD A; Stable (23-Jun-22)	1)CARE PP-MLD A; Stable (14-Mar-22)	-
9	Debentures-Non Convertible Debentures	LT	100.00	CARE A; Positive	-	1)CARE A; Positive (17-Mar-23) 2)CARE A; Positive (12-Dec-22) 3)CARE A; Positive (24-Nov-22) 4)CARE A; Stable (23-Jun-22)	1)CARE A; Stable (14-Mar-22)	-
10	Debentures-Market Linked Debentures	LT	200.00	CARE PP-MLD A; Positive	-	1)CARE PP-MLD A; Positive (17-Mar-23) 2)CARE PP-MLD A; Positive	-	-

						(12-Dec-22) 3)CARE PP-MLD A; Positive (24-Nov-22) 4)CARE PP-MLD A; Stable (23-Jun-22)		
11	Debentures-Market Linked Debentures	LT	100.00	CARE PP-MLD A; Positive	-	1)CARE PP-MLD A; Positive (17-Mar-23) 2)CARE PP-MLD A; Positive (12-Dec-22) 3)CARE PP-MLD A; Positive (24-Nov-22) 4)CARE PP-MLD A; Stable (23-Jun-22)	-	-
12	Debentures-Market Linked Debentures	LT	300.00	CARE PP-MLD A; Positive	-	1)CARE PP-MLD A; Positive (17-Mar-23) 2)CARE PP-MLD A; Positive (12-Dec-22) 3)CARE PP-MLD A; Positive (24-Nov-22) 4)CARE	-	-

						PP-MLD A; Stable (26-Sep-22)		
13	Debentures-Market Linked Debentures	LT	300.00	CARE PP-MLD A; Positive	-	1)CARE PP-MLD A; Positive (17-Mar-23) 2)CARE PP-MLD A; Positive (12-Dec-22)	-	-
14	Debentures-Non Convertible Debentures	LT	300.00	CARE A; Positive	-	1)CARE A; Positive (17-Mar-23)	-	-
15	Debentures-Non Convertible Debentures	LT	500.00	CARE A; Positive				

*Long term/Short term.

Annexure-3: Details of Rated Facilities

1. Long Term Facilities

1.A. Term Loans

Sr. No.	Name of Bank / Lender	Rated Amount (₹ crore)	Remarks
1.	State Bank of India	250.00	
2.	Small Industries Development Bank of India	150.00	
3.	Small Industries Development Bank of India	150.00	Term Loan
4.	Indian Bank	123.00	Term Loan
5.	Bank of Maharashtra	100.00	
6.	Kotak Mahindra Bank Ltd.	96.88	Term Loan
7.	RBL Bank Limited	62.00	Term Loan
8.	Union Bank of India	60.00	
9.	Dhanlaxmi Bank Ltd.	50.00	Term Loan
10.	Small Industries Development Bank of India	50.00	Term Loan
11.	Bank of Baroda	50.00	
12.	Kotak Mahindra Bank Ltd.	50.00	
13.	Karur Vysya Bank Ltd.	45.83	Term Loan
14.	Kotak Mahindra Bank Ltd.	45.00	Term Loan
15.	Canara Bank	41.89	Term Loan
16.	IndusInd Bank Ltd.	41.67	Term Loan
17.	Federal Bank	41.67	Term Loan
18.	Kotak Mahindra Investments Ltd.	40.00	Term Loan
19.	RBL Bank Limited	39.27	Term Loan

Sr. No.	Name of Bank / Lender	Rated Amount (₹ crore)	Remarks
20.	Kotak Mahindra Investments Ltd.	38.89	Term Loan
21.	AU Small Finance Bank Ltd.	27.80	Term Loan
22.	Credit Saison Private Limited	26.25	Term Loan
23.	ESAF Small Finance Bank Ltd.	25.00	Term Loan
24.	Yes Bank Ltd.	25.00	Term Loan
25.	Indian Overseas Bank	24.31	Term Loan
26.	Axis Bank Ltd.	23.96	Term Loan
27.	Karnataka Bank Ltd.	20.00	Term Loan
28.	Ujjivan Small Finance Bank Ltd.	19.17	Term Loan
29.	Utkarsh Small Finance Bank Ltd.	15.00	Term Loan
30.	South Indian Bank Ltd.	14.58	
31.	Ujjivan Small Finance Bank Ltd.	14.17	Term Loan
32.	Nabsamruddhi Finance Ltd.	13.17	Term Loan
33.	RBL Bank Limited	11.46	
34.	Capital Small Finance Bank Ltd.	10.24	Term Loan
35.	RBL Bank Limited	6.68	
36.	South Indian Bank Ltd.	6.00	Term Loan
37.	Axis Bank Ltd.	5.00	Cash Credit
38.	Proposed	936.11	
	Total	**2,750.00**	

Total Long Term Facilities : ₹2,750.00 crore

Total Facilities (1.A) : ₹2,750.00 crore

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Commercial Paper-Commercial Paper (Standalone)	Simple
3	Debentures-Market Linked Debentures	Highly Complex
4	Debentures-Non-Convertible Debentures	Highly Complex
5	Debentures-Non-Convertible Debentures	Simple
6	Fund-based - LT-Term Loan	Simple

Note on complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Annexure-5: Detailed explanation of the covenants of the rated instruments/facilities

Name of instrument	Detailed Explanation
Financial Covenants	
Bank Facilities	CRAR greater than or equal to 20% Tier-I Ratio greater than or equal to 15% GNPA less than or equal to 4.0% Debt/TNW less than or equal to 4.0x Interest Service Coverage ratio not below 1.50
Non Financial Covenants	Not Available

Contact us

Media Contact	Analytical Contacts
Name: Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Name: Sanjay Agarwal Senior Director **CARE Ratings Limited** Phone: +91-22- 6754 3500 E-mail: sanjay.agarwal@careedge.in
Relationship Contact Name: Saikat Roy Senior Director **CARE Ratings Limited** Phone: +91-22-67543404 E-mail: saikat.roy@careedge.in	Name: Sudhakar P Director **CARE Ratings Limited** Phone: +91-044-28501003 E-mail: p.sudhakar@careedge.in Name: Aditya R Acharekar Associate Director **CARE Ratings Limited** Phone: +91-22-6754 3528 E-mail: aditya.acharekar@careedge.in Name: Ravi Nayak Assistant Director **CARE Ratings Limited** E-mail: ravi.nayak@careedge.in

(This follows our brief rationale for the entity published on June 13, 2023)

About us:
Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:
The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

CONTACT

CARE Ratings Ltd.
Corporate Office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022
Phone: +91-22-6754 3456

REGIONAL OFFICE

AHMEDABAD
32, Titanium, Prahaladnagar Corporate Road,
Satellite, Ahmedabad - 380 015
Phone : +91-79-4026 5656

ANDHERI – MUMBAI
A Wing - 1102 / 1103, Kanakia Wall Street,
Andheri Kurla Road, Chakala, Andheri (E),
Mumbai - 400 093

BENGALURU
Unit No. 205-208, 2nd Floor, Prestige Meridian 1,
No. 30, M.G. Road, Bengaluru, Karnataka - 560 001
Phone : +91-80-4662 5555

CHENNAI
Unit No. O-509/C, Spencer Plaza, 5th Floor,
No. 769, Anna Salai, Chennai - 600 002
Phone : +91-44-2849 7812 / 0811

COIMBATORE
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Puliakulam Road, Coimbatore - 641 037
Phone : +91-422-433 2399 / 450 2399

HYDERABAD
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Hyderabad - 500 029
Phone : +91-40-4010 2030

KOLKATA
3rd Floor, Prasad Chambers, (Shagun Mall Bldg.)
10A, Shakespeare Sarani, Kolkata - 700 071
Phone : +91-33-4018 1600

NEW DELHI
13th Floor, E-1 Block, Videocon Tower,
Jhandewalan Extension, New Delhi - 110 055
Phone : +91-11-4533 3200

PUNE
9th Floor, Pride Kumar Senate,
Plot No. 970, Bhamburda, Senapati Bapat Road,
Shivaji Nagar, Pune - 411 016
Phone : +91-20- 4000 9000

No. CARE/HO/RL/2023-24/1886

Shri Parth Sanghani
Head - Treasury
Vivriti Capital limited
12th floor, Prestige Polygon,
No. 471, Anna Salai, Nandanam
Chennai
Tamil Nadu 600035

July 11, 2023

Confidential

Dear Sir,

Credit rating for Public Non-Convertible Debenture

1. Please refer to your request for rating of public Non-Convertible Debentures issue aggregating to Rs.500.00 crore of your company.

2. The following ratings have been assigned by our Rating Committee:

Sr. No.	Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
1.	Public Non Convertible Debentures	500.00	CARE A; Positive (Single A; Outlook: Positive)	Reaffirmed
	Total Instruments	500.00 (Rs. Five Hundred Crore Only)		

3. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

4. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.

7. The rationale for the rating will be communicated to you separately.

8. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

9. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

10. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

11. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.

12. Our ratings are **not** recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

CARE Ratings Limited

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

Ravi Nayak
Assistant Director
ravi.nayak@careedge.in

Aditya R Acharekar
Associate Director
aditya.acharekar@careedge.in

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

ANNEXURE D

CONSENT OF THE DEBENTURE TRUSTEE

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Date: July 20, 2023

To,

The Board of Directors
Vivriti Capital Limited
Prestige Zackria Metropolitan No. 200/1-8,
2nd Floor. Block -1, Annasalai,
Chennai – 600 002

Sub: Proposed public issue by Vivriti Capital Limited (the "Company") of secured, rated, listed, redeemable non-convertible debentures of face value of ₹ 1,000 each ("NCDs") for an amount up to ₹ 25,000 lakhs (Indian Rupees Twenty-Five Thousand lakhs) ("Base Issue Size") with an option to retain oversubscription up to ₹ 25,000 lakhs (Indian Rupees Twenty-Five Thousand lakhs) ("Green Shoe Option"), cumulatively aggregating up to 50,00,000 NCDs for an aggregate amount of up to ₹ 50,000 lakhs (Indian Rupees Fifty Thousand lakhs) ("Issue Size" or "Issue Limit") (hereinafter referred to as the "Issue") through the draft prospectus and the prospectus ("Offer Document")

Dear Sirs,

We, the undersigned, do hereby consent to act as debenture trustee to the Issue and to our name being inserted as the debenture trustee to the Issue in (i) the prospectus ("**Draft Prospectus**") which the Company intends to file with the BSE Limited ("**BSE**") ("**Stock Exchange**") for the purpose of receiving public comments and submission with the Securities and Exchange Board of India ("**SEBI**") for record purposes; (ii) the prospectus proposed to be filed with the Registrar of Companies, Tamil Nadu at Chennai (the "**RoC**") and submitted to SEBI and the Stock Exchanges in relation to the Issue ("**Prospectus**"); (iii) the abridged prospectus; and (iv) all related advertisements and the subsequent communications sent to the holders of NCDs pursuant to the Issue. The NCDs are proposed to be listed on the Stock Exchange.

We also authorise you to deliver a copy of this letter of consent to the RoC pursuant to Section 26 of the Companies Act, 2013, as amended, the SEBI, the Stock Exchange and any other regulatory authorities as may be required. The following details with respect to us are true, correct and complete and may be disclosed in the aforementioned offer documents and any other issue related materials / documents in relation to the Issue:

Logo: CATALYST
Believe in Yourself... Trust Us!
CIN: U74999PN1997PLC110262

Name: Catalyst Trusteeship Limited
Address: GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune-411038.
Tel: +91 22 4922 0555
Fax: +91 22 4922 0505
Email: deesha.trivedi@ctltrustee.com
Investor Grievance Email: grievance@ctltrustee.com
Website: https://catalysttrustee.com/
Contact Person: Ms. Deesha Trivedi
Compliance Officer: Ms. Kalyani Pandey
SEBI Registration No.: IND000000034
CIN: U74999PN1997PLC110262

CATALYST TRUSTEESHIP LIMITED

We enclose a copy of our registration certificate and declaration regarding our registration with SEBI in the required format in **Annexure A**. We also certify that our registration is valid as on date and that we have not been

prohibited by SEBI or any other regulatory authority from acting as an intermediary in capital market issues. We also confirm that we have not been debarred from functioning as an intermediary by any regulatory / statutory authority, court or tribunal. We further confirm that no enquiry/investigation is presently being conducted by SEBI on us.

We confirm that we will immediately inform, in writing, the Company and the lead manager to the Issue ("**LM**") of any changes to the information stated in this letter till the date the NCDs commence trading on the Stock Exchange pursuant to the Issue. In the absence of any such communication, the information stated in this letter should be taken as accurate and updated information until the NCDs commence trading on the Stock Exchange pursuant to the Issue.

This letter may be relied upon by the Company, Lead Manager and the legal advisor appointed by the Company in respect of the Issue.

We confirm that the information in relation to us in this letter together with the annexures is true, correct and complete in all respects and may be disclosed in the Draft Prospectus, Prospectus, abridged prospectuses and other issue related documents/materials/communication.

We also agree to keep strictly confidential, until such time the proposed Issue is publicly announced by the Company in the form of a press release, (i) the nature and scope of the Issue; and (ii) our knowledge of the Issue of the Company

Yours faithfully,

For Catalyst Trusteeship Limited

CATALYST TRUSTEESHIP LIMITED

Authorised Signatory
Name: Nidhi Todi
Designation: Manager

Cc:

Lead Manager

JM Financial Limited
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025
Maharashtra, India

Legal Counsel to the Issue

Cyril Amarchand Mangaldas
3rd Floor, Prestige Falcon Towers
19, Brunton Road, Off M.G. Road
Bengaluru 560 025, India

Encl: As above

Date: July 20, 2023

TO WHOMSOEVER IT MAY CONCERN

Sub: Proposed public issue by Vivriti Capital Limited (the "Company") of secured, rated, listed, redeemable non-convertible debentures of face value of ₹ 1,000 each ("NCDs") for an amount up to ₹ 25,000 lakhs (Indian Rupees Twenty-Five Thousand lakhs) ("Base Issue Size") with an option to retain oversubscription up to ₹ 25,000 lakhs (Indian Rupees Twenty-Five Thousand lakhs) ("Green Shoe Option"), cumulatively aggregating up to 50,00,000 NCDs for an aggregate amount of up to ₹ 50,000 lakhs (Indian Rupees Fifty Thousand lakhs) ("Issue Size" or "Issue Limit") (hereinafter referred to as the "Issue") through the draft prospectus and the prospectus ("Offer Document")

1. Registration number:	IND000000034
2. Date of registration / renewal of registration:	April 18, 2022
3. Date of expiry of registration:	Permanent Registration
4. If applied for renewal, date of application:	Not Applicable
5. Any communication from SEBI prohibiting [name of certifying entity] from acting as [debenture trustee to the offer]:	NIL
6. Any enquiry/investigation being conducted by SEBI:	NIL
7. Period up to which registration/ renewal fees has been paid:	Not Applicable
8. Details of any penalty imposed	Permanent Registration

For Catalyst Trusteeship Limited

CATALYST TRUSTEESHIP LIMITED

Authorised Signatory
Name: Nidhi Todi
Designation: Manager

डिबेंचर न्यासी

प्रपत्र ख
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000 2A 2

(विनियम 8)
(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित इस अधिनियम की धारा 12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

Catalyst Trusteeship Limited
GDA House, First Floor, Plot No. 85,
S. No. 94 & 95, Bhusari Colony (Right), Kothrud,
Pune- 411038, Maharashtra

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।

as a debenture trustee subject to the conditions in the rules and in accordance with the regulations

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट

2) Registration Code for the debenture trustee is **IND000000034**

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।

3) Unless renewed, the certificate of registration is valid from to

This Certificate of Registration shall be valid from 13/04/2022 for permanent, unless suspended or cancelled by the Board

आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए तथा उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

स्थान Place **Mumbai**

तारीख Date **April 18, 2022**

DINESH JOSHI
प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

CATALYST TRUSTEESHIP LIMITED