(This general information document is neither a prospectus nor a statement in lieu of a prospectus)

No.: AFPL/GID/2023-24/01
Date: July 26, 2023

GENERAL INFORMATION DOCUMENT

ANNAPURNA FINANCE PRIVATE LIMITED ("Issuer" / "Company")

A private limited company incorporated under the Companies Act, 1956
Date of Incorporation: April 30, 1986
Registered Office: Plot No 1215/1401, Khandagiri Bari, Near Jaydev Vatika, Khandagiri, Bhubaneswar, Odisha, 751030, India
Telephone No.: 0674-2386580
Website: www.annapurnafinance.in

General Information Document for issue of Debentures on a private placement basis
Dated: July 26, 2023

Issue of rated, listed, taxable, redeemable, secured/unsecured, transferable, non-convertible debentures on a private placement basis in one or more series/tranches.

PART A: DISCLOSURES AS PER SEBI DEBT LISTING REGULATIONS**:

** *Please refer pages 1-4 for all information required to be placed on the front page of a General Information Document as per Schedule I of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.*

Please see below the disclosures as required under the terms of the SEBI Debt Listing Regulations (as defined below):

S.no	Particulars	Relevant Disclosure
1.	**Corporate Identity Number of the Issuer**:	U65999OR1986PTC015931
2.	**Permanent Account Number of the Issuer**:	AABCG2782K
3.	**Date and place of Incorporation of the Issuer**:	Date: April 30, 1986 Place: Varanasi
4.	**Latest registration / identification number issued by any regulatory**	RBI: B-04.00027

	authority which regulates the Issuer (in this case Reserve Bank of India):	
5.	**Registered Office address of the Issuer**:	Plot No 1215/1401, Khandagiri Bari, Opposite Jaydev Vatika, Khandagiri, Bhubaneswar, Odisha, 751030, India
6.	**Corporate Office address of the Issuer**:	Plot No 1215/1401, Khandagiri Bari, Opposite Jaydev Vatika, Khandagiri, Bhubaneswar, Odisha, 751030, India
7.	**Telephone No of the Issuer**:	0674-2386580
8.	**Website address of the Issuer**:	www.annapurnafinance.in
9.	**Email address of the Issuer**:	subrat@ampl.net.in
10.	**Details of Compliance officer of the Issuer**:	Name: Mr. Subrata Pradhan, Company Secretary Contact Details: 8280336010 Telephone Number: +91-674-2386580 Email address: subrat@ampl.net.in
11.	**Details of Company Secretary of the Issuer**:	
12.	**Details of Chief Financial Officer of the Issuer**:	Name: Mr. Satyajit Das Telephone Number: 8280336001 Email address: satya@ampl.net.in
13.	**Details of Promoters of the Issuer:**	Name: Mr. Gobinda Chandra Pattanaik Telephone Number: 0674-2386580 Email address: md@ampl.net.in Name: Mr. Dibyajyoti Pattanaik Telephone No 0674-2386580 Email address: dj@ampl.net.in
14.	**Details of debenture trustee for the Issue:**	Name: Catalyst Trusteeship Limited Address: Windsor, 06th Floor Office No. 604, C.S.T Road, Kalina, Santacruz (East) Mumbai -400098 Logo: CATALYST Believe in yourself... Trust us! Telephone Number: 022-49220555 Email address: ComplianceCTL-Mumbai@ctltrustee.com Contact person: Mr. Umesh Salvi
15.	**Details of statutory auditors of the Issuer:**	Name: B S R & Co. LLP, Chartered Accountants Address: 14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, NescoCenter, Western Express Highway, Goregaon (East), Mumbai - 400063 Logo:

		B S R & Co. LLP Chartered Accountants Telephone Number: +91 (22) 6257 1000 Email address: smota@bsraffiliates.com Contact person: Sameer Mota, Partner Website: NA
16.	**Details of credit rating agency for the Issue:**	Name: ICRA Ratings Limited Address: A-10 & A-11, 3rd Floor, FMC Fortuna, 234/3A, A.J.C. Bose Road, Kolkata - 700020. Logo: ICRA Telephone Number: 033-7150-1132 Email address: prateek.mittal@icraindia.com Contact person: Mr. Prateek Mittal
17.	**Date of General Information Document / General Information Document**	July 26, 2023
18.	**Type of General Information Document**	This is a General Information Document and is being issued in relation to the private placement basis of Debentures. The Issuer will issue a separate key information document ("**KID**" or "**Key Information Document**") for each issuance of Debentures pursuant to this General Information Document.
19.	**The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable**	As set out in the relevant Key Information Document for the relevant issuance of Debentures.
20.	**Details of Registrar to the Issue:**	Name: NSDL Database Management Limited Address: 4th Floor, Trade World, A Wing Kamala Mills Compound Lower Parel, Mumbai - 400 013, India Logo: NSDL Technology, Trust & Reach Telephone Number: 9833515383 (Mr Nilesh)

		Fax number: NA Website: www.ndml-nsdl.co.in Email address: info_ndml@nsdl.co.in
21.	**Issue Schedule**	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
22.	**Credit Rating of the Issue**	The Debentures proposed to be issued by the Issuer have been rated by India Ratings and Research Private Limited ("**Rating Agency**"). The Rating Agency has vide its letter dated July 18, 2023 and rating rationale dated July 20, 2023 assigned a rating of "[ICRA A- Stable]" (pronounced as "ICRA A Minus") in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the Rating Agency and should be evaluated independently of any other ratings. Please refer to **Annexure II** of this General Information Document for the letter dated July 18, 2023 and rating rationale dated July 20, 2023 from the Rating Agency assigning the credit rating abovementioned and the press release by the Rating Agency in this respect.
23.	**All the ratings obtained for the private placement of Issue**	Please refer to S.no 22 (*Credit Rating of the Issue*) above.
24.	**The name(s) of the stock exchanges where the securities are proposed to be listed**	The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited ("**BSE**").
25.	**The details about eligible investors**	Please refer Section 8.15 (*Eligible Investors*) below.
26.	**Coupon / dividend rate, coupon / dividend payment frequency, redemption date, redemption amount and details of debenture trustee**	Certain indicative details are set out in Section 5.34 (*Summary Terms)* of this General Information Document. The details of Debenture Trustee are provided under S. No. 14 above. Please also refer the relevant Key Information Document for the relevant issuance of Debentures.
27.	**Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters**	N.A.
28.	**Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the General Information Document on the**	Please refer Section 8.9 below

	Electronic Book Provider Platform, if applicable.	
29.	**Specific declaration requested by BSE: non-equity regulatory capital**	No series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures shall form part of non-equity regulatory capital mentioned under Chapter V of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with clarification provided by the Securities and Exchange Board of India in circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/027 dated February 8, 2023 on "*Clarification w.r.t. issuance and listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments under Chapter V of the SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021*". The debt security issued on private placement basis.

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Background
This General Information Document (as defined below) is related to the Debentures to be issued by Annapurna Finance Private Limited (the "**Issuer**" or "**Company**") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this General Information Document has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on September 22, 2022 and May 5, 2023 and the Board of Directors of the Issuer on November 10, 2022 read with the resolution passed by the Executive Committee of the Board of Directors held on July 15, 2023 and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated September 22, 2022 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding Rs. 2000,00,00,000/- (Rupees Two Thousand Crores only). The present issue of Debentures in terms of this General Information Document is within the overall powers of the Board as per the above shareholder resolution(s).

Issuer's Absolute Responsibility
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this General Information Document 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 General Information Document 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.

Issue Schedule	
Issue Opening Date	As set out in the relevant Key Information Document for the relevant issuance of Debentures.
Issue Closing Date	As set out in the relevant Key Information Document for the relevant issuance of Debentures.
Pay In Date	As set out in the relevant Key Information Document for the relevant issuance of Debentures.
Deemed Date of Allotment	As set out in the relevant Key Information Document for the relevant issuance of Debentures.

DISCLAIMERS

- This General Information Document contains no unsubstantiated forward-looking statements. To the extent there are any unsubstantiated forward-looking statements under this General Information Document, such statements shall be considered to be null and void.

- This General Information Document does not include any statement purporting to be made by an expert other than if the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the Issuer and has given their written consent to this issue of this General Information Document and has not withdrawn such consent before the delivery of a copy of this General Information Document to the Registrar (as applicable) for registration.

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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this General Information Document.

Act/Companies Act	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
Allot/Allotment/Allotted	The allotment of the Debentures pursuant to this Issue.
Applicable Accounting Standards	means the generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable, and includes the Indian Accounting Standards (IND-AS).
Applicant	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, means a person who has submitted a completed Application Form to the Issuer, and "Applicants" shall be construed accordingly.
Applicable Law	means all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof.
Application Form	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, the application form to apply for subscription to the Debentures.
Application Money	means the subscription amounts paid by the Applicant at the time of submitting the Application Form.
Assets	means, for any date of determination, the assets of the Company on such date as the same would be determined in accordance with the Applicable Accounting Standards.
Beneficial Owners	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, the holders of the Debentures in dematerialised form whose names are recorded as such with the Depository(ies) in the Register of Beneficial Owners, and "Beneficial Owner" shall be construed accordingly.
Board / Board of Directors	The Board of Directors of the Issuer.
BSE	means BSE Limited.
Business Day	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures: (a) subject to (b) and (c) below, means any day on which commercial banks in Mumbai, India and Bhubaneswar, India are open for business; (b) for the period commencing on the "Issue Opening Date" set

	out in the General Information Document until the "Issue Closing Date" set out in the General Information Document, any day (other than a Saturday, Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881), on which commercial banks in Mumbai, India are open for business; and (c) for the period commencing on the "Issue Closing Date" set out in the General Information Document until the listing of the Debentures in accordance with this Deed, any trading day of BSE, other than a Saturday, Sunday or a bank holiday, as specified by SEBI, and "**Business Days**" shall be construed accordingly
Capital Adequacy Ratio	means the capital adequacy ratio determined in accordance with the circulars/directions prescribed by the RBI (including the NBFC Directions).
CDSL	Central Depository Services (India) Limited.
CERSAI	shall mean the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
Client Loan	means each loan disbursed by the Company as a lender, and "Client Loans" shall be construed accordingly.
Company/ Issuer/ Annapurna Finance Private Limited	Annapurna Finance Private Limited, a private limited company incorporated under the Companies Act, 1956 having corporate identification number U65999OR1986PTC015931 and registered as a non-banking financial company - micro-finance institution with the Reserve Bank of India, having its registered office at 1215/1401, Khandagiri Bari, Infront of Jayadev Vatika, Khandagiri, Bhubaneswar, Odisha - 751030.
Company Rating	means the rating of the Issuer as on the date of this General Information Document, being M1C1 assigned by CRISIL
Conditions Precedent	means the conditions precedent set out under the relevant Key Information Document for the relevant issuance of Debentures.
Conditions Subsequent	means the conditions subsequent set out under the relevant Key Information Document for the relevant issuance of Debentures.
Constitutional Documents	means the certificate of incorporation of the Issuer, the memorandum of association and articles of association of the Issuer and the certificate of registration issued by the RBI to the Issuer.
Control	has the meaning given to it in the Companies Act.
Debentures/NCDs	means any issue or series of non-convertible debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures.

Debenture Holders / Investors	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, each person who is: (a) registered as a Beneficial Owner; and (b) registered as a debenture holder in the Register of Debenture Holders. Sub-paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Issuer and the Depository(ies) from time to time, and in the event of any inconsistency between (a) and (b) above, (a) shall prevail, and "Debenture Holder" or "Investor" shall be construed accordingly.
Debenture Trustee	means Catalyst Trusteeship Limited.
Debenture Trustee Agreement	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, the debenture trustee agreement executed / to be executed by and between the Debenture Trustee and the Company for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trust Deed/DTD	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, the debenture trust deed executed / to be executed by and between the Debenture Trustee and the Company *inter alia* setting out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
Debenture Trustees Regulations/ SEBI Debenture Trustees Regulations	means the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended, modified, supplemented or restated from time to time.
Debt Disclosure Documents	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, collectively, the General Information Document, the relevant Key Information Document for the relevant issuance of Debentures and the PPOA for the relevant issuance of Debentures, and "Debt Disclosure Document" means any one of them.
Debt Listing Regulations/ SEBI Debt Listing Regulations	means the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, modified, supplemented or restated from time to time.
Deemed Date of Allotment	As set out in the relevant Key Information Document for the relevant issuance of Debentures.

Demat	Means dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depositories	means the depositories with which the Issuer has made arrangements for dematerialising the Debentures, being NSDL and CDSL, and "Depository" means any one of them.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Director(s)	Director(s) of the Issuer.
DP ID	Depository Participant Identification Number.
DRR	has the meaning given to it in Section 5.31 (*Other Details*).
Due Dates	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, the dates on which any interest (including any interest amounts), any Outstanding Principal Amounts, any additional interest, any liquidated damages, any premature redemption amount and/or any other amounts payable are due and payable, including without limitation, the Interest Payment Dates, the Redemption Dates, the Final Redemption Date, or any other date on which any payment is to be made by the Issuer under the Transaction Documents, and "Due Date" shall be construed accordingly.
EBP Platform	has the meaning given to it under the EBP Requirements.
Electronic Book Provider / EBP	has the meaning given to it under the EBP Requirements.
Effective Date	means the date of execution of the DTD.
EFT	Electronic Fund Transfer
Eligible Investors	has the meaning given to it in Section 8.15.
Events of Default	means the events of default set out in Section 7.7 (*Events of Default*) of this General Information Document (if any), and the relevant Key Information Document for the relevant issuance of Debentures.
Exclusion List	means: (a) production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCBs, wildlife or products regulated under CITES; (b) production or trade in weapons and munitions; (c) production or trade in alcoholic beverages (excluding beer and wine); (d) production or trade in tobacco;

	(e) gambling, casinos and equivalent enterprises; (f) production or trade in radioactive materials (this does not apply to the purchase of medical equipment, quality control (measurement) equipment); (g) production or trade in unbonded asbestos fibers (this does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20% (twenty percent)); (h) drift net fishing in the marine environment using nets in excess of 2.5 km. in length; (i) production or activities involving harmful or exploitative forms of forced labor, or harmful child labor; (j) production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals (hazardous chemicals include gasoline, kerosene, and other petroleum products); (k) production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples, without full documented consent of such peoples; and (l) any activity which may result in funding or supporting any individual or organisation designated as: (i) terrorists or terrorist organisations by the United Nations, the European Union and any other applicable country; and (ii) persons, groups or entities which are subject to United Nations, European Union and the US Office of Foreign Asset Control (OFAC) sanctions.
Final Redemption Date	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, such date as set out in the relevant Key Information Document for the relevant issuance of Debentures.
Final Settlement Date	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, such date as set out in the relevant Key Information Document for the relevant issuance of Debentures.
Financial Indebtedness	means any indebtedness for or in respect of:

	(a) moneys borrowed; (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent; (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, loan stock or any similar instrument; (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease; (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); (h) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee; (i) any obligation under any put option in respect of any securities; (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (k) any corporate/personal guarantee, a letter of comfort or any other similar contractual comfort issued or incurred in respect of a liability incurred by any other third person; and (l) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.

Financial Year/ FY	means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year.
General Information Document/GID	means this general information document issued by the Issuer in respect of the Debentures.
Governmental Authority	means any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organisation, established under any Applicable Law, and "Governmental Authorities" shall be construed accordingly.
IBC	means the (Indian) Insolvency and Bankruptcy Code, 2016 and the rules and regulations framed thereunder, as may be amended, modified and supplemented from time to time.
ICCL	means the Indian Clearing Corporation Limited.
IND AS	means the Indian generally accepted accounting principles issued under the Companies (Indian Accounting Standards) Rules, 2015, as amended, together with any pronouncements issued under applicable law thereon from time to time, and applied on a consistent basis by the Issuer.
Information Utility	means the National E-Governance Services Limited or any other entity registered as an information utility under the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017.
INR/Rs.	means Indian Rupees.
Interest Payment Dates	means the dates on which interest is payable on the Debentures, and "Interest Payment Date" shall be construed accordingly.
Interest Rate/Coupon Rate	As set out in the relevant Key Information Document for the relevant issuance of Debentures.
Issue	means the Issue of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures.
Issue Closing Date	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, the date on which the Issue of Debentures shall close for subscription, which shall be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Issue Opening Date	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, the date on which the Issue of Debentures shall open for subscription, which shall be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Listed NCDs Master Circular	means the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as amended, modified, supplemented or restated from time to time.
Listing Period	has the meaning given to it in Section 5.34 (*Summary Terms)*.

Local Currency	means the lawful currency of India.
LODR Regulations/SEBI LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, modified, supplemented or restated from time to time.
Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 50% (fifty percent) of the value of the Outstanding Principal Amounts of the Debentures.
Majority Resolution	means a resolution approved by the Majority Debenture Holders.
Management Control	has the meaning given to the term "control" under the Companies Act.
Material Adverse Effect	means the effect or consequence of an event, circumstance, occurrence or condition which has caused or could reasonably be expected to cause, as of any date of determination, a material and adverse effect: (a) on the rights or remedies of the Debenture Trustee acting for the benefit of the Debenture Holders hereunder or under any other Transaction Document; (b) on the ability of the Issuer to enter into, or perform, or comply with its obligations under the Transaction Documents; or (c) on the validity, legality, or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
N.A.	Not Applicable
NBFC	Non-banking financial company
NBFC Directions	means the Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 and/or the Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016, as may be applicable, read with the RBI's Master Circular dated July 1, 2015 on "Non-Banking Financial Company-Micro Finance Institutions' (NBFC-MFIs) – Directions" (as amended, modified or restated from time to time), the RBI's Master Direction dated March 14, 2022 bearing reference number DoR.FIN.REC.95/03.10.038/2021-22 on "Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022" (as amended, modified or restated from time to time) read together with the RBI's circular no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on "*Implementation of Indian Accounting Standards*", and the RBI's circular no. DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021 on "*Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications*", each as amended, modified, supplemented or restated from time to time.
Net Worth	means:

	(a) in respect of any body corporate that is a non-banking financial company, means the net worth of such body corporate determined in accordance with the Companies Act, the NBFC Directions and the Applicable Accounting Standards; and (b) in respect of any body corporate that is not a non-banking financial company, has the meaning given to it in the Companies Act.
NSDL	National Securities Depository Limited
Obligations	means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) at any time due, owing or incurred by the Issuer to the Debenture Trustee and the Debenture Holders in respect of the Debentures including without limitation, the obligation to redeem the Debentures in terms thereof together with interest, default interest/additional interest, if any, accrued thereon, any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee and other amounts payable by the Issuer in respect of the Debentures.
Off Balance Sheet Portfolio	means the outstanding principal balance of all Client Loans originated on behalf of other institutions in respect of which the Issuer has provided credit enhancements in any form or manner whatsoever and includes loans securitized or assigned by the Issuer by way of a portfolio sale/direct assignment.
Outstanding Amounts	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, at any date, the Outstanding Principal Amounts together with any interest (including any interest amounts), additional interest, costs, fees, charges, and other amounts payable by the Issuer in respect of the Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures.
Outstanding Principal Amount	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, at any date, the principal amount outstanding under the Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures.
PAN	Permanent Account Number
Private Placement Offer cum Application Letter(s)/PPOA(s)	means the private placement offer cum application letter(s) prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, issued by the Issuer in respect of the Debentures.
Promoters	has the meaning given to it in the SEBI Debt Listing Regulations.
Promoter Group	has the meaning given to it in the SEBI Debt Listing Regulations.
Purpose	has the meaning given to it in the relevant Key Information Document for the relevant issuance of Debentures.

Quarterly Date	means each of March 31, June 30, September 30 and December 31 of a calendar year, and "Quarterly Dates" shall be construed accordingly.
Rating	means the credit rating for the Debentures from the Rating Agency, which has affirmed a rating of [ICRA A- Stable] to the Issue through its letter dated July 18, 2023.
Rating Agency	means ICRA Ratings Limited, being a credit rating agency registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time and having its registered office at A-10 & A-11, 3rd Floor, FMC Fortuna, 234/3A, A.J.C. Bose Road, Kolkata - 700020, India.
RBI	Reserve Bank of India.
Record Date	As set out in the relevant Key Information Document for the relevant issuance of Debentures.
Recovery Expense Fund/REF	means the recovery expense fund established/to be established and maintained by the Issuer in accordance with the provisions of Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular.
Redemption Dates	means the dates on which the Outstanding Principal Amounts are payable on any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, and "Redemption Date" shall be construed accordingly.
Redemption Payment	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, the aggregate of the Outstanding Principal Amounts in respect of such Debentures and the interest amounts in respect of such Debentures calculated in the manner set out in the DTD.
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories.
Register of Debenture Holders	means the register of debenture holders maintained by the Issuer in accordance with Section 88 of the Act.
R&T Agent/Registrar	means the registrar and transfer agent appointed for the issue of Debentures, being NSDL Database Management Limited.
ROC	means the jurisdictional registrar of companies.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Debenture Trustees Master Circular	means the master circular issued by SEBI bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 on "*Master Circular for Debenture Trustees*", as amended, modified, supplemented or restated from time to time.
SEBI EBP Requirements or EBP Requirements	means the requirements with respect to electronic book mechanism prescribed in Chapter VI (*Electronic Book Provider platform*) of the Listed NCDs Master Circular, and the operational guidelines issued by the relevant electronic book provider, as may be restated, amended, modified or updated from time to time.

SEBI Listed Debentures Circulars	means, collectively, the SEBI Defaults (Procedure) Circular, the SEBI Due Diligence Circulars, the SEBI DLT Monitoring Circular, the SEBI Monitoring Circulars, the SEBI Recovery Expense Fund Circular, the Listed NCDs Operational Circular, the SEBI Debt Listing Regulations and the LODR Regulations (to the extent applicable).
SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the Listed NCDs Master Circular, read with, to the extent applicable, the SEBI EBP Requirements.
SEBI LODR Master Circular	means the master circular issued by SEBI bearing reference number SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 on "*Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities*", as amended, modified, or restated from time to time.
Special Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures.
Special Resolution	means resolution approved by the Special Majority Debenture Holders.
Stressed Assets Framework	means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "*Prudential Framework for Resolution of Stressed Assets*", as may be amended, modified, supplemented or restated from time to time.
Terms & Conditions	The terms and conditions pertaining to the Issue as outlined in the Transaction Documents.
Tangible Net Worth	means, with respect to any person, the amount paid up on such person's paid-up equity share capital, compulsorily convertible preference share capital, compulsorily convertible debentures and any amount standing to the credit of its reserves, less goodwill or other intangible assets.
Tax	means any present or future tax (direct or indirect), levy, duty, charge, fees, deductions, withholdings, surcharges, cess, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter, imposed pursuant to any Applicable Law or by any Governmental Authority.
Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under a Transaction Document pursuant to Applicable Law.
TDS	Tax Deducted at Source.
Tier I Capital	has the meaning given to it in the NBFC Directions.
Tier II Capital	has the meaning given to it in the NBFC Directions.
Total Assets	means, for any date of determination, the total Assets of the Issuer on such date including owned, securitised and managed (non-owned) portfolio.

Transaction Documents	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures: (a) the DTD; (b) the Debenture Trustee Agreement; (e) the Debt Disclosure Documents; (d) the letters issued by the, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar; (e) each tripartite agreement between the Issuer, the Registrar and the relevant Depository; (f) the resolutions and corporate authorisations provided pursuant to the Conditions Precedent; and (g) any other document that may be designated as a Transaction Document by the Debenture Trustee or the Debenture Holders, and "Transaction Document" means any of them.
WDM	Wholesale Debt Market segment of the BSE
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.
XIRR	means the internal rate of return calculated using the XIRR function in Microsoft Excel software.

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

This General Information Document and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. This General Information Document and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures is not an offer or invitation under Section 42 of the Companies Act 2013. An offer will be made to identified Eligible Investors acceptable to the Issuer pursuant to a serially numbered and specifically addressed PPOA.

The issue of the Debentures to be listed on the WDM segment of the BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This General Information Document and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

As per the applicable provisions, it is not necessary for a copy of this General Information Document and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures to be filed or submitted to the SEBI for its review and/or approval. This General Information Document and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures has been prepared in conformity with the SEBI Debt Listing Regulations as amended from time to time and applicable RBI regulations governing private placements of debentures by NBFCs. This General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) has been prepared solely to provide general information about the Issuer to Eligible Investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) does not purport to contain all the information that any Eligible Investor may require. Further, this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) should not consider such receipt as a recommendation to subscribe to any Debentures. Each potential Investor contemplating subscription to any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such potential Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having being authorized by the Issuer. The Issuer certifies that the disclosures made in this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) are adequate and in conformity with the SEBI Debt Listing Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) would be doing so at its own risk.

This General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) and the respective contents hereof respectively, are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any persons other than those to whom Application Forms along with this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) being issued have been sent. Any application by a person to whom the General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) have not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of

Debentures)) without retaining any copies hereof. If any recipient of this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) decide not to participate in the Issue, that recipient must promptly return this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) to reflect subsequent events after the date of General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) do not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) in any jurisdiction where such action is required. Persons into whose possession this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) come are required to inform themselves of, and to observe, any such restrictions. The General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) is made available to potential Investors in the Issue on the strict understanding that it is confidential.

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE DEBT DISCLOSURE DOCUMENT/ GENERAL INFORMATION DOCUMENT (AND ANY KEY INFORMATION DOCUMENT OR PPOA ISSUED IN RESPECT OF ANY FOR THE RELEVANT ISSUANCE OF DEBENTURES) OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

As required, a copy of this General Information Document has been filed with the BSE in terms of the SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this General Information Document to the BSE should not in any way be deemed or construed to mean that this General Information Document has been reviewed, cleared, or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this General Information Document, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the

soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

2.3 DISCLAIMER CLAUSE OF RBI

The company is having a valid certificate of registration issued by the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for repayment of deposits/ discharge of liability by the company.

2.4 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this General Information Document has to be filed with or submitted to the SEBI for its review / approval.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DEBT DISCLOSURE DOCUMENTS/GENERAL INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN 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 DEBT DISCLOSURE DOCUMENTS/GENERAL INFORMATION DOCUMENT. THE DISCLOSURES MADE IN THE DEBT DISCOSURE DOCUMENT/GENERAL INFORMATION 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.

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the paragraph titled “Eligible Investors” of this General Information Document (and any Key Information Document issued in respect of any for the relevant issuance of Debentures), who shall be/have been identified upfront by the Issuer. This General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) do not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at Bhubaneswar, India. This General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

2.6 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such

information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.7 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

Any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures in dematerialised form. Investors will have to hold any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures allotted to the beneficiary account maintained by the Investor with its depositary participant. The Issuer will make the allotment to the investors on the relevant Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

SECTION 3: RISK FACTORS

Investment in non-convertible securities involve a degree of risk 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 Section 3 of this General Information Document. 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.

The following are the risks relating to the Company, any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures and the market in general envisaged by the management of the Company. Potential Investors should carefully consider all the risk factors stated in this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures. Potential Investors should also read the detailed information set out elsewhere in this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) and reach their own views prior to making any investment decision.

3. GENERAL RISKS

3.1 RISKS IN RELATION TO THE NON-CONVERTIBLE SECURITIES:

(a) Repayment is subject to the credit risk of the Issuer.

Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential Investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

(b) The secondary market for non-convertible securities may be illiquid.

The non-convertible securities may be very illiquid, and no secondary market may develop in respect thereof. Even if there is a secondary market for the non-convertible securities, it is not likely to provide significant liquidity. Potential Investors may have to hold the Debentures until redemption to realize any value.

(c) Credit Risk & Rating Downgrade Risk

The Rating Agency has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential Investors may incur

losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

(d) Changes in interest rates may affect the price of Debentures.

All securities where a fixed rate of interest is offered, such as this Issue, 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 pricing of the Debentures.

(e) Tax Considerations and Legal Considerations:

Special tax considerations and legal considerations may apply to certain types of investors. Potential Investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

(f) Accounting Considerations:

Special accounting considerations may apply to certain types of taxpayers. Potential Investors are urged to consult with their own accounting advisors to determine implications of this investment.

(g) Material changes in regulations to which the Issuer is subject could impair the Issuer's ability to meet payment or other obligations.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

3.2 RISKS IN RELATION TO THE SECURITY CREATED IN RELATION TO THE DEBT SECURITIES. FURTHER, ANY RISKS IN RELATION TO MAINTENANCE OF SECURITY COVER OR FULL RECOVERY OF THE SECURITY IN CASE OF ENFORCEMENT

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the security as per the terms of security documents, and other related documents executed in relation to the Debentures. The Debenture Holder(s)' recovery in relation to the Debentures will be subject to (i) the market value of such security (ii) finding willing buyers for the security at a price sufficient to repay the Debenture Holder(s)' amounts outstanding under the Debentures. There is a risk that the value realised from the enforcement of the security may be insufficient to redeem the Debentures.

Further, were any series of Debentures issued pursuant to any Key Information Document for the relevant issuance of Debentures are secured against a charge to the tune of 100% (one hundred percent) of the principal and interest amount in favour of the Debenture Trustee, while it is the duty of the Debenture Trustee to monitor that the security is maintained,

however, the possibility of recovery of 100% (one hundred percent) of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

This risk factor will not be applicable in case in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures that are issued are either unsecured or subordinated.

3.3 REFUSAL OF LISTING OF ANY SECURITY OF THE ISSUER DURING PRECEDING THREE FINANCIAL YEARS AND CURRENT FINANCIAL YEAR BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD:

As of date of this General Information Document, the Issuer has not been refused in listing of any security during the last 3 (three) Financial Years and the current Financial Year by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

3.4 LIMITED OR SPORADIC TRADING OF NON-CONVERTIBLE SECURITIES OF THE ISSUER ON STOCK EXCHANGES:

As of date, we are not aware of any limited or sporadic trading of the non-convertible securities of the Issuer on stock exchanges and therefore, this would not be applicable.

3.5 IN CASE OF OUTSTANDING DEBT INSTRUMENTS OR DEPOSITS OR BORROWINGS, ANY DEFAULT IN COMPLIANCE WITH THE MATERIAL COVENANTS SUCH AS CREATION OF SECURITY AS PER TERMS AGREED, DEFAULT IN PAYMENT OF INTEREST, DEFAULT IN REDEMPTION OR REPAYMENT, NON-CREATION OF DEBENTURE REDEMPTION RESERVE, DEFAULT IN PAYMENT OF PENAL INTEREST WHEREVER APPLICABLE

As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer and therefore, this would not be applicable.

DEFAULT IN PAYMENT OF INTEREST: As on the date of this General Information Document, the Issuer has not committed any default in payment of interest in respect of any outstanding borrowings.

DEFAULT IN REDEMPTION OR REPAYMENT: As on the date of this General Information Document, the Issuer has not committed any default in redemption or repayment in respect of any outstanding borrowings.

NON-CREATION OF DEBENTURE REDEMPTION RESERVE: Pursuant Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, an NBFC is not required to maintain debenture redemption reserve for debentures issued on a private placement basis.

DEFAULT IN PAYMENT OF PENAL INTEREST WHEREVER APPLICABLE: As on the date of this General Information Document, the Issuer has not committed any default in payment of interest penal in respect of any outstanding borrowings.

OTHERS: A failure to observe the covenants under the Issuer's financing arrangements or to obtain necessary consents required thereunder may lead to the termination of the Issuer's credit facilities, acceleration of all amounts due under such facilities and the enforcement of

any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under the Issuer's other financing agreements. If the obligations under any of the Issuer's financing documents are accelerated, the Issuer may have to dedicate a substantial portion of the Issuer's cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for the Issuer's working capital requirements and other general corporate purposes. Further, during any period in which the Issuer is in default, the Issuer may be unable to raise, or face difficulties raising, further financing. Any of these circumstances could adversely affect the Issuer's business, credit rating and financial condition, cash flows and results of operations. If the Issuer fails to meet its debt service obligations or covenants provided under the financing agreements, the relevant lenders could declare the Issuer to be in default under the terms of the Issuer's agreements or accelerate the maturity of the Issuer's obligations. The Issuer cannot assure the Investors that, in the event of any such acceleration, the Issuer will have sufficient resources to repay the borrowings.

3.6 RISKS RELATED TO THE BUSINESS OF THE ISSUER

(a) ***Majority of the Issuer's loans are unsecured and the clients of these unsecured loans are of the high risk category and if the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the Issuer's loan loss reserves are insufficient to cover future loan losses, the financial condition and results of operations may be materially and adversely affected.***

A majority of the Issuer's loans are unsecured, and the clients of these unsecured loans are of the high risk category. There is uncertainty on the client's ability to fulfil its loan obligations as MFI clients typically do not have bank accounts or proper income proof verification so it can be difficult to verify all client details and assess the risk. Such non-performing or low credit quality loans can negatively impact our results of operations.

The Issuer has various procedures and process controls in place to mitigate the risk.

As on March 31, 2023, the gross NPA was Rs. 245.35 CR on on-balance sheet portfolio of Rs. 6,326.87 CR and PAR90+ was Rs. 291.35 CR on a gross loan portfolio of Rs. 8,748.87 CR (including managed / securitized portfolio of Rs 2,422 Cr).

(b) ***The Issuer cannot assure that it will be able to effectively control and reduce the level of the NPAs of its Client Loans. The amount of its reported NPAs may increase in the future as a result of growth of Client Loans, and also due to factors beyond its control, such as over-extended member credit that it is unaware of. If the Issuer is unable to manage NPAs or adequately recover its loans, the results of its operations will be adversely affected.***

The current loan loss reserves of the Issuer may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of Client Loans. As a result, if the quality of its total loan portfolio deteriorates the Issuer may be required to increase its loan loss reserves, which will adversely affect its financial condition and results of operations.

The members are poor and, as a result, might be vulnerable if economic conditions worsen or growth rates decelerate in India, or if there are natural disasters such as floods and droughts

in areas where the Issuer's members live. Moreover, there is no precise method for predicting loan and credit losses, and the Issuer cannot assure that its monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If the Issuer are unable to control or reduce the level of its NPAs or poor credit quality loans, its financial condition and results of its operations could be materially and adversely affected.

(c) ***The Issuer's business operates through a large number of rural and semi urban branches and is exposed to operational risks including fraud***

The Issuer is exposed to operational risks, including fraud, petty theft and embezzlement, as it handles a large amount of cash due to high volume of small transactions. This could harm its operations and its financial position.

As the Issuer handles a large amount of cash through a high volume of small transactions taking place in its network, the Issuer is exposed to the risk of fraud or other misconduct by its employees or outsiders. These risks are further compounded due to the high level of delegation of power and responsibilities that the Issuer's business model requires. Given the high volume of transactions processed by the Issuer, certain instances of fraud and misconduct may go unnoticed before they are discovered and successfully rectified. Even when the Issuer discovers such instances of fraud or theft and pursue them to the full extent of the law or with its insurance carriers, there can be no assurance that the Issuer will recover any such amounts. In addition, the Issuer's dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

The Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a strong MIS system that has a wide range of data that can be used to monitor financial and operational performance.

To mitigate the above risk, the Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a MIS system able to generate data analysis that can be used to monitor financial and operational performance.

(d) ***The Issuer is exposed to certain political, regulatory and concentration of risks***

Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks. The Issuer believes a mitigant to this is to expand its geographical reach and may consequently expand its operations other states. If it is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.

Large scale attrition, especially at the senior management level, can make it difficult for the Issuer to manage its business.

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular, the Issuer's senior management has significant experience in the microfinance, banking and financial services industries. The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business

strategy, including its ability to manage its rapid growth. The Issuer's business is also dependent on its team of personnel who directly manage its relationships with its members. The Issuer's business and profits would suffer adversely if a substantial number of such personnel left the Issuer or became ineffective in servicing its members over a period of time. The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is intense in this industry, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

(e) ***The Issuer's business and results of operations would be adversely affected by strikes, work stoppages or increased wage demands by employees***

The employees are not currently unionized. However, there can be no assurance that they will not unionize in the future. If the employees unionize, it may become difficult to maintain flexible labour policies, and could result in high labour costs, which would adversely affect the Issuer's business and results of operations.

(f) ***The Issuer's insurance coverage may not adequately protect it against losses. Successful claims that exceed its insurance coverage could harm the Issuer's results of operations and diminish its financial position***

There are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are uninsurable. A successful assertion of such large claims against the Issuer that exceeds it's available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations. Such risks are normally minimized through strong Risk Management practices of the Company.

(g) ***Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations.***

NBFCs in India are subject to strict regulation and supervision by the RBI. Pursuant to guidelines issued by the RBI (circular dated August 3, 2012 and RBI NBFC Master Directions) the Issuer is required to maintain its status as a NBFC in order to be eligible for categorization as priority sector advance for bank loans. The Issuer requires certain approvals, licenses, registrations and permissions for operating its business, including registration with the RBI as a NBFC. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. Additionally, the Issuer may need additional approvals from regulators to introduce new insurance and other fee based products to its members. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC that is subject to numerous conditions. In addition, its branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishments laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, its business may be adversely

affected. If the Issuer fails to comply, or a regulator claims that it has not complied, with any of these conditions, the Issuer's certificate of registration may be suspended or cancelled and it shall not be able to carry on such activities. If the Issuer fails to comply with the RBI NBFC Directions and fails to maintain the status of NBFC, it will not be eligible for priority sector loans from the Indian banking sector and may also attract penal provisions under the RBI Act, 1934 for non-compliance.

(h) ***The economic fallout from the spread of the COVID-19 virus may impact the Issuer's business prospects, financial condition, result of operations and credit risk***

The spread of the COVID-19 virus has affected millions across the globe and the same coupled with measures taken by the governments including lockdowns/ curfew has not only affected day to day lives of people but has also given a hard blow to the supply chain of factories, with trade routes being disturbed and slowing down of the industry, trade, commerce and business activities across all sectors.

The COVID-19 virus pandemic is adversely affecting, and is expected to continue to adversely affect, our operations, business, liquidity and cashflows, and we have experienced and expect to continue to experience unpredictable reductions in demand for certain of our products and services. Further, since a good fraction of our borrowers are small transport road operators, the disruption due to COVID-19 virus will also have an impact on their business as well as repayment capacity of the loans taken from us.

However, the extent of negative financial impact cannot be reasonably estimated at this time but a sustained economic slowdown may significantly affect our business, financial condition, liquidity, cashflows and results of operations and the same will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 virus and the actions to contain the COVID-19 virus or treat its impact, among others. Consequently, there may be a negative effect on the Company's ability to service the obligations in relation to the Debentures.

(i) ***Economic Risk in India:***

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

3.7 ANY OTHER RISK FACTORS

(a) <u>Legality of Purchase</u>

Potential Investors in the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of their incorporation or the

jurisdiction in which they operate or for compliance by that potential Investor with any law, regulation or regulatory policy applicable to it.

3.8 **ALL COVENANTS INCLUDING THE ACCELERATED PAYMENT COVENANTS GIVEN BY WAY OF SIDE LETTERS SHALL BE INCORPORATED IN THE ISSUE DOCUMENT BY THE ISSUER**

The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the General Information Document and the relevant Key Information Document for the relevant issuance of Debentures.

SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the year ended March 31, 2023, March 31, 2022, and March 31, 2021 are set out in **Annexure V** hereto.

SECTION 5: REGULATORY DISCLOSURES

This General Information Document is prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this Section 5, the Issuer has set out the details required as per the SEBI Debt Listing Regulations (including Schedule I thereof).

5.1 The Issuer shall file the following documents along with the listing application to the stock exchange and with the Debenture Trustee

The following documents have been / shall be submitted along with the listing application to the BSE and with the Debenture Trustee:

(a) General Information Document;
(b) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
(c) Copy of the necessary resolution(s) authorizing the borrowings, issuance of the Debentures and list of authorized signatories for the allotment of securities;
(d) Certified copy of the resolution passed by the shareholders of the Company at the Annual General Meeting held on September 22, 2022 authorizing the issue / offer of non-convertible debentures by the Company;
(e) Certified copy of the resolution passed by the shareholders of the Company at the Annual General Meeting held on May 5, 2023, authorizing the borrowing of the Company up to a limit of Rs. 7,000,00,00,000/- (Rupees Seven Thousand Crores only) and the creation of security by the Company in respect of such borrowings;
(f) Copy of the resolution passed by the Board of Directors of the Company dated November 10, 2022 read together with the resolution dated July 15, 2023 of the executive committee of the board of directors authorizing the issuance of the Debentures and the list of authorized signatories;
(g) Copy of last 3 (three) years Annual Reports;
(h) Reports about the business or transaction to which the proceeds of the securities are to be applied directly or indirectly;
(i) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
(j) An undertaking from the Issuer stating that the necessary documents for creation of the charge, wherever applicable, including the Trust Deed has been executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the designated stock exchange, where such securities are proposed to be listed.
(k) In case of debt securities, an undertaking that permission/consent from the prior creditor for a second or *pari passu* charge being created, wherever applicable, in favor of the debenture trustee to the proposed issue has been obtained;
(l) Any other particulars or documents that the recognized stock exchange may call for as it deems fit;
(m) Due diligence certificate from the Debenture Trustee as per the format specified in Schedule IV of the SEBI Debt Listing Regulations; and
(n) Due diligence certificate from the Debenture Trustee as per the format specified in the SEBI Debenture Trustees Master Circular.

5.2 The following documents have been / shall be submitted to BSE at the time of filing the draft of this General Information Document:

Due diligence certificates from the Debenture Trustee as per the format specified in the SEBI Debenture Trustees Master Circular and the format as specified in Schedule IV of the SEBI Debt Listing Regulations.

5.3 **Details of Promoters of the Issuer:**

S.no	Details of Promoter	Description	Description
1.	Name of promoter	GOBINDA CHANDRA PATTANAIK	DIBYAJYOTI PATTANAIK
2.	Date of Birth/ Date of Incorporation	23/06/1968	27/06/1977
3.	Age	55 Years	46 Years
4.	Personal Addresses/Registered Address	DAV School, Pallahat, Khordha Odisha-752056	Palla, Konark Nagar, Palatotopada, Khordha, Odisha-752056
5.	Education Qualifications	Master's in arts, Bachelor of Laws (LLB)	PGDBM (EDII)
6.	Experience in the business or employment	Business	Business
7.	Positions/posts held in the past by the promoter	NA	NA
8.	Directorships held by the promoter	NA	Holding Directorship in Annapurna SME Finance Pvt Ltd
9.	Other ventures of the promoter	NA	NA
10.	Special achievements	-	-
11.	Business and financial activities of the promoter	Engaged in the company as shareholder cum Managing Director Having in-depth understanding of finance and has more than two decade of experience in implementing various developmental and micro enterprise activities	Engaged in company as Shareholder cum Director Having experience in finance, microenterprise development and development sector consulting
12.	Photograph/Logo		

13.	Permanent Accountant Number	AJEPP2669K	AMUPP2199K
14.	Other details	N.A.	N.A.

Declaration
The Issuer confirms that, to the extent applicable, the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the non-convertible securities are proposed to be listed, at the time of filing this General Information Document.

5.4 **Details of credit rating along with the latest press release of the Credit Rating Agency in relation to the issue and declaration that the rating is valid as on the date of issuance and listing. Such press release shall not be older than one year from the date of opening of the issue.**

ICRA Limited vide its letter dated July 18, 2023 has assigned/revalidated a credit rating of [ICRA A- Stable] for the Debentures to be issued in the proposed Issue. The rating letter from the Rating Agency, the rating rationale from the Rating Agency and the detailed press release is provided in **Annexure II** of this General Information Document.

The Company hereby declares that the rating is and shall be valid as on the date of issuance and listing of Debentures.

5.5 **Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being or has been created, as specified by the Board:**

The Debentures are proposed to be listed on the WDM segment of the BSE within the time period prescribed under the SEBI Listing Timelines Requirements. The Debentures are not proposed to be listed on more than one stock exchange.

The Issuer has obtained the in-principle approval for the listing of the Debentures from BSE and the same is annexed in **Annexure IX** hereto.

The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis. The Issuer shall also be creating the Recovery Expense Fund as per the applicable SEBI regulations with BSE.

5.6 **Name, logo, addresses, website URL, email address, telephone number and contact person of specific entities in relation to the Issue:**

(a) **Legal Counsel**

Name	N. A
Logo	N.A.
Address	N.A.

Website	N.A.
E-mail address	N.A.
Telephone Number	N.A.
Contact Person Details	N.A.

(b) **Merchant Banker and co-managers to the issues**

Name	N. A
Logo	N.A.
Address	N.A.
Website	N.A.
E-mail address	N.A.
Telephone Number	N.A.
Contact Person Details	N.A.

(c) **Guarantor**

Name	N. A
Logo	N.A.
Address	N.A.
Website	N.A.
E-mail address	N.A.
Telephone Number	N.A.
Contact Person Details	N.A.

(d) **Arrangers**

Name	N. A
Logo	N.A.
Address	N.A.
Website	N.A.
E-mail address	N.A.
Telephone Number	N.A.
Contact Person Details	N.A.

(e) **Debenture Trustee to the Issue**

Name	Catalyst Trusteeship Limited
Logo	CATALYST Believe in yourself... Trust us!
Address	Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, India
Website	www.catalysttrustee.com

E-mail address	ComplianceCTL-Mumbai@ctltrustee.com
Telephone Number	022-49220555
Contact Person Details	Mr. Umesh Salvi

(f) **Credit Rating Agency for the Issue**

Name	ICRA Limited
Logo	ICRA
Address	A-10 & A-11, 3rd Floor, FMC Fortuna, 234/3A, A.J.C. Bose Road, Kolkata - 700020
Website	https://www.icra.in/
E-mail address	prateek.mittal@icraindia.com
Telephone Number	033-7150-1132
Contact Person Details	Mr. Prateek Mittal

(g) **Registrar the Issue**

Name	NSDL Database Management Limited
Logo	NSDL Technology, Trust & Reach
Address	Trade World, A – Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400013, India
Website	https://www.ndml.in/
E-mail address	info_ndml@nsdl.co.in
Telephone Number	022 4914 2591
Contact Person Details	Mr. Nilesh Bhandare, Manager

(h) **Statutory Auditors**

Name	B S R & Co. LLP, Chartered Accountants
Logo	B S R & Co. LLP Chartered Accountants
Address	14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, NescoCenter, Western Express Highway, Goregaon (East), Mumbai - 400063

Website	N.A.
E-mail address	smota@bsraffiliates.com
Telephone Number	+91 22 6257 1000
Contact Person Details	Sameer Mota, Partner

5.7 **About the Issuer**

The following details pertaining to the issuer:

(a) **Overview and a brief summary of the business activities of the Issuer**

Annapurna Finance Private Limited (AFPL) is a non-deposit accepting or taking NBFC micro-finance institution registered with the Reserve Bank of India. AFPL started as Mission Annapurna by People's Forum (the parent organisation) to carry out the microfinance activities of People's Forum. People's Forum has been in operations since 1994 and is engaged in wide array of developmental activities including microfinance, healthcare, women empowerment, agricultural and allied services training, microenterprise training programs etc for the poor section of the society. The Company's mission is "Establishment of a self -sustainable and economically empowered rural, tribal & sub-urban society". Mission Annapurna was subsequently converted to an NBFC in Financial Year (FY) 2008-09 after acquisition of an NBFC.

The organisation is jointly promoted by Mr Gobinda Chandra Pattanaik and Mr Dibyajyoti Pattanaik. Mr Gobinda Pattanaik, a development professional is the chief promoter. Mr. Gobinda Chandra Pattanaik started People's Forum ("PF") in 1988 which is one of the largest NGOs operating in Odisha.

AFPL has its head office in Bhubaneswar and operates in mainly rural areas with a good presence in semi urban areas and small presence in urban areas.

Branch details:

As on 31st March 2023, the Company has 1183 branches across 20 states of India.

Subsidiary details:

As of the date of this General Information Document, the Company has 1 (One) subsidiary i.e. Annapurna SME Finance Private Limited and is in dormant status.

(b) **Corporate Structure of the Issuer:**

The graphic description/organogram of the corporate structure of the issuer is as follows:

(This general information document is neither a prospectus nor a statement in lieu of a prospectus)

Details regarding the directors of the Company:

S. No.	Name of the Directors	Designation	Dt. of Birth	Address	DIN	PAN	Director of the company since	Director in other company
01	Gobinda Chandra Pattanaik	Managing Director	23 Jun 1968	Palla, Pallatotapada, Khurdha, Odisha-752056	02716330	AJEPP2669K	13-08-2009	No
02	Dibyajyoti Pattanaik	Director	27 Jun 1977	Palla, Konark Nagar, Pallatotapada, Khurdha, Odisha-752056	02764187	AMUPP2199K	14.09.2009	Annapurna SME Finance Pvt Ltd
03	Sean Leslie Nossel	Independent director	11 Jun 1970	444 Central Park West, Apt 15E, New York, USA - 10025	05327455		20/07/2012	No

04	Krishna Kumar Tiwary	Independent director	29 Feb 1972	A-36/51-E, Konia Road, Sahdevram Mukhiya Marg,Kazzakpura, Varanasi-221001 (U.P)	02914614	ABRPT3587D	13/02/2012	Save Solutions Private Limited New Habitat Housing Finance and Development Ltd Save Microfinance Pvt Ltd. M-Swasth North Solution Pvt Ltd.
05	Ashok Ranjan Samal	Independent director	24 Jul 1955	Plot No.7, Aryabhoomi, Plot No.442/3998, Nandan Kanan Main Road, Patia, Bhubaneswar, Odisha - 751031	00918164	ABJPS3492E	17/10/2016	Annapurna SME Finance Private Limited
06	Christina Stefanie Juhasz	Nominee Director	29 Dec 1967	122 E. 42nd St, 42nd Floor, New York, NY 10168	06451902	N.A.	30/11/2016	Wheelsemi Private Limited
07	Abhishek Agrawal	Nominee Director	8 Aug 1980	C/o Flat No. 401, Sai Samman, Chembur East, Plot 28/29, Union Park, Near R K Studio, Mumbai, Maharastra - 400071	06760344	AECPA4338P	23-12-2021	IKF Finance Ltd Accion Impact Management India Private Ltd

08	R V Dilip Kumar	Nominee Director	20 Oct 1968	C-703, CTS-827, A/1C-1A, 7th Floor, Raheja Heights, Arun Kumar Vaidya Rd, Malad East, Mumbai, 400097	01060651	AAEPD4604P	25/06/2021	#As per list provided below
09	Mr. Arup Kumar	Nominee Director	10 Sept 1968	Flat No. 603, SIDBI Officers Appartment, Raheja Majestics, Plot No 161, TPS-III , Manmala Tank Road, Mahim West, Mumbai, 400016	07682113	AHCPK9525H	28-09-2022	Bandhan Financial Services Limited
10	Sunit Vasant Joshi	Nominee Director	9 Dec 1955	B-206 Yuthika Apartments, Veerbhadranagar, Near Ganraj Mangal Karyalya, Baner, Pune 411045	02962154	AATPJ9096Q	19-05-2020	No
11	Guillaume Accarain	Nominee Director	2 Nov 1990	(1150) Rue Jean Wellens, 47 (Belgium)	09527231	N.A.	18-04-2022	No
12	Radhika Jayant Shroff	Nominee Director	28 Jan 1974	215 West 88th Street, Apt 2H, New york-10024	09210584	N.A.	25-06-2021	No
13	Venkiteswaran M R	Nominee Director	25 May 1960	Flat No. B2-703, LNT South City Apartments, Arekere Mico Layout, Bannerghata Road, Bangalore South, Bengaluru, Karnataka - 560076	08286433	AHCPM7574L	25-09-2020	Annapurna SME finance Pvt Ltd -Origo commodities india private limited

								-Origo finance private limited
14	Pushkar Jauhari	Nominee Dirctor	13 Apr 1976	Apt 404, Tower 4, Crescent Bay, Jerbai Wadia Road, Parel Bhoiwada, Mumbai, Maharastra-400012	06391650	AEGPJ9602P	27-05-2022	Biogenomics Limited

R.V Dilip Kumar's Interest in Other Entities

- Collateral Medical Private Limited
- E to E Transportation Infrastructure Private Limited
- ESAF Financial Holdings Private Limited
- Sonata Finance Private Limited
- RGVN (Northeast) Microfinance Limited
- Caspian Impact Investments Private limited
- Online PSB Loans Limited
- Oriano Clean Energy Private Limited
- Janakalyan Financial Services Private limited

Brief Profile of the Management

Sr. No.	Name	Designation	Qualification	Experience
1	**Mr. Sanjay Pattanaik**	Chief Operating Officer	MA, LLB	Mr. Sanjay leads the Operation Department of Annapurna, he has been a pioneer member in the journey of Annapurna. Through his exemplary work in the field of development, he has been exceptional in handling the responsibilities of the operations team which is evident from his well-structured and motivated team. He has contributed immensely towards establishing Annapurna's presence across India. His work exemplifies his client centric approach and his dedication towards meeting his clients' needs.

2	**Mr. Satyajit Das**	Chief Finance Officer	PGDFM	Mr. Das is involved in crafting the strategic decision making, innovating future growth opportunities of AFPL, besides ensuring the funds flow cycle of Annapurna remains intact. His exceptional ability of sensing the opportunities of growth and expansion makes him the most charismatic leader in Annapurna. His close and meticulous understanding of financial sector helps the company in securing many financial deals with leading FIs.
3	**Mr. Sabyasachi Sahu**	Head -Credit & Appraisal	MBA	Mr. Sahu heads the credit department of AFPL. His long association with Annapurna and active interest in the field, has helped the company in developing an exceptional credit discipline. He plays a vital role in maintaining a healthy loan portfolio by formulating appropriate credit policies.
4	**Mr. Rakesh Ranjan Rath**	Head -Accounts	MBA, CA (Inter)	Mr. Rath has worked with several chartered firms prior to joining AFPL. With a hands-on expertise in accounts and internal control, he currently heads the accounts department of AFPL. Besides, he takes active role in Treasury Management, budgetary controls and maintaining the database of company transactions.
5	**Mr. Suraj Bali Painkra**	Head - Internal Audit	PGDFM	Mr. Painkra is an experienced professional with over 12 years of experience in Rural Sales and Distribution, Planning and Strategy. He pursued his PGDFM from IIFM, Bhopal. Currently he heads the internal audit. He has been instrumental in designing & implementing audit tools & matrix. Prior to association with Annapurna, he has worked with leading financial companies like ICICI Prudential and Birla Sun Life Insurance Company Ltd. He also has hands on experience in finance while working with Sambandh Finserve Pvt Ltd.
6	**Mr. Subrata Pradhan**	Company Secretary	CS, LLB	He is a qualified company secretary from the Institute of Company Secretaries of India and holds a bachelor's degree in economics. He has been the cornerstone of drafting all the partnership agreements of AFPL. He looks after the compliance, legal & regulatory requirements. He is instrumental in handling the function of Company Secretary independently after taking over the role in AFPL. Mr. Pradhan is well versed with all the aspects of Company Law, Legal and Statutory Compliances.
7	**Mr. Kumar Vaibhav**	Head - Institutional Finance	PGDFM	He has prior experience of the sector while working for BFIL (previously known as SKS). The added advantage of him being the head of Institutional Finance division is that he already had a stint in SBI looking after the bank finance. So he leverages his previous parallel skill-sets to manage the team efficiently while dealing with a variety of lenders, out of which a majority are banks
8	**Mr. Pramod Kumar Panda**	Head - Insurance	MBA	Mr. Pramod Panda is the Head of Insurance Department. He holds a MBA degree in Finance and Marketing. His years long experience in the field gives him an edge in understanding the insurance sector as well as the clients, to provide them with unparalleled services. His expertise in the insurance sector and a professional experience of 9 years in the industry makes him a key person in the business. Before joining Annapurna, Mr. Panda had worked with top Insurance companies in India like ICICI Prudential and Bajaj Allianz. He is currently looking after the clientele insurance of the company.

9	**Mr. Laxman Kumar Mohapatra**	Head - Treasury	MBA	Mr. Laxman Mohapatra leads the Treasury department of Annapurna. He has pursued Masters in Business Management in Finance. Prior to his association with the company, he has had a decade long experience in the industry, where he has worked with OSACS - Dept. of Health & Family Welfare, Govt. of Odisha for several years, besides having association with People's Forum. Mr Mohapatra has meticulously shaped the treasury department by taking several innovative steps to ease the fund transfer process. His long association with the company right from its inception has proved his exemplary devotion.
10	**Mr. Manoj Singh**	State Head-Madhya Pradesh	MA	Mr. Singh leads Annapurna's operations in Rajasthan. He has been a banker at HDFC Bank, besides having prior proven experience in urban as well rural finance while working with Shikharfin and Cashpor respectively. Mr. Singh and his team's role has been exceptional in establishing Annapurna's outreach in this state. He holds a Masters' Degree in Sociology.
11	**Mr. Pradeepta Champatiray**	Head - Systems	Graduation	Mr. Champatiray has been in the forefront of managing the IT vertical of Annapurna for several years. He is responsible for system installation and management across all the branches, Regional Offices and H.O.
12	**Ms. Bandita Behera**	Head - MIS	MBA	Data accumulation and management is one of the important aspects in any MFI, and that is linked with the smooth functioning of every department. She efficiently manages the role while coordinating with different branches across the 20 states. Additionally, Ms. Behera has got the responsibility of addressing the data requirement of external agencies. She was handling the MIS of Mahashakti Foundation in her previous role.
13	**Mr. Anoop TP**	Head - Risk	FRM, PGDFM	He has commendable understanding in the identification of risky areas in finance and provides thoughtful suggestions to the management on this. Mr. TP takes avid interest in new technology implementation like that of GIS integration in credit history data to come out with a robust analysis of areas of operation as well as new approachable areas. Along with his team, he is currently looking after the risk analysis part in all of the AFPL operational states.
14	**Mr. Nagesh Kumar Sunkari**	Head - BC Operations	MBA	He holds a Post-graduation in Marketing and HR and has over 16 years of experience in the Finance Sector, where he has worked with the leading MFIs of India; BASIX and L&T Finance. Looking at his long years of experience, Annapurna has entrusted him with all the BC transactions related works. Mr. Sunkari is currently responsible for managing BC operations in the state of Odisha. His experience and association with Annapurna makes him one of the key managers of the company.
15	**Ms. Ananya Pan**	Head-SPM & Product	PGDFM	Ms. Ananya Pan is an IIFM alumnus, who looks after the social performance management initiatives of the company. Her enthusiasm towards her profession, which is a result of her passion to work for the development sector makes her a suitable person for the cause. Her zeal to improve the lives of clients while working in the development sector, has further strengthened the Social Performance Management activities of the company. Previously, she has worked with Aga Khan Rural Support Programme in Rural Development and Monitoring verticals.

16	**Mr. Manas Ranjan Pattnayak**	Regional Head - North	PGDRM	The experience that he has gained over the years while working with various leading MFIs including Annapurna, makes him a first choice manager to lead such a vast state like Madhya Pradesh. Prior to his association with Annapurna, he has worked with BASIX and other MFIs and has learnt the glitches of the industry for over 17 years. He holds a PG Diploma in Rural Management.
17	**Mr. Subrat Sabyasachi Roy**	VP- Operations	PGDM	Mr. Roy pursued his PGDM from EDII Ahmedabad. His more than a decade experience while working with ICICI foundation, Tata AIG Life-insurance and BASIX has provided him with an all-round experience in development and insurance sector. With these skills and experience of these sectors in the Finance Industry, he has gained an outlook that covers all the aspects of micro credit and micro insurance, which gives him a forte in understanding the scenario while increasing the portfolio. Mr. Roy is currently looking after the business strategy and monitoring.
18	**Mr. Sheik Askar Sabir**	State Head-Karnataka	Executive MBA	Mr. S.A. Sabir looks after the Operations of Tamilnadu & Karnataka. He has been in the forefront of the company's finance operations where his unwavering association with the company has been for about a decade now. His contributions in Annapurna's expansion are more than words can define.
19	**Mr. Binod Bihari Mishra**	State Head (Western Zone)	M.Com.,LLB	Joined as Branch Manager in 2006, he moved up to the rank of Area Manager in 2008 while establishing the branch network and overseeing the operations in the different parts of Odisha. He has time and again proven his commitment towards work and enduring passion to work for the betterment of the rural poor women over the years. He is currently responsible for streamlining the operations of each branch in Western Odisha.
20	**Mr. Dillipa Kumar Khuntia**	Head - Technology	MCA	Mr. Khuntia is an MCA, has over 8 years of experience in new technology implementation and smartphone applications in the finance sector. Prior to this, he was handling similar roles in Dhanei KGFS, a Strategic Business Unit of IFMR Rural Channels and Services Pvt Ltd.
21	**Mr. Preetam Debasish Sahoo**	Dy. Vice President-HR	MBA, LLB	Mr. Preetam leads the HRBP, Training & Development function and also responsible for managing Strategic HR, Performance Management, Statutory Compliance, Employee Welfare and HRMS. He has over 9 years of experience in entire gamut of HR functions and has handled key positions in MFI Sector. He is a Certified Professional in SHRM, NLP, HR Analytics, Microfinance Training and Content Development. He holds an MBA degree & a degree in Law & also an alumnus of IIM Ahmedabad and IIM Rohtak. He has been instrumental in implementing various policies and procedures pertaining to HR.
22	**Mr. Allu Ramana Murthy**	State Head - Odisha	Graduation	One of the valued MFI professionals with a diverse knowledge in risk, credit, administration and sales management who has recently joined Annapurna. Presently, he is heading the operation for the state of Chattisgarh.
23	**Mr. B. Nageswara Rao**	State Head - Gujurat	B.Com.	Mr. Rao has vast experience in microfinance operations. His rich experience across the country in the MFI industry makes him best suited for us. He has been recently associated with Annapurna and looks forward to a long-lasting carrier here.

24	**Mr. Shankarshan Panda**	Head - IT	MBA	An initiator and tech passionate professional, holds a MBA in IT & Finance besides a PG Certificate in Microfinance Management. A pro supporter of designed thinking to address challenges and make customer experience inhabitable. In this role he lead various initiatives in the areas of digital transformation and change management to enable the company adopt to newer technologies and achieve significant business value through use of technology. His expertise lies in delivering high-performance Applications and IT Infrastructure.
25	**Mr. Suvrojit Choudhury**	Head- Branding and Communication	MBA	Mr. Suvrojit holds an MBA degree in rural management. He has been associated with Annapurna since last 8 years and is responsible for all sort of media communications, formulating, planning and implementing promotional activities.
26	**Mr. Nihar Ranjan Sahu**	State Head- Bihar	MBA	Mr. Sahu has a rich experience in microfinance operation with some leading MFIs of the country and has worked accross several states and territories. At Annapurna, he has helped taking the business up to new height especially in the north east region. One of the most professional and efficient zonal managers Annapurna today has. Now he has been posted as State Head for Bihar.
27	**Mr. Pabitra Barik**	State Head- Maharashtra	MBA	A banking and microfinance professional, has got tremendous hand in the microfinance operations. He has been given the charge of Maharashtra state and is successfully managing one of the major business portfolio.
28	**Mr. Sanjay Kumar Singh**	Business Head, MSME	MBA	Mr. Sanjay Kumar Singh, an MBA from NIM, is a very confident, self-driven, organized and dynamic individual, who possesses strong delegation and negotiation skills. His 14 years of experience in the NBFC sector and excellent leadership qualities, along with his innovative thinking ability has helped Annapurna MSME build a sustainable business platform for itself within no time. He has been associated with Annapurna since more than a year. Mr. Singh has previously worked with organisations like ISFC and Vistaar Financial Services.
29	**Mr. Soumik Ghanta**	Credit Head, MSME	PGDFM	Mr. Soumik Ghanta, is the Credit Head of Annapurna MSME. He is responsible for developing new lending platforms and provide his assistance in establishing and updating all lending policies and guidelines. His excellent interpersonal and organizational skills have helped MSME achieve heights. He has been a part of Annapurna MSME since 2017. He has 8 years of professional experience in the finance sector. He was previously associated with DCB Bank. He has pursued his PGDFM from IIFM, Bhopal.
30	**Mr. Sabyasachi Rout**	Head- Inorganic Business	MBA	Responsible for developing wholesale lending platform, BC and structure finance in AFPL. His excellent understanding on the Market will help the Alternate Business team to build a new height. He has been a part of Annapurna since March-19. He was 15 years of professional experience in Microfinance both in Retail and wholesale. He was working both in Business and Risk. Previously associated with Northern Arc Capital and BASIX. Pursued his MBA from Sambalpur University.

31	**Mr.Soumya Ranjan Dash**	Head-Operations MSME	PGDM	Being a Banking & Micro finance professional, Mr. Dash is designated as Associate Vice President & leads the Operations function of MSME Division. He has over 12 years of experience and has handled key positions in companies like DCB Bank Ltd, Axis Bank Ltd. etc. Mr. Dash holds a Management degree from the eminent institute of development studies, EDII-Ahmedabad. Currently he is responsible for managing Post sanction Activities I.e., disbursement, Compliance, PDD Tracking etc. He has been instrumental in rolling out new process & product & is one of the core team member of Digital lending team of MSME Division of Annapurna.
32	**Mr. Shaikh Mehboob Subhani**	Associate Vice President (Fintech)	MBA	As Annapurna step into the world of Digital Finance, Mr. Subhani is playing a key role in the entire transformation of digitalization. He is pioneer to develop technical aspects of the company's strategy to ensure alignment with its business goals. Mr. Shaik holds an MBA degree. He has experience of 19 yrs. in project management, software development, application support, implementation & maintenance. Prior to Annapurna he worked with Jayam Solutions pvt. Ltd. Prior to Annapurna, he was associated with reputed companies like GfK, Kantar ITP-TNS, ING-Malaysia and Midland Financial Services Ltd. He has managed more than 40+ NBFC&MFI companies from Jayam and given digital lending solutions. Mr. Shaik is certified in Scrum Master, Six Sigma-Green Belt Microsoft Certified Solution Expert and PMP- PMBOK 6th Edition Trained.
33	**Mr. Ashish Mishra**	Senior Vice President (Fintech)	PGDBM	Being a Finance & Insurance Professional, Mr. Asish is designated as Senior Vice president & leads the Business Department of Fin/tech Vertical of Annapurna.He has over 17 years of experience and has handled key positions in companies like Bharti AXA Life Insurance Company Ltd., Nippon Life Insurance Company Ltd., HDFC Bank Ltd., Bajaj Allianz LIC Ltd., ICICI Prudential, Aviva Life Insurance and Wipro-e-peripherals Ltd. Mr. Mishra holds a PGDBM degree and his expertise lies in strategy formulation for sales & channel management and Client Management. His strong leadership skills continue to help create a unique identity for Annapurna within the industry.
34	**Mr. Amrit Sarangi**	Assistant Vice President (Insurance)	PGDBM	Being a Finance & Insurance Professional, Mr. Amrit is designated as Assistant Vice president & leads the Insurance Department of MSME Vertical of Annapurna.He has over 14 years of experience and has handled key positions in companies like ICICI Lombard GIC Ltd., Reliance Life Insurance Ltd., SREI Sahaj E-Village Ltd , Bajaj Allianz LIC Ltd., and Karvy Stock Broking Ltd. Mr. Sarangi holds a PGDBM degree and his expertise lies in Marketing & channel management and Client Management. His strong leadership skills continue to help create a unique identity for Annapurna within the industry.
35	**Mr. Rajesh Kumar Gupta**	Associate Vice President (Information Technology)	MBA	Being a Finance & IT Professional, Mr. Rajesh is designated as Associate Vice president & leads the IT Department of MSME Vertical of Annapurna.He has over 20 years of experience and has handled key positions in companies like Tetra Information Services Pvt Ltd., Shubham Housing Finance Company Ltd., Muthoot Finance Ltd , Sahara India Group Ltd., Network Programs India Ltd., and CMS Computers Ltd. Mr. Gupta holds a MBA degree and his expertise lies in IT & channel management and Client Management. His strong leadership

				skills continue to help create a unique identity for Annapurna within the industry.

(c) **Structure of the group:**

Not Applicable

(d) **A brief summary of the business activities of the subsidiaries of the issuer:**

Not Applicable

(e) **Details of branches or units where the issuer carries on its business activities, if any:**

Not Applicable

(f) **Project cost and means of financing, in case of funding of new projects**

Not Applicable.

5.8 **Expenses of the Issue: Expenses of the issue along with a break up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:**

S.NO	PARTICULARS	FEE/EXPENSE AMOUNT	% OF TOTAL ISSUE EXPENSES	% OF TOTAL ISSUE SIZE
1.	Lead Manager(s) fees	N. A	N. A	N. A
2.	Underwriting commission	N. A	N. A	N. A
3.	Brokerage, selling commission and upload fees	N. A	N. A	N. A
4.	Fees payable to the registrars to the issue	#+	#+	#+
5.	Fees payable to the legal advisors	N. A	N. A	N. A
6.	Advertising and marketing expenses	N. A. *	N. A. *	N. A. *
7.	Fees payable to the regulators including stock exchanges	#+	#+	#+

8.	Expenses incurred on printing and distribution of issue stationary	N. A. **	N. A. **	N. A. **
9.	Any other fees, commission and payments under whatever nomenclature	N. A. ***	N. A. ***	N. A. ***

* As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific advertising and marketing expenses are envisaged to be payable in respect of such issue of Debentures.

** As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific expenses are envisaged to be incurred on printing and distribution of issue stationary in respect of such issue of Debentures.

*** As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific fees, commission and payments under whatever nomenclature are envisaged to be incurred in respect of such issue of Debentures.

#+ As set out in the relevant Key Information Document for the relevant issuance of Debentures.

5.9 **Financial Information**

(a) **The audited financial statements (i.e. profit and loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years, which shall not be more than six months old from the date of the issue document or issue opening date, as applicable. Such financial statements shall be should be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI").**

Please refer to Annexure V for the financial statements for the financial year ending March 31, 2023 along with the auditor's report along with the requisite schedules, footnotes, summary etc.

However, if the issuer, being a listed REIT/listed InvIT, has been in existence for a period of less than three completed years, and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and the interim period, the combined financial statements shall be disclosed for the periods for which such historical financial statements are not available.

N.A.

(b) **Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the listing regulations, may disclose unaudited financial information for the interim period in the format as specified therein with limited review report in the issue document, as filed with the stock exchanges, instead**

of audited financial statements for the interim period, subject to making necessary disclosures in this regard in issue document including risk factors.

Not applicable as the audited financial statements of the Issuer for the Financial Years ended March 31, 2021, March 31, 2022, and March 31, 2023 are being disclosed. Please refer Annexure V.

(c) **Issuers other than REITs/ InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:**

(i) The issue is made on the Electronic Book Platform of the stock exchange, irrespective of the issue size; and

(ii) In case of issue of securities on a private placement basis, the issue is open for subscription only to qualified institutional buyers

Not applicable as the Issuer has been existence for more than 3 (three) years.

(d) **The above financial statements shall be accompanied with the auditor's report along with the requisite schedules, footnotes, summary etc.**

Please refer Annexure V for the audited financial statements of the Issuer for the Financial Years ended March 31, 2021, March 31, 2022, and March 31, 2023 along with the auditor's report along with the requisite schedules, footnotes, summary etc.

(e) **Key Operational and Financial Parameters on a consolidated basis and on a standalone basis:**

Standalone Basis

PARTICULARS	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2023
	Audited	**Audited**	**Audited**
BALANCE SHEET			
Assets			
Property, Plant and Equipment	11.39	17.87	23.86
Financial Assets	5,701.29	7,068.92	8,443.74
Non-financial Assets excluding property, plant and equipment	42.39	93.82	110.26
Total Assets	**5,755.07**	**7,180.61**	**8,577.85**
Liabilities			
Financial Liabilities	4977.45	6369.43	7349.07
- Derivative financial instruments	-	4.75	-

- Trade Payables	2.27	2.91	18.36
- Debt Securities	1,738.54	1,856.77	1,530.08
- Borrowings (other than Debt Securities)	2,823.07	4,024.13	5,191.32
- Subordinated liabilities	322.75	331.50	327.14
- Other financial liabilities	90.82	149.36	282.17
Non-Financial Liabilities	15.02	17.29	20.47
- Current tax liabilities (net)	-	-	-
- Provisions	10.34	11.86	13.23
- Deferred tax liabilities (net)	-	-	-
- Other non-financial liabilities	4.68	5.43	7.24
Equity (Equity Share Capital and Other Equity)	762.60	793.89	1,208.31
Total Liabilities and Equity	**5,755.07**	**7,180.61**	**8,577.85**
PROFIT AND LOSS			
Revenue from operations	974.85	1,147.16	1,557.78
Other Income	2.26	5.61	11.79
Total Income	977.11	1,152.77	1,569.57
Total Expense	975.44	1,129.02	1,525.39
Profit after tax for the year	1.82	17.13	32.72
Other Comprehensive income	(4.64)	15.62	24.88
Total Comprehensive Income	(2.82)	32.75	57.60
Earnings per equity share (Basic)	0.26	2.39	3.93
Earnings per equity share (Diluted)	0.24	2.25	3.34
CASH FLOW			
Net cash from / used in (-) operating activities	(802.09)	(1,190.58)	(1,367.98)
Net cash from / used in (-) investing activities	(11.90)	(11.05)	(5.95)
Net cash from / used in (-) financing activities	975.07	1,291.62	1,179.38
Net increase / decrease (-) in cash and cash equivalents	161.08	89.99	(194.55)
Cash and cash equivalents as per Cash Flow Statement as at the end of Half year	861.35	951.34	756.79
ADDITIONAL INFORMATION			

Net Worth	994.21	1,431.82	1,617.58
Cash and cash equivalents	861.35	951.34	756.79
Loans	4,098.91	5,328.65	6,506.02
Loans (Principal Amount)	4,008.27	5,194.28	6,326.87
Total Debts to Total Assets	0.79	0.77	0.76
Interest Income	847.58	933.54	1,143.23
Interest Expense	507.72	560.07	659.96
Impairment on Financial Instruments	191.75	193.83	361.84
Bad Debts to Loans	-	-	-
% Stage 3 Loans on Loans (Principal Amount)	6.59%	8.01%	3.33%
% Net Stage 3 Loans on Loans (Principal Amount)	2.77%	2.33%	1.48%
Tier I Capital Adequacy Ratio (%)	21.94%	25.07%	21.78%
Tier II Capital Adequacy Ratio (%)	5.77%	4.71%	2.88%

Consolidated Basis:

PARTICULARS	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2023
	Audited	**Audited**	**Audited**
BALANCE SHEET			
Assets	11.39	17.87	23.86
Property, Plant and Equipment	5,701.29	7,068.31	8,443.16
Financial Assets	42.39	93.79	110.16
Non-financial Assets excluding property, plant and equipment	**5,755.07**	**7,179.97**	**8,577.18**
Total Assets	11.39	17.87	23.86
Liabilities			
Financial Liabilities	**4,977.45**	**6,369.45**	**7,349.07**
- Derivative financial instruments	-	4.75	-
- Trade Payables	2.27	2.91	18.36
- Other Payables	-	-	-
- Debt Securities	1,738.54	1,856.77	1,530.08
- Borrowings (other than Debt Securities)	2,823.07	4,024.13	5,191.32
- Deposits	-	-	-
- Subordinated liabilities	322.75	331.50	327.14
- Lease liabilities	0.36	-	-
- Other financial liabilities	90.46	149.39	282.17
Non-Financial Liabilities	**15.02**	**17.29**	**20.47**

- Current tax liabilities (net)	-	-	-
- Provisions	10.34	11.86	13.23
- Deferred tax liabilities (net)	-	-	-
- Other non-financial liabilities	4.68	5.43	7.24
Equity (Equity Share Capital and Other Equity)	**762.60**	**793.23**	**1,207.64**
Non-controlling interest	-	-	-
Total Liabilities and Equity	**5,755.07**	**7,179.97**	**8,577.18**
PROFIT AND LOSS			
Revenue from operations	974.85	1,147.28	1,558.05
Other Income	2.26	5.61	11.79
Total Income	**977.11**	**1,152.89**	**1,569.84**
Total Expenses	975.44	1,129.04	1,525.40
Profit after tax for the year	1.82	17.19	32.91
Other Comprehensive income	(4.64)	15.62	24.88
Total Comprehensive Income	(2.82)	32.81	57.79
Earnings per equity share (Basic)	0.26	2.40	3.96
Earnings per equity share (Diluted)	0.24	2.26	3.36
CASH FLOW			
Net cash from / used in (-) operating activities	(802.09)	(1,190.46)	(1,367.99)
Net cash from / used in (-) investing activities	(6.90)	(16.00)	(5.79)
Net cash from / used in (-) financing activities	975.07	1,291.62	1,179.37
Net increase / decrease (-) in cash and cash equivalents	166.08	85.16	(194.41)
Cash and cash equivalents as per Cash Flow Statement as at the end of Half year	866.35	951.51	757.10
ADDITIONAL INFORMATION			
Net Worth	991.26	1431.15	1,616.91
Cash and cash equivalents	866.35	951.51	757.10
Loans	4,098.91	5,328.65	6,506.02
Total Debts to Total Assets	0.79	0.77	0.76

Interest Income	839.00	933.54	1,143.23
Interest Expense	507.72	560.07	659.96
Impairment on Financial Instruments	191.75	193.83	361.84
Bad Debts to Loans	-	-	-

(f) **Details of any other contingent liabilities of the Issuer based on the latest audited financial statements including amount and nature of liability:**

Description of the contingent liability and capital and other commitments	As on 31st March,2023 (INR in Lakhs)
Credit enhancements provided by the company towards securitisation (including corporate guarantee, cash collateral and loan assets retained as Minimum retention Requirement (MRR)	5,56,75,681.00
Corporate guarantee in case of co-lending transactions	NIL
Loan sanctioned not yet disbursed	NIL

(g) **The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued**

S. NO.	NAME OF COUNTERPARTY	NATURE OF/RELATIONSHIP WITH COUNYTERPARTY	WHETHER CORPORATE GUARANTEE OR LETTER OF COMFORT	AMOUNT OF CORPORATE GUARANTEE OR LETTER OF COMFORT (in INR)
1.	N.A.	N.A.	N.A.	N.A.

5.10 **A brief history of Issuer since its incorporation giving details of its following activities:**

(a) **Details of Share Capital as on last quarter end, i.e., June 30, 2023**:

Share Capital	Amount (in Rs.)
Authorised Share Capital	
11,39,00,000 equity shares of Rs.10/- each	113,90,00,000.00
2,51,00,000 preference shares of Rs.10/-each	25,10,00,000.00
TOTAL	139,00,00,000.00
Issued and Subscribed Share Capital	
9,22,34,455 Equity shares of Rs.10/- each	92,23,44,550.00
2,50,18,814 preference Shares of Rs.10/- each	25,01,88,140.00
TOTAL	**117,25,32,690.00**
Paid Up Capital	
8,81,00,443 nos of Equity shares of Rs.10/- each	88,10,04,430.00
41,34,012 nos of Equity shares are partly paid i.e 0.09024 paid per shares	3,73,072.00
(2,50,18,814 preference Shares of Rs.10/- each)	25,01,88,140.00
TOTAL	**113,15,65,642.00**

(b) **Changes in its capital structure as on last quarter end i.e., June 30, 2023, for the preceding three financial years and current financial year:**

Date of Change (AGM/EGM)	Authorised Capital in Rs.	Particulars
30.11.2009	5,00,00,000	Increase from Rs. 30,00,000
15.12.2010	8,00,00,000	Increase from Rs. 500,00,000
10.06.2012	18,00,00,000	Increase from Rs 800,00,000
13.01.2014	35,00,00,000	Increase from Rs 1800,00,000
28.09.2015	38,00,00,000	Increase from Rs 3500,00,000
08.02.2016	43,00,00,000	Increase from Rs 3800,00,000
16.06.2017	56,00,00,000	Increase from Rs 4300,00,000
04.05.2018	71,00,00,000	Increase from Rs 56,00,00,000
24.12.2018	86,00,00,000	Increase from Rs 71,00,00,000
15.03.2021	107,00,00,000	Increase from Rs 86,00,00,000
17.12.2021	139,00,00,000	Increase from Rs. 107,00,00,000

(c) **Details of the equity share capital for the preceding three financial years and current financial year:**

						Cumulative Paid Up Capital			Remarks
Date of Allotment	**No. of Equity Shares**	**Face Value (in Rs)**	**Issue Price (in Rs)**	**Consideration (Cash, other than cash etc.)**	**Nature of Allotment**	**No of Equity Shares**	**Equity Share Capital (Rs in Crore)**	**Equity Share Premium (Rs. In Crore)**	
10.06.15	53,61,930	10	44.76	Conversion	Conversion	2,95,57,004	29.55	45.80	Nil
24.02.16	1,824,151	10	54.82	Cash	Private Placement	31,381,155	31.38	53.97	Nil
25.05.16	4,968,063	10	70.45	Cash	Private Placement	36,349,218	36.34	83.97	Nil
30.06.17	34,06,757	10	95.00	Cash	Private Placement	3,97,55,975	39.75	112.92	Nil
07.07.17	15,00,000	10	95.00	Cash	Private Placement	4,12,55,975	41.25	125.67	Nil
07.07.17	15,10,526	10	95.00	Cash	Private Placement	4,27,66,501	42.76	138.50	Nil
05.01.18	2,54,907	10	39.23	Conversion	Conversion	4,30,21,408	43.02	139.24	Nil
01.06.18	1,000	10	107.48	Cash	Private Placement	4,30,22,408	43.02	139.24	Nil
21.08.18	1,39,88,538	10	110.81	Conversion	Conversion	5,70,10,946	57.01	280.25	Nil
01.02.19	1,16,88,702	10	117.75	Cash	Private Placement	6,86,99,648	68.69	406.196	Nil
26.03.2021	100	10	117.75	Cash	Private Placement	68699748	**68.69**	406.197	Nil
31.03.2021	11000	10	41.00	Cash	Private Placement	68710748	**68.71**	406.23	Nil
31.03.2021	5200	10	49.00	Cash	Private Placement	68715948	**68.71**	406.25	Nil
02.08.2021	2200	10	41.00	Cash	Private Placement	687,19,948	68.72	406.34	Nil

						Cumulative Paid Up Capital			Remarks
Date of Allotment	**No. of Equity Shares**	**Face Value (in Rs)**	**Issue Price (in Rs)**	**Consideration (Cash, other than cash etc.)**	**Nature of Allotment**	**No of Equity Shares**	**Equity Share Capital (Rs in Crore)**	**Equity Share Premium (Rs. In Crore)**	
02.08.2021	1800	10	49.00	Cash	Private Placement	687,19,948	68.72	406.34	Nil
23-12-2021	100	10	117.75	Cash	Private Placement	6,87,20,048	68.72	406.34	Nil
23-12-2021	100	10	117.75	Cash	Private Placement	6,87,20,148	68.72	406.34	Nil
30-12-2021	21400	10	41.00	Cash	Private Placement	6,87,47,048	68.75	406.46	Nil
30-12-2021	5500	10	49.00	Cash	Private Placement	6,87,47,048	68.75	406.46	Nil
28-01-2022	5200	10	41.00	Cash	Private Placement	6,87,55,948	68.76	406.49	Nil
28-01-2022	3700	10	49.00	Cash	Private Placement	6,87,55,948	68.76	406.49	Nil
28-02-2022	12,40,203	10	110.81	Cash	Private Placement	6,99,96,151	68.77	418.96	Nil
28-02-2022	16,53,605	10	110.81	Cash	Private Placement	7,16,49,756	68.78	435.63	Nil
28-02-2022	6,20,102	10	110.81	Cash	Private Placement	7,22,69,858	68.79	441.88	Nil
28-02-2022	6,20,102	10	110.81	Cash	Private Placement	7,28,89,960	68.79	448.13	Nil
31-03-2022	2200	10	41.00	Cash	Private Placement	7,28,92,160	68.80	448.13	Nil
31-03-2022	3000	10	49.00	Cash	Private Placement	7,28,95,160	68.80	448.13	Nil
27-09-2022	1700	10	41.00	Cash	Private Placeme	7,28,96,	68.80	448.13	Nil

						Cumulative Paid Up Capital			Remarks
Date of Allotment	**No. of Equity Shares**	**Face Value (in Rs)**	**Issue Price (in Rs)**	**Consideration (Cash, other than cash etc.)**	**Nature of Allotment**	**No of Equity Shares**	**Equity Share Capital (Rs in Crore)**	**Equity Share Premium (Rs. In Crore)**	
					nt	860			
27-09-2022	2700	10	49.00	Cash	Private Placement	728,99,560	68.80	448.24	Nil
28-09-2022	1,33,51,310	10	-	Conversion	1,94,18,612 CCPS converted into Equity	8,62,50,870	82.15	448.24	Nil
28-09-2022	59,70,985	10	-	Conversion	7820000 CCPS converted into Equity	9,22,21,855	88.12	448.24	Nil
30-03-2023	6,000	10	41	Cash	Private Placement	9,22,27,855	88.12	448.25	Nil
30-06-2023	3400	10	41	Cash	Private Placement	9,22,31,255	88.12	448.26	
30-06-2023	3200	10	49	Cash	Private Placement	9,22,34,455	88.13	448.28	

(d) **Details of any acquisition of or amalgamation with any entity in the preceding one year:**

There has been no Acquisition or amalgamation in last one year.

TYPE OF EVENT	DATE OF ANNOUNCEMENT	DATE OF COMPLETION	DETAILS
Nil			

(e) **Details of any Reorganization or Reconstruction in the preceding one year:**

TYPE OF EVENT	DATE OF ANNOUNCEMENT	DATE OF COMPLETION	DETAILS
Nil			

(f) **Details of the shareholding of the Company as at the latest quarter end, as per the format specified under the listing regulations***:*
The shareholding pattern of the Issuer as of the last quarter end, i.e., June 30, 2023, prepared in accordance with the LODR Regulations is set out in Annexure XIII.

(g) **List of top ten holders of equity shares of the Company as on the latest quarter end, i.e. June 30, 2023:**

S. No	Name of Equity Share Holders	No. of Equity Shares held	Shareholding as a % of total no of equity shares	No. of shares in demat form
1	Gobinda Chandra Pattanaik	80,00,546	8.67	-
2	Belgian Investment Company for Developing Countries NV/SA	95,27,723	10.33	-
3	DCB Bank Ltd.	18,24,151	1.98	18,24,151
4	Oikocredit Ecumenical Development Cooperative Society U.A.	75,40,536	8.18	-
5	Women's World Banking Capital Partners, LP	58,00,000	6.29	58,00,000
6	Bamboo Financial Inclusions Fund II	46,45,695	5.04	-
7	Oman India Joint Investment Fund II	1,80,48,942	19.57	1,80,48,942
8	Asian Development Bank	1,16,88,702	12.67	1,16,88,702
9	Nuveen Global Impact Fund India S.à r.l	1,33,51,410	14.48	-
10	SOCIÉTÉ DE PROMOTION ET DE PARTICIPATION POUR LA COOPÉRATION ECONOMIQUE S.A.	59,70,985	6.47	59,70,985

5.11 **Following details regarding the directors of the Company*:**

(a) **Details of the current directors of the Company:**

This table sets out the details regarding the Company's Board of Directors as on date of the General Information Document:

S. No.	Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
01	Gobinda Chandra Pattanaik	Managing Director	55	Palla, Pallatotapada, Khurdha, Odisha-752056	02716330	13-08-2009	Nil	No
02	Dibyajyoti Pattanaik	Director	46	Palla, Konark Nagar, Pallatotapada, Khurdha, Odisha-752056	02764187	14.09.2009	Annapurna SME Finance Pvt Ltd	No
03	Sean Leslie Nossel	Independent director	53	444 Central Park West, Apt 15E, New York, USA - 10025	05327455	20/07/2012	Nil	No
04	Krishna Kumar Tiwary	Independent director	51	A-36/51-E, Konia Road, Sahdevram Mukhiya Marg,Kazzakpura, Varanasi-221001 (U.P)	02914614	13/02/2012	Save Solutions Private Limited New Habitat Housing Finance and Development Ltd Save Microfinance Pvt Ltd.	No

S. No.	Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
							M-Swasth North Solution Pvt Ltd.	
05	Ashok Ranjan Samal	Independent director	68	Plot No.7, Aryabhoomi, Plot No.442/3998, Nandan Kanan Main Road, Patia, Bhubaneswar, Odisha - 751031	00918164	17/10/2016	Annapurna SME Finance Private Limited	No
06	Christina Stefanie Juhasz	Nominee Director	55	122 E. 42nd St, 42nd Floor, New York, NY 10168	06451902	30/11/2016	Wheelsemi Private Limited	No
07	Abhishek Agrawal	Nominee Director	43	C/o Flat No. 401, Sai Samman, Chembur East, Plot 28/29, Union Park, Near R K Studio, Mumbai, Maharastra - 400071	06760344	23-12-2021	• IKF Finance Ltd • Accion Impact Management India Private Ltd	No

S. No.	Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
08	Ranganathan Varadarajan Dilip Kumar	Nominee Director	54	C-703, CTS-827, A/1C-1A, 7th Floor, Raheja Heights, Arun Kumar Vaidya Rd, Malad East, Mumbai, 400097	01060651	25/06/2021	#As per list provided below	No
09	Mr. Arup Kumar	Nominee Director	54	Flat No. 603, SIDBI Officers Appartment, Raheja Majestics, Plot No 161, TPS-III , Manmala Tank Road, Mahim West, Mumbai, 400016	07682113	28-09-2022	Bandhan Financial Services Limited	No
10	Sunit Vasant Joshi	Nominee Director	67	B-206 Yuthika Apartments, Veerbhadranagar, Near Ganraj Mangal Karyalya, Baner, Pune 411045	02962154	19-05-2020	Nil	No
11	Guillaume Accarain	Nominee Director	32	(1150) Rue Jean Wellens, 47 (Belgium)	09527231	18-04-2022	Nil	No

S. No.	Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
12	Radhika Jayant Shroff	Nominee Director	49	215 West 88th Street, Apt 2H, New york-10024	09210584	25-06-2021	Nil	No
13	Venkiteswaran Mecherimadam Ramakrishnan	Nominee Director	63	Flat No. B2-703, LNT South City Apartments, Arekere Mico Layout, Bannerghata Road, Bangalore South, Bengaluru, Karnataka - 560076	08286433	25-09-2020	- Annapurna SME finance Pvt Ltd -Origo commodities india private limited -Origo finance private limited	No
14	Pushkar Jauhari	Nominee Dirctor	47	Apt 404, Tower 4, Crescent Bay, Jerbai Wadia Road, Parel Bhoiwada, Mumbai, Maharastra-400012	06391650	27-05-2022	Biogenomics Limited	No

R.V Dilip Kumar Interest in Other Entities

- Collateral Medical Private Limited
- E to E Transportation Infrastructure Private Limited
- ESAF Financial Holdings Private Limited
- Sonata Finance Private Limited
- RGVN (Northeast) Microfinance Limited
- Caspian Impact Investments Private limited
- Online PSB Loans Limited
- Oriano Clean Energy Private Limited
- Janakalyan Financial Services Private limited

(b) **Details of change in directors in the preceding three financial years and current financial year:**

Name	Designation	DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Mr. Sarath Naru	Alternate Director	00027469	-	14-Feb-17	-	Nil
Ms. Milena Loayza Amorin	Nominee Director	07925625	07-Sept-17	-	-	Nil
Mr. Sarath Naru	Alternate Director	00027469	07-Sept-17	-	-	Nil
Mr. Bernhard Jakob Eikenberg	Nominee Director	07933703	08-Sept-17	-	-	Nil
Mr. Bernhard Jakob Eikenberg	Nominee Director	07933703	-	01-Jun-2018	-	Nil
Mr. Satish Chavva	Nominee Director	03615175	01-Jun-2018	-	-	Nil
Mr. Satya Prakash Singh	Nominee Director	03168099	15-Jan-2019	-	-	Nil
Mr. Apurva Kumar	Nominee Director	08349501	01-Feb-2019	-	-	Nil
Mr. R. V. Dilip Kumar	Nominee Director	01060651	-	03-April-19	-	Nil
Mrs. Milena Loayza Amorin	Nominee Director	07925625	-	24-April-19	-	Nil
Mrs. Laetitia Counye	Nominee Director	06990144	-	24-April-19	-	Nil
Mr. Sarath Naru	Alternate Director	00027469	-	24-April-19	-	Nil
Mr. Sarath Naru	Alternate Director	00027469	05-Aug-2019	-	-	Nil
Mr. Satya Prakash Singh	Nominee Director	03168099	-	12 Sep-2019	-	Nil
Mr. Rishi Dwivedi	Nominee Director	08595325	24-Oct-2019	-	-	Nil

Mr. Rishi Dwivedi	Nominee Director	08595325	-	28-Feb-2020	-	Nil
Mr. Sarath Naru	Alternate Director	00027469	-	28-Feb-2020	-	Nil
Ms. Dhara Jitendra Mehta	Nominee Director	07410469	28-Feb-2020	-	-	Nil
Mr. Prakash Kumar	Nominee Director	06758416	28-Feb-2020	-	-	Nil
Mr. Apurva Kumar	Nominee Director	08349501	-	19-05-2020	-	Nil
Mr. Sunit Vasant Joshi	Nominee Director	02962154	19-05-2020	-	-	Nil
Mr. Florian Christoph Grohs	Nominee Director	05264322	-	25-09-2020	-	Nil
Mr. Venkiteswaran Mecherimadam Ramakrishnan	Nominee Director	08286433	25-09-2020	-	-	Nil
Ms. Dhara Jitendra Mehta	Nominee Director	07410469	-	25-06-2021	-	Nil
Mr. Ranganathan Varadarajan Dilip Kumar	Nominee Director	01060651	25-06-2021	-	-	Nil
Ms. Radhika Jayant Sharoff	Nominee Director	09210584	25-06-2021	-	-	Nil
Mr Satish Chavva	Nominee Director	03615175	-	03-03-2022	-	Nil
Mrs. Laetitia Counye	Nominee Director	06990144	-	18-04-2022	-	Nil
Mr. Guillaume Accarain	Nominee Director	09527231	18-04-2022	-	-	Nil
Mr Abhishek Agrawal	Nominee Director	06760344	23-12-2021	-	-	Nil
Mr. Pushkar Jauhari	Nominee Director	06391650	27-05-2022	-	-	Nil
Mr. Prakash Kumar	Nominee Director	06758416	-	28-09-2022	-	Nil
Mr. Arup Kumar	Additional Director	07682113	28-09-2022	-	-	Nil

(c) **Details of directors' remuneration, and such particulars of the nature and extent of their interests in the issuer (during the current year and preceding three financial years):**

(i) Remuneration payable or paid to a director by the issuer, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis;

By/in the Issuer:

S. NO.	NAME OF THE DIRECTOR	REMUNERATION PAYABLE/PAID BY THE ISSUER	SHAREHOLDING IN THE ISSUER (ON A FULLY DILUTED BASIS)
2022-23 (current financial year)			
1.	**Mr. Gobinda Chandra Pattanaik**	**2.68 Crores**	6.49%
2.	**Mr. Dibyajyoti Pattanaik**	**1.25 Crores**	1.40%
2021-22			
1.	**Mr. Gobinda Chandra Pattanaik**	**2.00 Crores**	6.82%
2.	**Mr. Dibyajyoti Pattanaik**	**1.01 Crores**	1.47%
2020 -21			
1.	**Mr. Gobinda Chandra Pattanaik**	**1.53 Crores**	6.51%
2.	**Mr. Dibyajyoti Pattanaik**	**0.70 Crores**	0.06%
2019-20			
1.	**Mr. Gobinda Chandra Pattanaik**	**1.38 Crores**	7.47%
2.	**Mr. Dibyajyoti Pattanaik**	0.55 Crores	0.07%

By/in the subsidiaries of the Issuer:

S. NO.	NAME OF THE DIRECTOR	REMUNERATION PAYABLE/PAID BY THE SUBSIDIARIES OF THE ISSUER	SHAREHOLDING IN THE SUBSIDIARIES OF THE ISSUER (ON A FULLY DILUTED BASIS)
1.	**Mr. Gobinda Chandra Pattanaik**	NIL	0.02%
2.	**Mr. Dibyajyoti Pattanaik**	NIL	0.02%

By/in the associate of the Issuer: Not Applicable

S. NO.	NAME OF THE DIRECTOR	REMUNERATION PAYABLE/PAID BY THE ASSOCIATE COMPANIES OF THE ISSUER	SHAREHOLDING IN THE ASSOCIATE COMPANIES OF THE ISSUER (ON A FULLY DILUTED BASIS)
NA	NA	NA	NA
NA	NA	NA	NA

(ii) Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company;

Of the Issuer: Not Applicable

S. NO.	NAME OF THE DIRECTOR	DETAILS OF THE RELATIVE	DETAILS OF APPOINTMENT OF THE RELATIVE TO AN OFFICE OR PLACE OF PROFIT
1. NA	NA	NA	NA
2. NA	NA	NA	NA

Of the subsidiaries of the Issuer: Not Applicable

S. NO.	NAME OF THE DIRECTOR	DETAILS OF THE RELATIVE	DETAILS OF APPOINTMENT OF THE RELATIVE TO AN OFFICE OR PLACE OF PROFIT OF THE SUBSIDIARIES OF THE ISSUER
NA	NA	NA	NA
NA	NA	NA	NA

Of the associate companies of the Issuer: Not Applicable

S. NO.	NAME OF THE DIRECTOR	DETAILS OF THE RELATIVE	DETAILS OF APPOINTMENT OF THE RELATIVE TO AN OFFICE OR PLACE OF PROFIT OF THE ASSOCIATE COMPANIES OF THE ISSUER
NA	NA	NA	NA
NA	NA	NA	NA

(iii) Full particulars of the nature and extent of interest, if any, of every director:

A. in the promotion of the issuer company; or

Mr Gobinda Chandra Pattanaik is the Managing Director of the Issuer, and Mr. Dibyajyoti Pattanaik is the Director of the Issuer. As per their terms of engagement, they are executive directors and are involved in the day-to-day management of the Issuer and also the promotion of the objects and the business of the Issuer.

The shareholding and the remuneration of the above mentioned are set out in this General Information Document.

All other directors of the Issuer are non-executive directors.

B. in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it; or

Not Applicable

C. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed.

Not Applicable

(d) **Contribution being made by the directors as part of the offer or separately in furtherance of such objects.**

Not Applicable

5.12 **Any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons**

Not Applicable

5.13 **Following details regarding the auditors of the Issuer:**

(a) **Details of the auditor of the Issuer:**

NAME OF THE AUDITOR	ADDRESS	DATE OF APPOINTMENT	REMARK
B S R & Co. LLP (KPMG)	14th Floor, Central B Wing and North C Wing, Nesco	August 31, 2021	External Auditor

	IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063		
B.S. Subudhi & Co	Second Floor, Plot No. 661/3404, Near New Kalika South Indian Hotel, Jayadurga Nagar, Bhubaneswar – 751006	May, 2014	Internal Auditor

(b) **Details of change in auditors for preceding three financial years and current financial year:**

NAME OF THE AUDITOR	ADDRESS	DATE OF APPOINTMENT	DATE OF CESSATION, IF APPLICABLE	DATE OF RESIGNATION, IF APPLICABLE	REMARK
B S R & Co. LLP (KPMG)	14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai – 400063	August 31, 2021	NA		Statutory auditor rotation in line with the directions of the RBI.
B.S. Subudhi & Co	Second Floor, Plot No. 661/3404, Near New Kalika South Indian Hotel, Jayadurga Nagar, Bhubaneswar – 751006	May, 2014	May, 2023		Internal Auditor

5.14 **Details of the following liabilities of the issuer, as at the end of the preceding quarter, or if available, a later date:**

The information set out in (a) to (g) below has been disclosed as of June 30, 2023.

(a) **Details of outstanding secured loan facilities**:

Name of lender	Type of Facility	Amount Sanctioned (in Rs Cr)	Principal Amount Outstanding (in Rs Cr)	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
Aditya Birla Finance TL 1	Term Loan	25	6.25	Monthly	5.00%	Unrated	Standard Asset
Allahabad Bank TL 1	Term Loan	25	1.06	Monthly	10.00%	Unrated	Standard Asset
Axis Bank TL 11.1	Term Loan	49	0.91	Monthly	5.00%	Unrated	Standard Asset
Axis Bank TL 11.2	Term Loan	-	2.73	Monthly	5.00%	Unrated	Standard Asset
Axis Bank TL 11.3	Term Loan	-	1.65	Monthly	5.00%	Unrated	Standard Asset
Axis Bank TL 11.4	Term Loan	-	4.94	Monthly	5.00%	Unrated	Standard Asset
Axis Bank TL 12	Term Loan	150	54.55	Monthly	5.00%	Unrated	Standard Asset
Axis Bank TL 13.1	Term Loan	200	122.73	Monthly	5.00%	Unrated	Standard Asset
Axis Bank TL 13.2	Term Loan	-	43.18	Monthly	5.00%	Unrated	Standard Asset
Bajaj Finance TL 3	Term Loan	30	10	Monthly	0.00%	Unrated	Standard Asset
Bandhan Bank TL 7.1	Term Loan	200	64.29	Quarterly	5.00%	Unrated	Standard Asset
Bandhan Bank TL 7.2	Term Loan	-	28.57	Quarterly	5.00%	Unrated	Standard Asset
Bandhan Bank TL 8	Term Loan	150	150	Quarterly	0.00%	Unrated	Standard Asset
Bandhan Bank TL 9	Term Loan	50	50	Quarterly	0.00%	Unrated	Standard Asset
Bank of Baroda TL 3.1	Term Loan	100	2.7	Monthly	10.00%	Unrated	Standard Asset
Bank of Baroda TL 3.2	Term Loan	-	-	Monthly	10.00%	Unrated	Standard Asset
Bank of Maharashtra TL 1.1	Term Loan	50	6.72	Monthly	5.00%	Unrated	Standard Asset
Bank of Maharashtra TL 1.2	Term Loan	-	-	Monthly	5.00%	Unrated	Standard Asset
Bank of Maharashtra TL 2	Term Loan	50	24.14	Monthly	2.50%	Unrated	Standard Asset
BNP Paribas TL 5	Term Loan	70	17.5	Quarterly	5.00%	Unrated	Standard Asset
BNP Paribas TL 6.1	Term Loan	100	37.5	Quarterly	5.00%	Unrated	Standard Asset
BNP Paribas TL 6.2	Term Loan	-	37.5	Quarterly	5.00%	Unrated	Standard Asset
Canara Bank TL-7.1 (CGSMFI)	Term Loan	50	25	Quarterly	5.00%	Unrated	Standard Asset
Canara Bank TL-7.2 (CGSMFI)	Term Loan	-	-	Quarterly	5.00%	Unrated	Standard Asset
Canara Bank TL-7.3 (CGSMFI)	Term Loan	-	-	Quarterly	5.00%	Unrated	Standard Asset
Credit Agricole TL-2	Term Loan	35	35	Quarterly	0.00%	Unrated	Standard Asset
Credit Saison TL 1	Term Loan	50	43.75	Quarterly	0.00%	Unrated	Standard Asset
Credit Saison TL 2	Term Loan	35	35	Quarterly	0.00%	Unrated	Standard Asset
Cholamandalama TL-1	Term Loan	15	12.72	Monthly	0.00%	Unrated	Standard Asset
DCB TL -13	Term Loan	40	1.64	Monthly	2.50%	Unrated	Standard Asset
DCB TL -14.1	Term Loan	43	12.45	Monthly	2.50%	Unrated	Standard Asset
DCB TL -14.2	Term Loan	-	-	Monthly	2.50%	Unrated	Standard Asset
DCB TL -15.1	Term Loan	55	27.71	Monthly	2.50%	Unrated	Standard Asset

Name of lender	Type of Facility	Amount Sanctioned (in Rs Cr)	Principal Amount Outstanding (in Rs Cr)	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
Doha Bank TL 2	Term Loan	30	15	Quarterly	5.00%	Unrated	Standard Asset
Equitas Small Finance Bank TL 3	Term Loan	75	65.63	Monthly	5.00%	Unrated	Standard Asset
Federal Bank TL 3	Term Loan	100	73.08	Monthly	5.00%	Unrated	Standard Asset
HSBC Bank TL 3.1	Term Loan	50	4.17	Monthly	5.00%	Unrated	Standard Asset
HSBC Bank TL 3.2	Term Loan	-	5.21	Monthly	5.00%	Unrated	Standard Asset
HSBC Bank TL 4	Term Loan	50	12.5	Monthly	5.00%	Unrated	Standard Asset
HSBC Bank TL 5 (CGSMFI)	Term Loan	32	10.67	Monthly	5.00%	Unrated	Standard Asset
HSBC Bank TL 6	Term Loan	100	52.38	Monthly	5.00%	Unrated	Standard Asset
HSBC Bank TL 7.1	Term Loan	75	26.67	Monthly	5.00%	Unrated	Standard Asset
HSBC Bank TL 7.2	Term Loan	-	25	Monthly	5.00%	Unrated	Standard Asset
HSBC Bank TL 8	Term Loan	60	60	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 7.1	Term Loan	225	-	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 7.2	Term Loan	-	-	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 7.3	Term Loan	-	-	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 7.4	Term Loan	-	-	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 7.5	Term Loan	-	-	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 7.6	Term Loan	-	-	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 7.7	Term Loan	-	3.41	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 7.8	Term Loan	-	12.91	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 8.1	Term Loan	100	3.45	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 8.2	Term Loan	-	11.14	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 8.3	Term Loan	-	4.36	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 8.4	Term Loan	-	5.09	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 9	Term Loan	100	31.82	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 10	Term Loan	100	36.36	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 11.1	Term Loan	200	16.36	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 11.2	Term Loan	-	27.27	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 11.3	Term Loan	-	31.82	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 11.4	Term Loan	-	40.91	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 12.1	Term Loan	500	113.78	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 12.2	Term Loan	-	26.67	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 12.3	Term Loan	-	30	Monthly	5.00%	Unrated	Standard Asset
ICICI Bank TL 12.4	Term Loan	-	30	Quarterly	5.00%	Unrated	Standard Asset
ICICI Bank TL 12.5	Term Loan	-	42	Quarterly	5.00%	Unrated	Standard Asset
IDBI TL 9	Term Loan	100	58.33	Monthly	5.00%	Unrated	Standard Asset
IDBI TL 10	Term Loan	75	75	Monthly	5.00%	Unrated	Standard Asset
IDFC Bank TL 3.1	Term Loan	100	10.71	Monthly	0.00%	Unrated	Standard Asset
IDFC Bank TL 3.2	Term Loan	-	42.86	Monthly	0.00%	Unrated	Standard Asset
IDFC Bank TL 4.1	Term Loan	250	43.75	Quarterly	0.00%	Unrated	Standard Asset

Name of lender	Type of Facility	Amount Sanctioned (in Rs Cr)	Principal Amount Outstanding (in Rs Cr)	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
IDFC Bank TL 4.2	Term Loan	-	175	Quarterly	0.00%	Unrated	Standard Asset
Indian Bank TL 6	Term Loan	75	52.35	Monthly	5.00%	Unrated	Standard Asset
Indian Bank TL 6	Term Loan	-	-	Monthly	5.00%	Unrated	Standard Asset
Indian overseas bank-5	Term Loan	50	41.67	Monthly	10.00%	Unrated	Standard Asset
J M Financials TL 1	Term Loan	100	92.42	Monthly	0.00%	Unrated	Standard Asset
Karnataka Bank TL 1.1	Term Loan	50	9.97	Quarterly	5.00%	Unrated	Standard Asset
Karnataka Bank TL 1.2	Term Loan	-	-	Quarterly	5.00%	Unrated	Standard Asset
Kookmin TL 1.1	Term Loan	40	20	Quarterly	5.00%	Unrated	Standard Asset
Kookmin TL 1.2	Term Loan	-	20	Quarterly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 5.1	Term Loan	75	-	Monthly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 5.2	Term Loan	-	6.65	Monthly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 5.3	Term Loan	-	4.12	Monthly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 6.1	Term Loan	250	31.25	Monthly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 6.2	Term Loan	-	22.89	Monthly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 6.3	Term Loan	-	22.92	Monthly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 6.4	Term Loan	-	12.85	Monthly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 6.5	Term Loan	-	29.94	Monthly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 7.1	Term Loan	275	49.5	Monthly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 7.2	Term Loan	-	15	Monthly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 7.3	Term Loan	-	43.44	Monthly	5.00%	Unrated	Standard Asset
Kotak Mahindra Bank TL 7.4	Term Loan	-	50	Monthly	5.00%	Unrated	Standard Asset
Mahindra & Mahindra TL 3.1	Term Loan	100	32.48	Monthly	0.00%	Unrated	Standard Asset
Mahindra & Mahindra TL 3.2	Term Loan	-	34.51	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 23A	Term Loan	7	0.88	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 23B	Term Loan	-	0.88	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 24A	Term Loan	7	0.88	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 24B	Term Loan	-	0.88	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 25A	Term Loan	7	0.88	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 25B	Term Loan	-	0.88	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 26A	Term Loan	7	0.88	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 26B	Term Loan	-	0.88	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 27A	Term Loan	7	0.88	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 27B	Term Loan	-	0.88	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 28A	Term Loan	5	3.54	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 28B	Term Loan	5	3.54	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 29A	Term Loan	5	3.54	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 29B	Term Loan	5	3.54	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 30A	Term Loan	5	3.54	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 30B	Term Loan	5	3.54	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 31A	Term Loan	5	3.54	Monthly	0.00%	Unrated	Standard Asset

Name of lender	Type of Facility	Amount Sanctioned (in Rs Cr)	Principal Amount Outstanding (in Rs Cr)	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
MAS TL- 31B	Term Loan	5	3.54	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 32A	Term Loan	5	3.54	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 32B	Term Loan	5	3.54	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 33A	Term Loan	7	3.06	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 33B	Term Loan	-	3.06	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 34A	Term Loan	7	3.06	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 34B	Term Loan	-	3.06	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 35A	Term Loan	7	3.06	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 35B	Term Loan	-	3.06	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 36A	Term Loan	7	3.06	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 36B	Term Loan	-	3.06	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 37A	Term Loan	7	3.06	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 37B	Term Loan	-	3.06	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 38A	Term Loan	5	4.58	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 38B	Term Loan	5	4.58	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 39A	Term Loan	5	4.58	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 39B	Term Loan	5	4.58	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 40A	Term Loan	5	4.58	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 40B	Term Loan	5	4.58	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 41A	Term Loan	5	4.58	Monthly	0.00%	Unrated	Standard Asset
MAS TL- 41B	Term Loan	5	4.58	Monthly	0.00%	Unrated	Standard Asset
MUDRA TL 6.1	Term Loan	200	72.73	Monthly	10.00%	Unrated	Standard Asset
MANAPPURAM FINANCE	Term Loan	40	31.96	Monthly	0.00%	Unrated	Standard Asset
NABARD TL 4	Term Loan	80	4	Half yearly	0.00%	Unrated	Standard Asset
NABARD TL 5	Term Loan	100	9.98	Half yearly	0.00%	Unrated	Standard Asset
NABARD TL 7.1	Term Loan	10	0.25	Quarterly	0.00%	Unrated	Standard Asset
NABARD TL 7.2	Term Loan	-	2.57	Quarterly	0.00%	Unrated	Standard Asset
NABARD TL 8	Term Loan	200	127.26	Quarterly	0.00%	Unrated	Standard Asset
NABARD TL 9	Term Loan	300	300	Quarterly	5.00%	Unrated	Standard Asset
Nabkisan TL 1	Term Loan	25	2.04	Quarterly	5.00%	Unrated	Standard Asset
Nabkisan TL 2.1	Term Loan	35	23.33	Quarterly	0.00%	Unrated	Standard Asset
Nabkisan TL 2.2	Term Loan	-	-	Quarterly	0.00%	Unrated	Standard Asset
Nabkisan TL 3	Term Loan	50	50	Quarterly	0.00%	Unrated	Standard Asset
Nabsamruddhi TL 2 (Wash segement)	Term Loan	5	5	Monthly	5.00%	Unrated	Standard Asset
Nabsamruddhi TL 3 (MFI Segement)	Term Loan	29.5	29.5	Monthly	5.00%	Unrated	Standard Asset
Piramal TL 1.1	Term Loan	50	11.43	Monthly	0.00%	Unrated	Standard Asset
Piramal TL 1.2	Term Loan	-	18.57	Monthly	0.00%	Unrated	Standard Asset
Punjab & Sindh Bank TL 2.1	Term Loan	30	9.18	Quarterly	10.00%	Unrated	Standard Asset

Name of lender	Type of Facility	Amount Sanctioned (in Rs Cr)	Principal Amount Outstanding (in Rs Cr)	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
Punjab & Sindh Bank TL 2.2	Term Loan	-	-	Quarterly	10.00%	Unrated	Standard Asset
Punjab & Sindh Bank TL 2.3	Term Loan	-	-	Quarterly	10.00%	Unrated	Standard Asset
RBL Bank (TL- 12.1)	Term Loan	160	37.5	Quarterly	5.00%	Unrated	Standard Asset
RBL Bank (TL- 12.2)	Term Loan	-	30	Quarterly	5.00%	Unrated	Standard Asset
RBL Bank (TL- 13.1)	Term Loan	150	37.5	Quarterly	5.00%	Unrated	Standard Asset
RBL Bank (TL- 13.2)	Term Loan	-	47	Quarterly	5.00%	Unrated	Standard Asset
SBI TL- 3.1	Term Loan	80	17.72	Quarterly	10.00%	Unrated	Standard Asset
SBI TL- 3.2	Term Loan	-	-	Quarterly	10.00%	Unrated	Standard Asset
SBI TL- 4	Term Loan	100	60.07	Quarterly	10.00%	Unrated	Standard Asset
SBI TL- 5	Term Loan	300	99.97	Quarterly	5.00%	Unrated	Standard Asset
SBM TL 3.1 (State Bank of Mauritius)	Term Loan	25	2.5	Monthly	5.00%	Unrated	Standard Asset
SBM TL 3.2 (State Bank of Mauritius)	Term Loan	-	5	Monthly	5.00%	Unrated	Standard Asset
SBM TL 4.1 (State Bank of Mauritius)	Term Loan	35	8.12	Monthly	5.00%	Unrated	Standard Asset
SBM TL 4.2 (State Bank of Mauritius)	Term Loan	-	11.67	Monthly	5.00%	Unrated	Standard Asset
SBM TL 5.1 (State Bank of Mauritius)	Term Loan	15	3.54	Monthly	5.00%	Unrated	Standard Asset
SBM TL 5.2 (State Bank of Mauritius)	Term Loan	-	7.5	Monthly	5.00%	Unrated	Standard Asset
SIDBI TL 10	Term Loan	300	300	Monthly	5.00%	Unrated	Standard Asset
Standard Chartered TL 1.42	Term Loan	171	128.25	Quarterly	5.00%	Unrated	Standard Asset
Standard Chartered TL 1.46	Term Loan	-	18.7	Quarterly	5.00%	Unrated	Standard Asset
Standard Chartered TL 1.47	Term Loan	-	21.38	Quarterly	5.00%	Unrated	Standard Asset
Standard Chartered TL 1.48	Term Loan	155	139	Quarterly	5.00%	Unrated	Standard Asset
Tata Capital TL-1	Term Loan	50	37.04	Monthly	0.00%	Unrated	Standard Asset
UCO Bank - 8	Term Loan	25	1.56	Monthly	10.00%	Unrated	Standard Asset
UCO Bank - 9 (CGSMFI)	Term Loan	50	27.44	Monthly	0.00%	Unrated	Standard Asset
UCO Bank - 10	Term Loan	50	36.21	Monthly	10.00%	Unrated	Standard Asset
UCO Bank - 11	Term Loan	50	45.93	Monthly	10.00%	Unrated	Standard Asset
Union Bank TL 2 (CGSMFI)	Term Loan	40	25.44	Quarterly	0.00%	Unrated	Standard Asset
Union Bank TL 3	Term Loan	50	50	Quarterly	5.00%	Unrated	Standard Asset
Woori Bank TL 3	Term Loan	36	1.71	Monthly	5.00%	Unrated	Standard Asset
Woori Bank TL 4	Term Loan	30	13.75	Monthly	5.00%	Unrated	Standard Asset
Woori Bank TL 5	Term Loan	40	30	Monthly	5.00%	Unrated	Standard Asset
Yes Bank TL 5.1	Term Loan	65	-	Monthly	5.00%	Unrated	Standard Asset
Yes Bank TL 5.2	Term Loan	-	6.67	Monthly	5.00%	Unrated	Standard Asset
Yes Bank TL 6.1	Term Loan	125	41.67	Monthly	5.00%	Unrated	Standard Asset

Name of lender	Type of Facility	Amount Sanctioned (in Rs Cr)	Principal Amount Outstanding (in Rs Cr)	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
Yes Bank TL 6.2	Term Loan	-	46.88	Monthly	5.00%	Unrated	Standard Asset
OeEB (ECB) (Senior Secured)	ECB	126.9	126.9	Semi Annually	0.00%	Unrated	Standard Asset
Proparco (ECB)	ECB	113.37	64.78	Semi Annually	0.00%	Unrated	Standard Asset
ResponsAbility 2 (ECB)	ECB	44.19	44.19	Bullet Repayment	0.00%	Unrated	Standard Asset
NCD-Asian Development Bank	NCD	69.5	20.85	Semi Annually	0.00%	Unrated	Standard Asset
NCD-Bandhan Bank 1 (TLTRO Scheme)	NCD	100	16.67	Semi Annually	0.00%	CRISIL (A-Stable)	Standard Asset
NCD-Bank of Baroda 1 (TLTRO Scheme)	NCD	25	8.33	Annually	0.00%	ICRA A- Stable & CARE A - Stable	Standard Asset
NCD-Blue Orchard-6	NCD	100	100	Bullet Repayment	0.00%	ICRA (A-Stable)	Standard Asset
NCD-Blue Orchard-7 (COVID-19 EFM MSME)	NCD	40	40	Bullet Repayment	0.00%	Unrated	Standard Asset
NCD-Blue Orchard-8 (MEF)	NCD	37	37	Bullet Repayment	0.00%	Unrated	Standard Asset
NCD-Blue Orchard-9	NCD	46	46	Bullet Repayment	0.00%	Unrated	Standard Asset
NCD-CDC 1	NCD	60	52.8	Part Redemption	0.00%	CARE (A (CE))	Standard Asset
NCD-Global Access Fund LP 1 (Senior Debt)	NCD	7.5	7.5	Bullet Repayment	0.00%	Unrated	Standard Asset
NCD-Indian Bank 1 (TLTRO Scheme)	NCD	25	25	Bullet Repayment	0.00%	CARE (A-Stable)	Standard Asset
NCD-State Bank of India 1 (TLTRO Scheme)	NCD	100	100	Bullet Repayment	0.00%	CRISIL (A-)	Standard Asset
NCD-Symboitics 6 (AAV SRL and Masala Investments 6)	NCD	46.88	46.88	Bullet Repayment	0.00%	ICRA (A-Stable)	Standard Asset
NCD-Symboitics 8 (AAV SRL and Masala Investments 8)	NCD	49.99	49.99	Bullet Repayment	0.00%	Unrated	Standard Asset
NCD-Symboitics 9 (AAV SRL and Masala Investments 9)	NCD	63.3	63.3	Bullet Repayment	0.00%	ICRA (A-Stable)	Standard Asset
NCD-Symboitics 11 (AAV SRL and Masala Investments 11)	NCD	46.87	46.87	Bullet Repayment	0.00%	ICRA (A-Stable)	Standard Asset
NCD-Triodos Investment Mgmt. 4	NCD	50	50	Bullet Repayment	0.00%	CARE (A-Stable)	Standard Asset
NCD-Triple Jump 3 (TJ & RespA)(Unsecured)	NCD	35	35	Bullet Repayment	0.00%	CRISIL (A-Stable)	Standard Asset

Name of lender	Type of Facility	Amount Sanctioned (in Rs Cr)	Principal Amount Outstanding (in Rs Cr)	Repayment Date/Schedule	Security	Credit Rating, if applicable	Asset Classification
NCD-ResponsAbility 3 (TJ & RespA)(Unsecured)	NCD	35	35	Bullet Repayment	0.00%	CRISIL (A-Stable)	Standard Asset
NCD-Triple Jump 4 (Senior Debt)	NCD	22	22	Bullet Repayment	0.00%	CARE (A-Stable)	Standard Asset
NCD-ResponsAbility 1	NCD	32.5	5.42	Part Redemption	0.00%	ICRA (A-Stable)	Standard Asset
NCD-ResponsAbility 2 (Karvy)	NCD	30	15	Bullet Repayment	0.00%	CRISIL (A-Stable)	Standard Asset
NCD-ResponsAbility 4	NCD	70	70	Bullet Repayment	0.00%	CRISIL (A-Stable)	Standard Asset
NCD-Northern Arc (Senior)	NCD	35	35	Bullet Repayment	0.00%	PP-MLD ICRA (A- Stable)	Standard Asset
NCD-Union Bank 1 (TLTRO Scheme)	NCD	15	15	Bullet Repayment	0.00%	CARE (A-Stable)	Standard Asset
NCD-Vivriti Capital 2	NCD	27.5	9.17	Annually	0.00%	ICRA (A-Stable)	Standard Asset
Total		**9,779.00**	**6,013.03**				

(b) **Details of outstanding unsecured loan facilities**:

Name of lender	Type of Facility	Amount Sanctioned (in Rs Cr)	Principal Amount outstanding (in Rs Cr)	Repayment Date / Schedule	Credit Rating, if applicable
IDFC Bank (Capital First) Sub-Debt	Term Loan	25	25	Bullet Repayment	
Finnfund (ECB)	ECB	117.3	58.65	Semi Annually	
NCD-Global Access Fund LP 1 (Sub Debt)	NCD	44.9	44.9	Bullet Repayment	
NCD-IFMR Capital (Sub Debt) 3	NCD	34	34	Bullet Repayment	ICRA (A- Stable)
NCD-Karvy (Sub Debt)	NCD	30	30	Bullet Repayment	CRISIL (A- Stable)
NCD-Karvy 3 (Sub Debt)	NCD	20	20	Bullet Repayment	
NCD-Symboitics 5 (AAV SRL and Masala Investments 5) (Sub Debt)	NCD	39.6	39.6	Bullet Repayment	CARE (A- Stable)
NCD-Symboitics 7 (AAV SRL and Masala Investments 7) (Sub Debt)	NCD	71.25	71.25	Bullet Repayment	CARE (A- Stable)
NCD-Symboitics 10 (AAV SRL and Masala Investments 10)(Unsecured)	NCD	40.76	40.76	Bullet Repayment	ICRA (A- Stable)
NCD-Triodos Investment Mgmt. 3 (Sub Debt)	NCD	34	34	Bullet Repayment	CARE (A- Stable)
NCD-ResponsAbility 5(Unsecured)	NCD	30	30	Bullet Repayment	CARE (A- Stable)
NCD-Northern Arc (Sub Debt)	NCD	15	15	Bullet Repayment	ICRA (A- Stable)
NCD-Northern Arc 1(Unsecured)	NCD	35	17.5	Monthly	ICRA (A- Stable)
NCD-Northern Arc 2(Unsecured)	NCD	60	45	Quarterly	ICRA (A- Stable)
NCD-Vivriti Capital 1 (Sub Debt)	NCD	15	15	Bullet Repayment	CARE (A- Stable)
Total		**611.81**	**520.66**		

(c) **Details of outstanding non-convertible securities in the following format:**

Series of Non-Convertible Securities	ISIN	Tenor / Period of Maturity (in months)	Coupon	Amount oustanding (in Rs Cr)	Date of allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
NCD-Asian Development Bank	INE515Q07269	60	9.68%	20.85	12-07-2019	12-07-2024	-	Secured	110%
NCD-Bandhan Bank 1 (TLTRO Scheme)	INE515Q07293	34	12.75%	16.67	16-06-2020	16-04-2023	CRISIL (A-Stable)	Secured	100%
NCD-Bank of Baroda 1 (TLTRO Scheme)	INE515Q07350	36	11.50%	8.33	30-07-2020	30-07-2023	ICRA A-Stable & CARE A - Stable	Secured	110%
NCD-Blue Orchard-6	INE515Q07392	60	11.95%	100.00	31-08-2020	29-08-2025	ICRA (A-Stable)	Secured	100%
NCD-Blue Orchard-7 (COVID-19 EFM MSME)	INE515Q07533	60	11.89%	40.00	09-07-2021	09-07-2026	CARE A- (Stable)	Secured	105%
NCD-Blue Orchard-8 (MEF)	INE515Q07525	60	11.85%	37.00	13-07-2021	12-07-2026	CARE A- (Stable)	Secured	105%
NCD-Blue Orchard-9	INE515Q07590	60	10.95%	46.00	19-10-2022	19-10-2027	ICRA (A-Stable)	Secured	105%
NCD-CDC 1	INE515Q07491	48	10.39%	52.80	30-03-2021	30-03-2025	CARE (A (CE))	Secured	110%
NCD-Global Access Fund LP 1 (Senior Debt)	INE515Q07509	72	11.50%	7.50	23-04-2021	23-04-2027	-	Secured	100%
NCD-Global Access Fund LP 1 (Sub Debt)	INE515Q08143	72	12.30%	44.90	23-04-2021	23-04-2027	-	Unsecured	0%
NCD-IFMR Capital (Sub Debt) 3	INE515Q08051	74	13.99%	34.00	24-03-2017	24-05-2023	ICRA (A-Stable)	Unsecured	0%

Series of Non-Convertible Securities	ISIN	Tenor / Period of Maturity (in months)	Coupon	Amount oustanding (in Rs Cr)	Date of allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
NCD-Indian Bank 1 (TLTRO Scheme)	INE515Q07343	36	11.75%	25.00	24-07-2020	24-07-2023	CARE (A-Stable)	Secured	115%
NCD-Karvy (Sub Debt)	INE515Q08093	84	12.87%	30.00	02-05-2019	02-05-2026	CRISIL (A-Stable)	Unsecured	0%
NCD-Karvy 3 (Sub Debt)	INE515Q08218	65	13.10%	20.00	29-03-2023	29-08-2028	ICRA A-(Stable)	Unsecured	0%
NCD-State Bank of India 1 (TLTRO Scheme)	INE515Q07327	33	11.60%	100.00	15-07-2020	15-04-2023	CRISIL (A-)	Secured	125%
NCD-Symboitics 5 (AAV SRL and Masala Investments 5) (Sub Debt)	INE515Q08101	85	13.00%	39.60	24-03-2020	13-04-2027	CARE (A-Stable)	Unsecured	0%
NCD-Symboitics 6 (AAV SRL and Masala Investments 6)	INE515Q07319	60	12.25%	46.88	07-07-2020	07-07-2025	ICRA (A-Stable)	Secured	100%
NCD-Symboitics 7 (AAV SRL and Masala Investments 7) (Sub Debt)	INE515Q08135	85	12.29%	71.25	18-01-2021	18-02-2028	CARE (A-Stable)	Unsecured	0%
NCD-Symboitics 8 (AAV SRL and Masala Investments 8)	INE515Q07541	42	11.00%	49.99	24-09-2021	24-03-2025	CRISIL A-(Stable)	Secured	100%
NCD-Symboitics 9 (AAV SRL and Masala Investments 9)	INE515Q07558	60	11.30%	63.30	20-12-2021	20-12-2026	ICRA (A-Stable)	Secured	100%
NCD-Symboitics 10 (AAV SRL and Masala Investments 10)(Unsecured)	INE515Q08200	44, 4Days	10.00%	40.76	04-11-2022	08-07-2026	ICRA (A-Stable)	Unsecured	0%
NCD-Symboitics 11 (AAV SRL and Masala Investments 11)	INE515Q07608	60	10.90%	46.87	04-11-2022	04-11-2027	ICRA (A-Stable)	Secured	100%

Series of Non-Convertible Securities	ISIN	Tenor / Period of Maturity (in months)	Coupon	Amount oustanding (in Rs Cr)	Date of allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
NCD-Triodos Investment Mgmt. 3 (Sub Debt)	INE515Q08127	61	13.03%	34.00	31-03-2020	30-04-2025	CARE (A-Stable)	Unsecured	0%
NCD-Triodos Investment Mgmt. 4	INE515Q07566	72	12.01%	50.00	07-07-2022	07-07-2028	CARE (A-Stable)	Secured	100%
NCD-Triple Jump 3 (TJ & RespA)(Unsecured)	INE515Q08176	72	12.11%	35.00	20-03-2019	20-03-2025	CRISIL (A-Stable)	Unsecured	0%
NCD-ResponsAbility 3 (TJ & RespA)(Unsecured)	INE515Q08176	72	12.11%	35.00	20-03-2019	20-03-2025	CRISIL (A-Stable)	Unsecured	0%
NCD-Triple Jump 4 (Senior Debt)	INE515Q07574	36	11.46%	22.00	29-07-2022	29-07-2025	CARE (A-Stable)	Secured	100%
NCD-ResponsAbility 1	INE515Q07384	72	12.49%	5.42	30-08-2017	30-08-2023	ICRA (A-Stable)	Secured	110%
NCD-ResponsAbility 2 (Karvy)	INE515Q07228	84	12.50%	15.00	19-12-2018	19-12-2025	CRISIL (A-Stable)	Secured	110%
NCD-ResponsAbility 4	INE515Q07400	72	12.38%	70.00	22-09-2020	22-09-2026	CRISIL (A-Stable)	Secured	110%
NCD-ResponsAbility 5(Unsecured)	INE515Q08168	72	12.16%	30.00	24-12-2021	24-12-2027	CARE (A-Stable)	Unsecured	0%
NCD-Northern Arc (Sub Debt)	INE515Q08069	66	13.50%	15.00	27-03-2018	27-09-2023	ICRA (A-Stable)	Unsecured	0%
NCD-Northern Arc 1(Unsecured)	INE515Q08184	12, 1Day	11.25%	17.50	26-09-2022	27-09-2023	ICRA (A-Stable)	Unsecured	0%
NCD-Northern Arc 2(Unsecured)	INE515Q08192	24	12.20%	45.00	26-09-2022	26-09-2024	ICRA (A-	Unsecured	0%

Series of Non-Convertible Securities	ISIN	Tenor / Period of Maturity (in months)	Coupon	Amount oustanding (in Rs Cr)	Date of allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
							Stable)		
NCD-Northern Arc (Senior)	INE515Q07582	37, 4Days	11.50%	35.00	27-09-2022	27-10-2025	PP-MLD ICRA (A-Stable)	Secured	110%
NCD-Union Bank 1 (TLTRO Scheme)	INE515Q07301	36	11.50%	15.00	26-06-2020	26-06-2023	CARE (A-Stable)	Secured	100%
NCD-Vivriti Capital 1 (Sub Debt)	INE515Q08119	74	14.50%	15.00	27-03-2020	15-05-2026	CARE (A-Stable)	Unsecured	0%
NCD-Vivriti Capital 2	INE515Q07475	36	12.00%	9.17	22-12-2020	18-12-2023	ICRA (A-Stable)	Secured	110%
Total				**1,389.78**					

(d) **Details of commercial paper issuances as at the end of the last quarter, i.e., June 30, 2023, in the following format*:***

SERIES OF NCS	ISIN	TENOR / PERIOD OF MATURITY	COUPON	AMOUNT OUTSTANDING (IN INR)	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
Nil										

(e) **List of top ten holders of non-convertible securities in terms of value (in cumulative basis)**

Name of holders of non-convertible securities	**Amount (in Rs Cr)**	**Percentage (%) of total non-convertible securities outstanding**
NCD-Symboitics	358.65	25.81%
NCD-Blue Orchard	223.00	16.05%
NCD- IFMR Capital/ Northern Arc	146.50	10.54%
NCD- ResponsAbility	140.42	10.10%
NCD-State Bank of India	100.00	7.20%
NCD-Triodos	84.00	6.04%
NCD- KARVY (Sub-Debt)	65.00	4.68%
NCD Triple Jump	57.00	4.10%
NCD-CDC	52.80	3.80%
NCD-Global Access Fund LP	52.40	3.77%
Total	1,279.77	

(f) **List of top ten holders of Commercial paper in terms of value (in cumulative basis):**

SR. NO.	**NAME OF HOLDER**	**CATEGORY OF HOLDER**	**FACE VALUE OF HOLDING**	**HOLDING AS A % OF TOTAL COMMERCIAL PAPER OUTSTANDING OF THE ISSUER**
1.	Nil			

(g) **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:**

NAME OF PARTY (IN CASE OF FACILITY)/ NAME OF INSTRUMENT	TYPE OF FACILITY / INSTRUMENT	AMOUNT SANCTIONED/ ISSUED	PRINCIPAL AMOUNT OUTSTANDING	DATE OF REPAYMENT/ SCHEDULE	CREDIT RATING	SECURED/ UNSECURED	SECURITY
Nil							

5.15 **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:**

- **in whole or part,**
- **at a premium or discount, or**
- **in pursuance of an option or not.**

N.A.

5.16 **Where the Issuer is a non-banking finance company or housing finance company, the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:**

S. NO.	PARTICULARS OF DISCLOSURE	DETAILS
1.	**Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by NBFC**	**Lending Policy**: Please refer Section 10. **Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc**: Please refer Section 10. **Classification of loans into several maturity profile denomination**: Please refer Section 10.

		Aggregated exposure to top 20 borrowers: Please refer Section 10. **Details of loans, overdue and classified as Non performing assets (NPA)**: Please refer Section 10.
2.	**Details of borrowings granted by NBFC**	**Portfolio Summary of borrowings made by NBFC**: Please refer Section 10. **Quantum and percentage of Secured vs. Unsecured borrowings**: Please refer Section 10.
3.	**Details of change in shareholding**	**Any change in promoters' shareholding in the Issuer during preceding financial year beyond the threshold prescribed by Reserve Bank of India**: Please refer Section 10.
4.	**Disclosure of Assets under management**	**Segment wise break up and Type of loans**: Please refer Section 10.
5.	**Details of borrowers**	**Geographical location wise**: Please refer Section 10.
6.	**Details of Gross NPA**	**Segment wise**: Please refer Section 10.
7.	**Details of Assets and Liabilities**	**Residual maturity profile wise into several bucket**: Please refer Section 10.
8.	**Additional details of loans made by, Housing Finance Company**	Not applicable
9.	**Disclosure of latest ALM statements to stock exchange**	Please refer Section 10.

5.17 **Details of all default/s 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:**

Nil

5.18 **Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper.**

The Issuer hereby declares that there has been no material event, development or change on the financials/credit quality (e.g., any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue, which may affect the Issue or the Investor's decision to invest/ continue to invest in the debt securities of the Issuer.

5.19 **Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the company:**

Nil

5.20 **Details of default and non-payment of statutory dues for the preceding three financial years and current financial year**

Nil

5.21 **Details of pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares**

Nil

5.22 **Details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the issuer**

Nil

5.23 **Details of pending proceedings initiated against the issuer for economic offences, if any**

Nil

5.24 **Related party transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided**

Refer Annexure XV

5.25 **In case the issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:**

S. NO.	NAME OF THE BORROWER (A)	AMOUNT OF ADVANCES /EXPOSURES TO SUCH BORROWER (GROUP) (RS. CRORE) (B)	PERCENTAGE OF EXPOSURE ©= B/TOTAL ASSETS UNDER MANAGEMENT
1.	N. A	N. A	N. A

5.26 **In order to allow investors to better assess the issue, the following additional disclosures shall be made by the issuer in the issue documents: (i) A portfolio summary with regards to industries/ sectors to which borrowings have been granted by NBFCs. (ii) Quantum and percentage of secured vis-à-vis unsecured borrowings granted by NBFCs. (iii) Any change in promoters' holdings in NBFCs during the preceding financial year beyond the threshold specified by the Reserve Bank of India from time to time.**

Please refer Section 10.

5.27 **Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**

PARTICULARS	REFERENCING
Directors	Please refer Annexure X in respect of the resolutions passed at the meeting of the board of directors of the Issuer and at the meeting of executive committee of the board of directors of the Issuer.
Auditors	Not applicable as no auditor is proposed to be mandated for any private placement of Debentures pursuant to this General Information Document and any Key Information Document issued pursuant thereto.
Bankers to issue	Not applicable as no banker is proposed to be mandated for any private placement of Debentures pursuant to this General Information Document and any Key Information Document issued pursuant thereto.
Trustees	The consent letter from Debenture Trustee is provided in Annexure III of this General Information Document.
Solicitors /Advocates	N. A
Legal Advisors	N. A
Lead Manager	Not applicable as no lead manager is proposed to be mandated for any private placement of Debentures pursuant to this General Information Document and any Key Information Document issued pursuant thereto.
Registrar	The consent letter from the Registrar is provided in Annexure III of this General Information Document.
Lenders of the Issuer	Not applicable. The Issuer believes that as any private placement of Debentures pursuant to this General Information Document and any Key Information Document issued pursuant thereto would fall within the purview of fund raising in the ordinary course of business of the Issuer.
Experts	Not applicable as no expert is proposed to be mandated for any private placement of Debentures pursuant to this General Information Document and any Key Information Document issued pursuant thereto.

5.28 **The name(s) of the debentures trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with copy of the consent letter from the debenture trustee.**

The Debenture Trustee of the proposed Debentures is Catalyst Trusteeship Limited. Catalyst Trusteeship Limited has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this General Information Document and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in **Annexure III** of this General Information Document.

5.29 **If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain the detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the issue document.**

Not applicable.

5.30 **Disclosure of cash flow with date of interest/dividend/ redemption payment as per day count convention**

(a) ***The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made***: Actual / Actual. Please also refer to the column on "*Business Day Convention*" under Section 5.34 (*Summary Terms)* of this General Information Document.

(b) ***Procedure and time schedule for allotment and issue of securities***: Please refer to the column on "*Issue Timing*" under Section 5.34 (*Summary Terms)* of this General Information Document.

(c) ***Cash flows emanating from the non-convertible securities shall be mentioned in the General Information Document, by way of an illustration***: The cashflows emanating from the Debentures, by way of an illustration, are set out under **Annexure VI** (*Illustration of Bond Cashflows*) of this General Information Document.

5.31 **Other details:**

(a) **Creation of Debenture Redemption Reserve (DRR) / Capital Redemption Reserve (CRR) - relevant legislations and applicability:**

(i) As per Section 71 of the Companies Act, any company that intends to issue debentures must create a debenture redemption reserve ("**DRR**") to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, as on the Effective Date, pursuant to the Companies (Share Capital and Debenture) Rules), 2014, non-banking financial companies registered with the RBI are exempted from the requirement to maintain a DRR in case of privately placed debentures.

(ii) The Company hereby agrees and undertakes that, if required under Applicable Law,

it will create a DRR in accordance with the provisions of the Act (and the rules and regulations made thereunder) and the guidelines issued by the relevant Governmental Authorities.

(iii) If any guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of the DRR prior to the Final Settlement Date, then the Company shall comply with such guidelines and shall do all deeds, acts and things as may be required by the Debenture Trustee in respect of the creation and maintenance of the DRR.

(iv) Where applicable, the Company shall submit to the Debenture Trustee a certificate duly certified by a chartered accountant certifying that the Company has transferred the required amount to the DRR at the end of each Financial Year.

(v) In addition to the above, to the extent required by Applicable Law, the Company shall, in any Financial Year, in respect of any amounts of the Debentures maturing in such Financial Year, invest or deposit amounts up to such thresholds as may be prescribed by Applicable Law and in such form and manner as prescribed therein and within the time periods prescribed therein.

(b) **Issue / instrument specific regulations - relevant details (Companies Act, Reserve Bank of India guidelines etc.):**

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the relevant notified rules thereunder, the SEBI Debt Listing Regulations, the LODR Regulations, the SEBI Listed Debentures Circulars, the Debenture Trustees Regulations, and the guidelines and directions issued by the RBI and SEBI, applicable to issuance of non-convertible debentures by NBFCs on a private placement basis.

(c) **Default in payment**: Please refer to the sub-section named "*Default Interest Rate*" under Section 5.34 (*Summary Terms)* of this General Information Document and Section 7.6.1 (*Consequences of Event of Default*) of Section 7 of the General Information Document, setting out the consequences pursuant to any default in payment of Debentures

(d) **Delay in listing**: Please refer the sub-section named "*Listing (name of stock Exchange(s) where it will be listed and timeline for listing)*" of Section 5.34 (*Summary Terms)* in relation to the listing requirements in respect of the Debentures and section named "*Additional Disclosures (Delay in Listing)*" of Section 5.34 (*Summary Terms)* in respect of the default interest in the event of delay in listing.

(e) **Delay in allotment of securities**:

(i) The Issuer shall ensure that any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.

(ii) Any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures shall be deemed to be allotted to the Debenture Holders on the relevant Deemed Date of

Allotment. All benefits relating to any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures are available to the Debenture Holders from the relevant Deemed Date of Allotment.

(iii) Without prejudice to, and in supplement of, any other provision of the DTD, if the Issuer fails to allot any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures to the Applicants following the date of receipt of the Application Money within the time period prescribed under the Companies Act, 2013 ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").

(iv) If the Issuer fails to repay the Application Money within the Repayment Period, then Company shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum, gross of withholding taxes, from the expiry of the Allotment Period.

(f) **Issue details**: Please refer to Section 5.34 (*Summary Terms)* of this General Information Document

(g) **Application process:**

The application process for the Issue is as provided in Section 8 of this General Information Document.

(h) **Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any**:

The finalised form of the PPOA prepared in accordance with the Form PAS 4 prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014 shall be enclosed in the relevant Key Information Document for the relevant issuance of Debentures.

(i) **Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project**:

N.A.

5.32 **Other matters and reports**

(a) **If the proceeds, or any part of the proceeds, of the issue of the debt securities are or is to be applied directly or indirectly:** Not applicable.

(i) **in the purchase of any business; or** Not applicable. The amount equivalent to 100% of the funds raised by the Issue will be utilized towards the purposes set out in the relevant Key Information Document for the relevant issuance of Debentures.

(ii) **in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith,** Not applicable. The amount equivalent to 100% of the funds raised by the Issue will be utilized towards the purposes set out in the relevant Key Information Document for the relevant issuance of Debentures.

the company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the issue document) upon -

(A) **the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the issue document; and**

(B) **the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the issue document.**

(b) **In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding** Not applicable. The amount equivalent to 100% of the funds raised by the Issue will be utilized towards the purposes set out in the relevant Key Information Document for the relevant issuance of Debentures.

(i) **the names, addresses, descriptions and occupations of the vendors;**

(ii) **the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;**

(iii) **the nature of the title or interest in such property proposed to be acquired by the company; and**

(iv) **the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:**

Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with

mention of the location/total area and the number of vendors from whom it is being acquired and the aggregate value being paid. Details of minimum amount, the maximum amount and the average amount paid/ payable should also be disclosed for each immovable property

(c) **If:**

(i) the proceeds, or any part of the proceeds, of the issue of the debt securities are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and - Not applicable

(ii) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon –

A. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and

B. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.

Not applicable. The amount equivalent to 100% of the funds raised by the Issue will be utilized towards the purposes set out in the relevant Key Information Document for the relevant issuance of Debentures.

(d) **The said report shall:** Not applicable. The amount equivalent to 100% of the funds raised by the Issue will be utilized towards the purposes set out in the relevant Key Information Document for the relevant issuance of Debentures.

(i) indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and

(ii) where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in Section 5.32(c)(ii) above.

(e) **The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default shall be disclosed**.

Not Applicable

(f) **The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within six months immediately preceding the date of filing the issue document with the Registrar of Companies are as follows**.

No

(g) **The matters relating to: (i) Material contracts; (ii) Time and place at which the contracts together with documents will be available for inspection from the date of issue document until the date of closing of subscription list**

The following contracts, not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than 2 (Two) years before the date of this General Information Document, which are or may be deemed material have been entered into by the Company.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the registered office of the Company between 10.00 am to 4.00 pm on Business Days.

S. No.	Nature of Contract
1.	Certified true copy of the Memorandum of Association, the Articles of Association, and Certificate of Incorporation of the Issuer.
2.	Board Resolution dated November 10, 2022 read together with the resolution dated July 15, 2023 of the executive committee of the board of directors of the Company.
3.	Resolution dated September 22, 2022 of the shareholders of the Issuer authorizing the issue of non-convertible debentures by the Company.
4.	Resolution dated May 05, 2023 of the shareholders of the Issuer authorizing the borrowing by the Company and the creation of transaction security.
5.	Annual reports of the Issuer for the last 3 (three) Financial Years.
6.	Credit rating letter from the Rating Agency dated July 18, 2023, rating rationale from the Rating Agency dated July 20, 2023 and the press release dated July 20, 2023.
7.	Letter from Catalyst Trusteeship Limited dated July 18, 2023 giving its consent to act as Debenture Trustee.
8.	Letter from NSDL Database Management Limited dated July 17, 2023 giving its consent to act as Register and Transfer Agent.
9.	The tripartite agreement(s) executed between the Issuer, the Registrar and the relevant Depositories.
10.	The application made to BSE for grant of in-principle approval for listing of Debentures, and the in-principle approval provided by the BSE in respect of the listing of the Debentures.

11.	The due diligence certificate(s) issued by the Debenture Trustee pursuant to the SEBI Debenture Trustees Master Circular and the other SEBI Listed Debentures Circulars.
12.	The Transaction Documents (including the Debt Disclosure Documents).

(h) **Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document**.

Please refer Note 36 of the audit report for the Financial Year ended March 31, 2021, Note 36 of the audit report for the Financial Year ended March 31, 2022, and Note 34 of the audit report for the Financial Year ended March 31, 2023, which sets out the details of the related party transactions entered inti by the Issuer.

(i) **The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of issue document, and of their impact on the financial statements and financial position of the company, and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks**.

Not Applicable

(j) **The details of:**

- **any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law;**
- **prosecutions filed, if any (whether pending or not); and**
- **fines imposed or offences compounded,**

  in the three years immediately preceding the year of issue of issue document in the case of the issuer being a company and all of its subsidiaries.

Not Applicable

(k) **The details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and actions taken by the issuer**

Not Applicable

5.33 **Utilization of the Issue Proceeds**

Please refer the sub-section on "*Details of the utilization of the Proceeds*" under Section 5.34 (*Summary Terms)* of this General Information Document.

5.34 **Summary Terms**

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Issuer	Annapurna Finance Private Limited
Type of Instrument	Rated, Listed, Redeemable, Debentures
Nature of Instrument (Secured or Unsecured)	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Seniority (Senior or Subordinated)	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Eligible Investors	As specified in Section 8.15 (*Eligible Investors*).
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	(a) The Issuer shall submit all duly completed documents to the BSE, SEBI, the jurisdictional registrar of companies or any other Governmental Authority, as are required under Applicable Law and obtain the listing of the Debentures within the timelines prescribed under the SEBI Listing Timelines Requirements ("**Listing Period**"). (b) The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE. (c) The Issuer shall ensure that the Debentures at all times are rated in accordance with the provisions of the Transaction Documents and that the rating of the Debentures is not withdrawn until the Final Settlement Date. (d) In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the Deemed Date of Allotment until the listing of the Debentures is completed.
Rating of the Instrument	"ICRA A- Stable" by ICRA Ratings Limited
Issue Size	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Minimum Subscription	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Option to retain oversubscription (Amount)	N.A.
Objects of the Issue / Purpose for which	(a) The funds raised by the Issue shall be utilized by the Issuer for the purposes as are set out in the relevant Key Information

there is requirement of funds	Document for the relevant issuance of Debentures ("**Purpose**"). The amount equivalent to 100% of the funds raised by the Issue will be utilized towards the Purpose. The Issuer has not, as of the date of the General Information Document, determined the specific allocation between the objects set out above. (b) The funds raised by the Issue shall be utilised by the Issuer solely for the Purpose and the Issuer shall not use the proceeds of the Issue towards: (ii) any capital market instrument such as equity, debt, debt linked, and equity linked instruments or any other capital market related activities (whether directly or indirectly); (iii) any speculative purposes; (iv) investment in the real estate sector/real estate business (including the acquisition/purchase of land); (v) in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI); and (vi) any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DOR.CRE.REC.No.07/21.04.172/2023-24 dated April 3, 2023 on "*Bank Finance to Non-Banking Financial Companies (NBFCs)*". PROVIDED HOWEVER THAT until the funds raised by the Issue are utilised by the Issuer in accordance with the Purpose, the Issuer shall be entitled to temporarily invest the funds raised by the Issue in overnight and/or liquid schemes of mutual funds and/or deposits held with scheduled commercial banks.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	N.A. The proceeds raised from the Issue will be used solely for the Purpose.

Details of the utilization of the Proceeds	(a) The funds raised by the Issue shall be utilized by the Issuer for the purposes as are set out in the relevant Key Information Document for the relevant issuance of Debentures. The amount equivalent to 100% of the funds raised by the Issue will be utilized towards the Purpose. The Issuer has not, as of the date of the General Information Document, determined the specific allocation between the objects set out above. (b) The funds raised by the Issue shall be utilised by the Issuer solely for the Purpose and the Issuer shall not use the proceeds of the Issue towards: (i) any capital market instrument such as equity, debt, debt linked, and equity linked instruments or any other capital market related activities (whether directly or indirectly); (ii) any speculative purposes; (iii) investment in the real estate sector/real estate business (including the acquisition/purchase of land); (iv) in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI); and (v) any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DOR.CRE.REC.No.07/21.04.172/2023-24 dated April 3, 2023 on "*Bank Finance to Non-Banking Financial Companies (NBFCs)*". PROVIDED HOWEVER THAT until the funds raised by the Issue are utilised by the Issuer in accordance with the Purpose, the Issuer shall be entitled to temporarily invest the funds raised by the Issue in overnight and/or liquid schemes of mutual funds and/or deposits held with scheduled commercial banks.
Coupon/Dividend Rate	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Step Up/Step Down Coupon Rate	To be set out in the relevant Key Information Document for the relevant issuance of Debentures
Coupon/Dividend Payment Frequency	To be set out in the relevant Key Information Document for the relevant issuance of Debentures
Coupon/Dividend Payment Dates	To be set out in the relevant Key Information Document for the relevant issuance of Debentures

Cumulative / non cumulative, in case of dividend	To be set out in the relevant Key Information Document for the relevant issuance of Debentures
Coupon Type (Fixed, floating or other structure)	To be set out in the relevant Key Information Document for the relevant issuance of Debentures
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	To be set out in the relevant Key Information Document for the relevant issuance of Debentures
Day Count Basis (Actual/Actual)	Interest and all other charges shall accrue based on an actual/actual basis.
Interest on Application Money	(i) Interest at the interest rate (subject to deduction of tax at source, as applicable) as set out in the relevant Key Information Document for the relevant issuance of Debentures will be paid on the Application Money to the Applicants from the date of receipt of such Application Money up to (and including) the day occurring 1 (one) day prior to the Deemed Date of Allotment for all valid applications, within 5 (five) Business Days from the Deemed Date of Allotment. Where pay-in date of the Application Money and the Deemed Date of Allotment are the same, no interest on Application Money will be payable. (ii) Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount to the bank account of the Applicant as described in the Application Form by electronic mode of transfer such as (but not limited to) RTGS/NEFT/direct credit. (iii) Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the Applicant in the bank account of the Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant.
Default Interest Rate	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Tenor	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Redemption Date	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Redemption Amount	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures.

	Subject to any early/premature redemption of Debentures in accordance with the Transaction Documents, each Debenture shall be fully redeemed on a *pari passu* basis by the Issuer by making the payment of the Outstanding Principal Amounts on each Redemption Date. The illustrative redemption schedule shall be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Redemption Premium/Discount	Not applicable.
Issue Price	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures
Discount at which security is issued and the effective yield as result of such discount	N.A.
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	N.A.
Put Date	N.A.
Put Price	N.A.
Call Date	N.A.
Call Price	N.A.
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	N.A.
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	N.A.
Face Value	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures.
Minimum application and in multiples thereafter	The minimum application size for the Issue shall be 100 (One Hundred) Debentures and in multiples of 1 Debenture thereafter.
Issue Timing	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
1. Issue Opening Date	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
2. Issue Closing Date	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.

3. Date of earliest closing of the issue, if any.	N.A.
4. Pay-in Date	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
5. Deemed Date of Allotment	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Settlement Mode of the Instrument	Please refer Section 8 below.
Depository	NSDL and CDSL
Disclosure of Interest/Dividend/ redemption dates	The illustrative interest payment and redemption schedule is set out in **Annexure VI**.
Record Date	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	To be more particularly set out in the DTD and the other Transaction Documents. Please also refer Section 7 below for an indicative list of representations and warranties of the Issuer, financial covenants, reporting covenants, affirmative covenants, and negative covenants, and acceleration on event of default. All other covenants prescribed by/commercially agreed with the proposed investors are set out in this Section 5.34.
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	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the issue document	N.A.

Transaction Documents	means, in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures: (a) the DTD; (b) the Debenture Trustee Agreement; (c) the Debt Disclosure Documents; (d) the letters issued by the, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar; (e) each tripartite agreement between the Issuer, the Registrar and the relevant Depository; (f) any other document that may be designated as a Transaction Document by the Debenture Trustee or the Debenture Holders, and "Transaction Document" means any of them.
Conditions precedent to Disbursement	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Conditions Subsequent to Disbursement	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Creation of recovery expense fund	The Issuer hereby undertakes and confirms that it shall, within the time period prescribed under Chapter IV of the SEBI Debenture Trustees Master Circular, establish and maintain the Recovery Expense Fund in such manner/mode as is prescribed under Chapter IV of the SEBI Debenture Trustees Master Circular.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Please refer sections named "*Default Interest Rate*" and Section 7 below.
Provisions related to Cross Default	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Roles and Responsibilities of the Debenture Trustee	In addition to the powers conferred on the Debenture Trustee in the DTD and Applicable Law, and without limiting the liability of the Debenture Trustee, it is agreed as follows: (a) the Debenture Trustee may, in relation to the DTD and the other Transaction Documents, act on the opinion or advice of or any

		information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Issuer or by the Debenture Trustee or otherwise;
	(b)	subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have the discretion as to the exercise thereof and to the mode and time of exercise thereof. In the absence of any fraud, gross negligence, willful misconduct or breach of trust the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;
	(c)	with a view to facilitating any dealing under any provisions of the DTD or the other Transaction Documents, subject to the Debenture Trustee obtaining the consent of the Majority Debenture Holders, the Debenture Trustee shall have (i) the power to consent (where such consent is required) to a specified transaction or class of transactions (with or without specifying additional conditions); and (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of the DTD;
	(d)	the Debenture Trustee shall not be responsible for the amounts paid by the Applicants for the Debentures;
	(e)	the Debenture Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Debenture Holders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Debenture Holders;
	(f)	the Debenture Trustee and each receiver, attorney, manager, agent or other person appointed by it shall, subject to the provisions of the Companies Act, be entitled to be indemnified by the Issuer in respect of all liabilities and expenses incurred by them in the execution or purported execution of the powers and

		trusts thereof;
	(g)	subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be liable for any of its actions or deeds in relation to the Transaction Documents;
	(h)	subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained herein or in enforcing the covenants contained herein or in giving notice to any person of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holders or by a Majority Resolution duly passed at a meeting of the Debenture Holders. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;
	(i)	notwithstanding anything contained to the contrary in the DTD, the Debenture Trustee shall, before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders;
	(j)	without prejudice to anything contained in sub-section, the Debenture Trustee shall oversee and monitor the transaction contemplated in the Transaction Documents for and on behalf of the Debenture Holders;
	(k)	the Debenture Trustee shall forward to the Debenture Holders copies of any information or documents from the Issuer pursuant to the DTD within 2 (two) Business Days of receiving such information or document from the Issuer; and
	(l)	the Debenture Trustee shall, until the Final Settlement Date,

	adhere to and comply with its obligations and responsibilities under the SEBI Debenture Trustees Master Circular. PROVIDED THAT nothing contained in this sub-section shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or Applicable Law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder.
Risk factors pertaining to the issue	Please refer Section 3.
Governing Law & Jurisdiction	The Transaction Documents shall be governed by and will be construed in accordance with the laws of India and any disputes arising there from shall be subject to the jurisdiction of appropriate courts and tribunals at Bhubaneswar, India, and as more particularly provided for in the respective Transaction Documents.
Business Day Convention	(a) Interest and all other charges shall accrue based on an actual/actual basis. (b) All payments in respect of the Debentures required to be made by the Issuer shall be made on a Business Day. (c) If any Due Date on which any interest or additional interest is payable falls on a day which is a Sunday or is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day. (d) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is a Sunday or is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day. (e) If the Final Redemption Date falls on a day which is a Sunday or is not a Business Day, the payment of any amounts in respect of the Outstanding Principal Amounts to be made shall be made on the preceding Business Day. (f) In the absence of anything to the contrary, if any day for performance of any acts under the Transaction Documents (other than those set out in (c) to (e) above) falls on a day which is not a Business Day, such acts shall be performed shall be made on the succeeding Business Day.
Early Redemption	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Multiple Issuances	The Issuer reserves the right to make multiple issuances under the same International Securities Identification Number ("**ISIN**") with reference to

	Chapter VIII (*Specifications related to ISIN for debt securities*) of the Listed NCDs Master Circular. Such issue can be made either by way of creation of a fresh ISIN or by way of issuance under an existing ISIN at premium/par/discount as the case may be in line with Chapter VIII (*Specifications related to ISIN for debt securities*) of the Listed NCDs Master Circular.
Right to repurchase	In respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures: (a) in respect of any series of Debentures issued pursuant to this General Information Document and the relevant Key Information Document for the relevant issuance of Debentures, the Issuer, subject to the Applicable Law, may, based on mutual discussions with any Debenture Holder, repurchase a part or all of the Debentures held by such Debenture Holder from the secondary market or otherwise, at any time prior to the Final Settlement Date. (b) in the event any or all of the Debentures are repurchased, or redeemed under any circumstances whatsoever, the Issuer shall have, and shall be deemed to have had, subject to Applicable Law, the power to re-issue the Debentures either by re-issuing the same Debentures or by issuing other non-convertible debentures in their place; and (c) in respect of any repurchased/redeemed Debenture, the Issuer shall have the power to (either for a part or all of the Debenture) cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as is permitted under Applicable Law.
Additional Disclosures (Security Creation)	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Additional Disclosures (Default in Payment)	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Additional Disclosures (Delay in Listing)	In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the Deemed Date of Allotment until the listing of the Debentures is completed.

Note:

a. If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and events which lead to such change should be disclosed.

b. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.

c. While the debt securities are secured to the extent of hundred per cent. of the amount of principal and interest or as per the terms of issue document, in favour of debenture trustee, it is the duty of the debenture trustee to monitor that the security is maintained.

d. The issuer shall provide granular disclosures in their General Information Document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".

SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

(a) **The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:**

(i) **Name of the bank declaring the entity as a Wilful Defaulter**: NIL

(ii) **The year in which the entity is declared as a Wilful Defaulter**: NIL

(iii) **Outstanding amount when the entity is declared as a Wilful Defaulter**: NIL

(iv) **Name of the entity declared as a Wilful Defaulter**: NIL

(v) **Steps taken, if any, for the removal from the list of wilful defaulters**: NIL

(vi) **Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions**: NIL

(vii) **Any other disclosure as specified by SEBI**: NIL

(b) **The fact that the issuer or any of its promoters or directors is a wilful defaulter shall be disclosed prominently on the cover page with suitable cross-referencing to the pages**: **NIL**

SECTION 7: KEY TERMS OF THE TRANSACTION DOCUMENTS

7.1. The following documents shall be executed in relation to the Issue ("**Transaction Documents**"):

(a) the debenture trustee agreement, which will confirm the appointment of Catalyst Trusteeship Limited as the Debenture Trustee;

(b) the debenture trust deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer; and

(c) Such other documents as agreed between the Issuer and the Debenture Trustee.

7.2 Representations and Warranties of the Issuer

This will be more particularly set out in the DTD and the Key Information Document for the relevant issuance of Debentures.

7.3 Financial Covenants

This will be more particularly set out in the DTD and the Key Information Document for the relevant issuance of Debentures.

7.4 Reporting Covenants

This will be more particularly set out in the DTD and the Key Information Document for the relevant issuance of Debentures.

7.5 Affirmative Covenants

This will be more particularly set out in the DTD and the Key Information Document for the relevant issuance of Debentures.

7.6 Negative Covenants

This will be more particularly set out in the DTD and the Key Information Document for the relevant issuance of Debentures.

7.7 Events of Default

This will be more particularly set out in the DTD and the Key Information Document for the relevant issuance of Debentures.

7.8 Consequences and Remedies of an Event of Default

This will be more particularly set out in the DTD and the Key Information Document for the relevant issuance of Debentures.

7.9 Events of Default

This will be more particularly set out in the DTD and the Key Information Document for the relevant issuance of Debentures.

7.10 **Notice on the Occurrence of an Event of Default**

This will be more particularly set out in the DTD and the Key Information Document for the relevant issuance of Debentures.

7.11 **Additional obligations of the Debenture Trustee**

In respect of the SEBI Debenture Trustees Master Circular, the entering into, and the performance of any obligations under any inter-creditor agreement (pursuant to the Stressed Assets Framework) or any resolution plan shall be subject to the terms of the SEBI Debenture Trustees Master Circular (including without limitation, the resolution plan being finalised within the time period prescribed in the SEBI Debenture Trustees Master Circular, and exiting of the inter-creditor agreement on the occurrence of the matters prescribed under the SEBI Debenture Trustees Master Circular.

7.12 **Listing and Monitoring Requirements**

The Company will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary continuous and periodic due diligence and monitor the security cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the Chapter VI (*Periodical/ Continuous Monitoring by Debenture Trustee*) of the SEBI Debenture Trustees Master Circular, the Company undertakes and agrees to provide all relevant documents/information, as applicable, to enable the Debenture Trustee to submit the following reports/certifications to BSE in accordance with Chapter VI (*Periodical/ Continuous Monitoring by Debenture Trustee*) of the SEBI Debenture Trustees Master Circular:

(a) a security cover certificate on a quarterly basis, within (i) 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year), and (ii) 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law, in the format prescribed in the SEBI Debenture Trustees Master Circular;

(b) (to the extent applicable) a statement of the value of the pledged securities on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;

(c) (to the extent applicable) a statement of the value of the debt service reserve account or any other form of security offered on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;

(d) (to the extent applicable) a net worth certificate of the guarantor who has provided a personal guarantee in respect of the Debentures on a half yearly basis, within 75 (seventy five) days from the end of each financial half-year or such other timelines

as may be prescribed under Applicable Law;

(e) (to the extent applicable) the financials/value of guarantor prepared on the basis of audited financial statement etc. of the guarantor who has provided a corporate guarantee in respect of the Debentures on an annual basis, within 75 (seventy five) days from the end of each Financial Year or within such other timelines as may be prescribed under Applicable Law; and

(f) (to the extent applicable) the valuation report and title search report for the immovable/movable assets, as applicable, once in 3 (three) years, within 75 (seventy five) days from the end of the Financial Year or such other timelines as may be prescribed under Applicable Law.

7.13 **Recovery Expenses Fund**

(a) The Company hereby undertakes and confirms that it shall, within the time period prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular, establish, maintain and utilize the Recovery Expense Fund in such manner/mode as is prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular, to enable the Debenture Trustee to take prompt action in relation to the enforcement/legal proceedings under the Transaction Documents.

(b) The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time.

(c) The Company shall ensure that any bank guarantees provided in respect of the Recovery Expense Fund remain valid for a period of 6 (six) months following the maturity date of the Debentures. The Company shall keep the bank guarantees in force and renew the bank guarantees at least 7 (seven) working days before its expiry, failing which the designated stock exchange may invoke such bank guarantee.

(d) On the occurrence of any Event of Default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement/legal proceedings and shall inform the designated stock exchange of such occurrence and the obtaining of any consent in respect thereof (if any). The amount lying in the Recovery Expense Fund may be released to the Debenture Trustee within such time period and such manner as may be prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund towards enforcement/legal proceedings under the Transaction Documents.

(e) The amounts in the Recovery Expense Fund shall be refunded to the Company on repayment/redemption of the Debentures, following which a "no objection certificate" shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall ensure that there is no default on any other listed debt securities of the Company before issuing such "no objection certificate".

7.14 Requirements under the LODR Regulations

The Company agrees, declares and covenants with the Debenture Trustee that it will comply with all relevant requirements prescribed under the LODR Regulations applicable to it (including without limitation, the provisions of Chapter II (*Principles governing disclosures and obligations of listed entity*), Chapter III (*Common obligations of listed entities*), Chapter IV (*Obligations of a listed entity which has listed its specified securities and non-convertible debt securities*), and Chapter V (*Obligations of listed entity which has listed its non-convertible securities*) of the LODR Regulations (to the extent applicable)).

7.15 Due Diligence

(a) The Company acknowledges, understands, and confirms that:

(i) the Debenture Trustee shall carry out due diligence on continuous basis to ensure compliance by the Company, with the provisions of the Companies Act, the LODR Regulations, the Debt Listing Regulations, the SEBI Listed Debentures Circulars, the Debenture Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the Transaction Documents, and any other regulations issued by SEBI pertaining to the Issue;

(ii) for the purposes of carrying out the due diligence as required in terms of the SEBI Listed Debentures Circulars, 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; and

(iii) the Debenture Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Company and the trust property (as set out in the DTD) to the extent necessary for discharging its obligations. The Company shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Company. In the event, any fees, costs expenses are borne by the Debenture Trustee, the above shall be reimbursed forthwith by the Company upon request.

(b) The Company shall submit documents/ information as the Debenture Trustee may require to conduct continuous and periodical due diligence and monitoring of the transaction security or the assets on which security interest/charge is created, which shall, *inter alia*, include:

(i) periodical status/performance reports from the Company within 7 (seven) days of the relevant board meeting of the Company or within 45 (forty five) days of the respective quarter, whichever is earlier;

(ii) details with respect to defaults, if any, with regard to payment of interest

or redemption of Debentures;

(iii) details with respect to the implementation of the conditions regarding creation of the transaction security for the Debentures, debenture redemption reserve and Recovery Expense Fund;

(iv) details with respect to the assets of the Company and of the guarantors (to the extent applicable) to ensure that they are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the Debenture Holders;

(v) reports on the utilization of funds raised by the issue of Debentures;

(vi) details with respect to conversion or redemption of the Debentures;

(vii) (to the extent applicable) details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the Debenture Holders and payment of amounts upon redemption of Debentures to the Debenture Holders due to them within the stipulated time period in accordance with the Applicable Law;

(viii) (to the extent applicable) reports from the lead bank regarding the progress of the project relating to the proceeds of the Issue;

(ix) details regarding monitoring of utilisation of funds raised in the issue of the Debentures;

(x) (to the extent applicable) certificate from the statutory auditors of the Company (A) in respect of utilisation of funds during the implementation period of the project relating to the proceeds of the Issue, and (B) in the case of Debentures issued for financing working capital, at the end of each accounting year; and

(xi) such other documents or information as may be required by the Debenture Trustee in accordance with the Applicable Law.

(c) Without prejudice to any other provision of this Agreement and the other Transaction Documents, the Company shall:

(i) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the necessary due diligence and monitor the security cover on a quarterly basis in the manner as may be specified by SEBI from time to time;

(ii) to the extent applicable, submit a certificate from the statutory auditor on a half-yearly basis, regarding the maintenance of security cover in accordance with the terms of the Debt Disclosure Documents and the other Transaction Documents including compliance with the covenants of the Debt Disclosure Documents and the other Transaction Documents in the manner as may be specified by SEBI from time to time;

(iii) submit the following reports/certification (to the extent applicable) to the Debenture Trustee within the timelines mentioned below:

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/CERTIFICATIONS BY DEBENTURE TRUSTEE
(To the extent applicable) Security cover certificate	Quarterly basis within 30 (thirty) days from each Quarterly Date or within such timelines as may be agreed between the Company and the Debenture Trustee.	Quarterly basis within (A) 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and (B) 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law, and, where applicable, in the format prescribed in the SEBI Debenture Trustees Master Circular.
(To the extent applicable) A statement of value of pledged securities		
(To the extent applicable) A statement of value for Debt Service Reserve Account or any other form of security offered		
(To the extent applicable) Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within 30 (thirty) days from the end of each half-year or within such timelines as may be agreed between the Company and the Debenture Trustee.	Half yearly basis within 75 (seventy five) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law.
(To the extent applicable) Financials/value of guarantor prepared on basis of audited financial statement etc. of the guarantor (secured by way of corporate guarantee)	Annual basis within 45 (forty five) days from the end of each Financial Year or within such timelines as may be agreed between the Company and the Debenture Trustee.	Annual basis within 75 (seventy five) days from the end of each Financial Year or within such timelines as prescribed under Applicable Law.
(To the extent applicable) Valuation report and title search report for the immovable/movable assets, as applicable	Within such timelines as prescribed under Applicable Law or within such timelines as may be agreed between the	Once in 3 (three) years, within 75 (seventy five) days from the end of the Financial Year or such other timelines as may be prescribed under Applicable Law.

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/CERTIFICATIONS BY DEBENTURE TRUSTEE
	Company and the Debenture Trustee.	

(iv) comply with all requirements applicable to it under the SEBI Debenture Trustees Master Circular, and provide all documents/information as may be required in accordance with the SEBI Debenture Trustees Master Circular.

7.16 **Others**

(a) The Company shall ensure due compliance and adherence to the SEBI Listed Debentures Circulars in letter and spirit.

(b) To the extent applicable and required in terms of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, the Debenture Trustee shall execute an "inter creditor agreement" in the manner prescribed under Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular.

(c) To the extent required/applicable, the Company shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Company, and (ii) all covenants of the issue (including side letters, event of default provisions/clauses etc.).

(d) The Company shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Company or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.

(e) The Company and the Debenture Trustee hereby agree and covenant to comply with the requirements prescribed under Chapter III (*Security and Covenant Monitoring System*) of the SEBI Debenture Trustees Master Circular in respect of the Debentures and the transactions contemplated in the Transaction Documents.

SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this General Information Document, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

8.1 Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL and CDSL 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, amounts due will be paid/redemption will be made to the person, whose name appears in the Register of Debenture Holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

8.2 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/EFT/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The Debentures shall be allotted in DEMAT form only.

8.3 Debenture Trustee for the Debenture Holder(s)

The Issuer has appointed Catalyst Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered/intend to enter into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture 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 authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trustee Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

8.4 Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

8.5 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

8.6 Modification of Debentures

Any other change or modification to the terms of the Debentures and the Transaction Documents shall be undertaken in accordance with the terms of the Transaction Documents.

8.7 Right to accept or reject Applications

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

8.8 Notices

Any notice in respect of the Debentures may be served by the Issuer upon the Debenture Trustee/Debenture Holders in accordance with the terms of the Transaction Documents.

8.9 Issue Procedure

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the Applicant's bank, type of account and account

number must be duly completed by the Applicant. This is required for the Applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The Applicant should transfer payments required to be made in any relation by EFT/RTGS, to the bank account as per the details mentioned in the Application Form.

The subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Requirements by placing bids on the EBP Platform during the Issue period. The Issuer will make the bidding announcement on the EBP Platform at least 1 (one) Business Day before initiating the bidding process in accordance with the EBP Requirements. In case the Eligible Investors are not registered on the EBP Platform, they will have to register themselves as an "investor" on the EBP Platform (as a one-time exercise) and also complete the mandatory "know your customer" verification process. The Eligible Investors should also refer to the operational guidelines of the relevant EBP in this respect. The disclosures required pursuant to the EBP Requirements are set out herein below:

Details of size of issue including green shoe option, if any and a range within which green shoe may be retained (if applicable)	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Interest Rate Parameter	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Bid opening and closing date	Bid opening date: To be set out in the relevant Key Information Document for the relevant issuance of Debentures. Bid closing date: To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Minimum Bid Lot	100 (one hundred) Debenture(s)
Manner of bidding in the Issue	Closed bidding
Manner of allotment in the Issue	The allotment will be done on Uniform Yield basis in accordance with SEBI EBP Requirements.
Manner of settlement in the Issue	Pay-in of funds through ICCL. The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below.
Settlement Cycle	[T+ 1] where "T" refers to the date of bidding. Settlement of the Issue will be on the date set out in the relevant Key Information Document for the relevant issuance of Debentures.
Bid Start Time and End Time	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.

Pay-in date	T+1, where "T" refers to the date of bidding
Anchor Portion Details (if any)	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.

Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out in the section named "INSTRUCTIONS" of the Application Form, on or before 10:30 hours on the pay-in date.

The pay-in of the Application Money by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details of which are as set out below:

Beneficiary Name	Annapurna Finance Private Limited
Bank Account No.	ICICI Bank Limited
SWIFT Code	ICICINBBCTS
IFSC Code	ICIC0000284
Bank Name	ICICI Bank
Branch Address	Nayapalli Branch, Bhubaneswar Odisha -751015

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Requirements and other Applicable Law.

8.10 Eligible Investors should refer to the Operational Guidelines

The details of the Issue shall be entered on the EBP Platform by the Issuer in accordance with the EBP Requirements and the operational guidelines of the relevant EBP. The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the EBP Platform.

8.11 Application Procedure

The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule, and the procedure will be subject to the EBP Requirements. Where an Eligible Investor (as defined below) is participating/bidding on the EBP Platform through an arranger or a custodian, such Eligible Investor must follow, and must ensure that the arranger or a custodian representing it, follows, the procedure and the bidding threshold requirements prescribed under the EBP Requirements.

Potential Investors may also be invited to subscribe by way of the Application Form prescribed in the General Information Document (and any Key Information Document or PPOA issued in respect of any for the relevant issuance of Debentures) during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons.

8.12 Fictitious Applications

All fictitious applications will be rejected. Each Eligible Investor shall provide a confirmation to the EBP that it is not using any software, algorithm, "Bots" or other automation tools, which would give unfair access for placing bids on the EBP Platform.

8.13 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. The allotment and settlement amount for the bidders shall be determined in accordance with the EBP Requirements and the operational guidelines issued by the relevant EBP. The bids for the purposes allotment and settlement shall be arranged on a "price time priority" basis in accordance with the EBP Requirements. If two or more bids made by Eligible Investors have the same coupon/ price/spread and time, then allotment shall be done on a "pro rata" basis. The investors will be required to remit the funds in the account of the ICCL as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

If so required by the Issuer, within 1 (one) Business Day of completion of the allotment, to enable the Issuer to comply with the requirements applicable to it under the EBP Requirements, successful Applicants shall provide the following details (in the form specified below) to the Issuer:

Details of Investors to whom allotment has been made			
Name	**QIB/ Non-QIB**	**Category i.e. Scheduled Commercial Banks, MF, Insurance Company, Pension Fund, Provident Fund, FPI, PFI, Corporate, Others**	**Amount invested (in Rs. Crore)**
[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]

8.14 Payment Instructions

The Application Form should be submitted directly. The entire amount of [ ] per Debenture is payable along with the making of an application. Applicants can remit the application amount on the Pay-in Date in the account of ICCL mentioned under Section 8.9 above.

8.15 Eligible Investors

As prescribed in the EBP Requirements, "Qualified Institutional Buyers" or "QIBs" (as defined in the EBP Requirements) and non-QIBs authorized by an issuer to participate on an issuer on the EBP Platform are eligible participants (i.e., bidders) on an EBP Platform to participate in a particular issue on the EBP Platform. In furtherance of the above, to the extent applicable, the following categories of Investors ("**Eligible Investors**"), when specifically approached, and identified upfront by the Issuer, shall be eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them and by completing the participation/nodding requirements prescribed for the EBP Platform and/or by submitting all the relevant documents along with the Application Form:

(a) Qualified Institutional Buyers ("**QIBs**"), being the following entities:

- (i) a mutual fund, venture capital fund, Alternative Investment Fund and Foreign Venture Capital Investor registered with SEBI;
- (ii) a foreign portfolio investor other than individuals, corporate bodies and family offices;
- (iii) a Public Financial Institution;
- (iv) a Scheduled Commercial Bank;
- (v) a multilateral and bi-lateral development financial institution;
- (vi) a State Industrial Development Corporation;
- (vii) an insurance company registered with Insurance Regulatory and Development Authority of India;
- (viii) a Provident Fund with minimum corpus of Rs.25 Crore Rupees
- (ix) a Pension Fund with minimum corpus of Rs.25 Crores
- (x) 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;
- (xi) an insurance fund set up and managed by Army, Navy / Air force of the Union of India;
- (xii) insurance funds set up and managed by the Department of Posts, India; and
- (xiii) systemically important Non- Banking Financial Companies.

(b) Any non-QIB including, *inter alia*, resident individual investors, Hindu Undivided Families (excluding minors and non-resident Indians (NRIs)), Partnership Firms and Limited Liability partnership firms, Trusts (including public charitable trusts), association of persons, societies registered under the Applicable Law in India, companies, bodies corporate etc. who/which has been authorized by the Issuer, to participate in a particular issue on the EBP Platform.

(c) Any other person eligible to invest in the Debentures subject the relevant prevalent guidelines and as permitted under Applicable Laws.

By participating/bidding in the EBP Platform, each Eligible Investor represents and confirms that it has completed all enrollment and "know-your-customer" verification and other requirements prescribed under the EBP Requirements in the manner prescribed in the EBP Requirements. Where an Eligible Investor (as defined below) is participating/bidding on the EBP Platform through an arranger or a custodian, such Eligible Investor must follow, and must ensure that the arranger or a custodian representing it, follows, the procedure and the bidding threshold requirements prescribed under the EBP Requirements.

Investors, who are registered on the EBP Platform and are eligible to make bids for the Debentures of the Issuer and to whom allocation is to be made by Issuer pursuant to selection under the electronic

book mechanism for issuance of securities on private placement basis in terms of the EBP Requirements and the Electronic Book Providers shall be considered as "identified persons" for the purposes of Section 42(2) of the Companies Act, 2013, to whom the Issuer shall make private placement of the Debentures and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Debentures and only such "identified persons" shall be entitled to subscribe to the Debentures.

Additionally, those arrangers/brokers/intermediaries etc. (as per the defined limits under the EBP Requirements) specifically mapped by the Issuer on the EBP Platform are also eligible to bid/apply/invest for this Issue.

All Eligible Investors are required to check and comply with Applicable Law(s) including the relevant rules / regulations / guidelines applicable to them for investing in this Issue of Debentures. The Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, nor is the Issuer required to check or confirm the above.

Hosting of this General Information Document (and any Key Information Document issued in respect of any for the relevant issuance of Debentures) on the website of the BSE/EBP should not be construed as an offer or an invitation to offer to subscribe to the Debentures and the General Information Document (and any Key Information Document issued in respect of any for the relevant issuance of Debentures) has been hosted only as this is stipulated under the SEBI Debt Listing Regulations read with the EBP Requirements. Eligible Investors should check their eligibility before making any investment.

All Eligible Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

8.16 Post-Allocation Disclosures by the EBP

Upon final allocation by the Issuer, the Issuer shall disclose the relevant details (such as Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc.), in accordance with the EBP Requirements and the operational guidelines of the relevant EBP. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

8.17 Procedure for Applying for Dematerialised Facility

(a) The applicant must have at least one beneficiary account with any of the DP's of NSDL and CDSL prior to making the application.

(b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".

(c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.

(d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.

(e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.

(f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.

(g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.

(h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

8.18 Depository Arrangements

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of Debenture in dematerialised form.

8.19 Market Lot

The market lot for trading of Debentures will be one Debenture ("Market Lot"). Since the Debentures are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of debentures.

8.20 List of Beneficiaries

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

8.21 Application under Power Of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or

authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

8.22 Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The Application Forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

(a) SEBI registration certificate
(b) Resolution authorizing investment and containing operating instructions
(c) Specimen signature of authorized signatories

8.23 Documents to be provided by Investors

Investors need to submit the following documents, as applicable:

(a) Memorandum and Articles of Association or other constitutional documents
(b) Resolution authorising investment
(c) Certified true copy of the Power of Attorney to custodian
(d) Specimen signatures of the authorised signatories
(e) SEBI registration certificate (for Mutual Funds)
(f) Copy of PAN card
(g) Application Form (including EFT/RTGS details)

8.24 Applications to be accompanied with Bank Account Details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through cheque/EFT/RTGS.

8.25 Succession

In the event of winding up of a Debenture Holder (being a company), the Issuer will recognise the legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such legal representative as having title to the Debenture(s), unless they obtains legal representation, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such legal representation, in order to recognise any person as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on the production of sufficient documentary proof and an indemnity.

8.26 **Mode of Payment**

All payments must be made through cheque(s) demand draft(s), EFT/RTGS as set out in the Application Form.

8.27 **Effect of Holidays**

(a) If any Due Date on which any interest or additional interest is payable falls on a day which is a Sunday or is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day.

(b) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is a Sunday or is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.

(c) If the Final Redemption Date falls on a day which is a Sunday or is not a Business Day, the payment of any amounts in respect of the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.

(d) In the absence of anything to the contrary mentioned in this Deed and other Transaction Documents, if any day for performance of any acts under the Transaction Documents (other than those set out in sub-Clause (a) to sub-Clause (c) above) falls on a day which is not a Business Day, such acts shall be performed shall be made on the succeeding Business Day.

8.28 **Tax Deduction at Source**

(a) All payments to be made by the Company to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Company is required to make a Tax Deduction pursuant to Applicable Law.

(b) The Company shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.

(c) If the Company is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.

(d) Within the earlier of (A) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (B) 60 (sixty) days of each Due Date, the Issuer shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

8.29 Letters of Allotment

N. A. In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the Listed NCDs Operational Circular, the Issuer shall ensure that the Debentures are credited into the demat accounts of the Debenture Holders of the Debentures within the times lines prescribed in the SEBI Listing Timelines Requirements

8.30 Deemed Date of Allotment

All the benefits under the Debentures will accrue to the Investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for ease issue of Debentures shall be set out in the relevant Key Information Document for the relevant issuance of Debentures.

8.31 Record Date

A Register of Debenture Holders shall be maintained in accordance with Section 88 of the Companies Act. For the purposes of any payments in respect of the Debentures, the Debenture Holders set out in the Register of Debenture Holder/the Register of Beneficial Owners as of the date occurring 7 (seven) calendar days prior to any Due Date if such date is a Friday shall be considered. PROVIDED THAT if the date that occurs 7 (seven) calendar days prior to any Due Date is not a Friday, the date occurring on a Friday which is at least 7 (seven) calendar days prior to the relevant Due Date shall be considered for the purposes of any payments in respect of the Debentures.

8.32 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

8.33 Interest on Application Money

(i) Interest at the Interest Rate (subject to deduction of tax at source, as applicable) will be paid on the Application Money to the Applicants from the date of receipt of such Application Money up to (and including) the day occurring 1 (one) day prior to the Deemed Date of Allotment for all valid applications, within 5 (five) Business Days from the Deemed Date of Allotment. Where pay-in date of the Application Money and the Deemed Date of Allotment are the same, no interest on Application Money will be payable.

(ii) Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount to the bank account of the Applicant as described in the Application Form by electronic mode of transfer such as (but not limited to) RTGS/NEFT/ credit.

(iii) Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the Applicant in the bank account of the

Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant.

8.34 PAN Number

Every applicant should mention its Permanent Account Number ("**PAN**") allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

8.35 Payment on Redemption

Payment on redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL and CDSL and accordingly the account of the Debenture Holder(s) with NSDL and CDSL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

Disclaimer: Please note that only those persons to whom this General Information Document has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to, revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Provisions in respect of investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

SECTION 9: UNDERTAKING

9.1 UNDERTAKING BY THE ISSUER

(a) Investors are advised to read the risk factors (set out in Section 3) 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 securities/Debentures have not been recommended or approved by the 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 'Risk factors' given on page number 25 under the section 'General Risks'.

(b) The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this General Information Document contains all information with regard to the Issuer and the Issue, that the information contained in the General Information Document 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 General Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

(c) The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the General Information Document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

(d) The Issuer hereby undertakes and confirms that the following (as set out in Regulation 5 of the Debt Listing Regulations) are not applicable to the Issuer as on the date of this General Information Document:

(i) the Issuer, any of its promoters, promoter group or directors are debarred from accessing the securities market or dealing in securities by the Board;

(ii) any of the promoters or directors of the Issuer is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by the Board;

(iii) the Issuer or any of its promoters or directors is a wilful defaulter;

(iv) any of the promoters or whole-time directors of the issuer is a promoter or whole-time director of another company which is a wilful defaulter;

(v) any of its promoters or directors is a fugitive economic offender; or

(vi) any fine or penalties levied by the Board /Stock Exchanges is pending to be paid by the Issuer at the time of filing this General Information Document.

9.2 ATTESTATION BY DIRECTORS

The directors of the Issuer hereby attest as follows:

(a) The Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder.

(b) The compliance with the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government.

(c) The monies received under the offer shall be used only for the purposes and objects indicated in this General Information Document.

(d) Whatever is stated in this General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this General Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

(e) General Risk:

Investment in non-convertible securities involve a degree of risk 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 Section 3 of this General Information Document. 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.

For **ANNAPURNA FINANCE PRIVATE LIMITED**

_____
Authorised Signatory

Name: Kashi Nath Sahoo
Title: Asst. Company Secretary
Date:
Place:

SECTION 10: SPECIFIC DISCLOSURES REQUIRED FROM NBFCs

A.	**Details with regard to the lending done by the Issuer out of the issue proceeds of debt securities in last three years, including details regarding the following**
(a)	**Lending Policy: Should contain overview of origination, risk management, monitoring and collections:** **Customer Origination and application**: Please refer to the lending policy set out in Annexure XVI. **Risk Management** Please refer to the lending policy set out in Annexure X**VI** **Fraud**: Please refer to the lending policy set out in Annexure X**VI** **Lifecycle risk**: Please refer to the lending policy set out in Annexure X**VI** **Business cycle risk**: Please refer to the lending policy set out in Annexure X**VI** Given the fact that Company provides unsecured loans, the product offering is designed to minimize potential default. The in-built features of the product mitigate the default risk due to: • **Amount**: Small ticket size of loans gives very little incentive to the borrower to default on the loan, reducing the probability of default. Bank statement or transaction data, past repayment history and a host of other social and business parameters help to evaluate the credit or character of the client. • **Tenor**: The longer the loan tenor, the higher is the probability of occurrence of a business cycle or life cycle event which may negatively impact the borrower's repayment capacity. Offering of short duration loans helps the Company to hedge this risk. • **Automated Credit Analysis**: Capacity or ability to repay is assessed from the borrower's cash flows and transaction data. All the financial ratios or other metrics that conventional banks use from income perspective, the company use that from turnover or revenue perspective. **Monitoring and Collections**: **Collections – Physical coverage** The Company has adequately appointed collection executives at requisite locations. The Company has empaneled reputed collection agencies. The current remote collection measures have been successful. **Strong Collections Processes** Borrowers are sent reminders via email, SMS and are sent calls prior to the due EMI date.

On the date of EMI payment, they are informed via call before the NACH / ECS process is initiated or his/her PDCs are presented for payment. If the borrowers fail to keep sufficient balance in their accounts for the EMI repayment the collections team reaches out to them via calls on the 1st, 2nd and 3rd day of default. This is followed up with a visit by the field team for all cases whose delay day for more than 3 days to collect the due & late payment amount.

When default days' cross over 30, soft legal notices are sent to the borrowers. Hard legal notices are furnished for defaults over 61 days. Defaulters over 91 days receive a Loan Recall Notice and for cases over 105 default days, the Company processes for legal recovery through legal remedies like Sec 138 / Civil Suit / DRT etc.

Furthermore, the Company prefers arbitration method to incorporated arbitration clause in the agreement to appoint a sole arbitrator for the default cases where the delay past dues crosses more than 61 or 91 days taking individual strength.

(b) Classification of Loans given to associate or entities/persons related to Board, Senior management, promoters, etc.:

Not Applicable

(c) Classification of loans according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.:

Please refer to paragraph (J) below of this table below.

(d) **Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time;**

Particulars	31 March 2023 (Rs. In Cr)
Total Advances to twenty largest borrowers	5.42
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	0.06%

(e) Details of loans, overdue and classified as non-performing in accordance with RBI stipulations:

Please refer to paragraph (K) of this table below.

B. In order to allow investors to better assess the debt securities issued by the NBFC/ HFC, the following disclosures shall also be made by such issuers in their offer documents:

(a) A portfolio summary with regard to industries/ sectors to which borrowings have been made:

Please refer to paragraph (J) in this table below including sub-paragraph (c) therein.

(b) NPA exposures of the Issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the Issuer:

Please refer to paragraph (K) of this table below.

(c) Quantum and percentage of secured vis-à-vis unsecured borrowings made; and

Particulars	**Outstanding Balance as 31st March 2023 (In Cr)**	**%**
Secured Borrowings	6,013.03	92.03%
Unsecured Borrowings	520.66	7.97%
Total	**6,533.69**	**100%**

C. Details of change in shareholding

(a) Any change in promoters' holdings in NBFC during the last financial year beyond the threshold, as prescribed by RBI:

NIL

D. Disclosure of Assets Under Management

(a) Segment wise breakup:

Please refer to paragraph (J) in this table below.

(b) Type of Loans

Please refer to paragraph (J) in this table below.

E. Details of borrowers

(a) Geographical location wise

Please refer to sub-paragraph (e) of paragraph (J) in this table below.

F. Details of Gross NPA

(a) Segment wise:

Please refer to sub-paragraph (c) of paragraph (K) in this table below.

G. Details of Assets and Liabilities

(a) Residual maturity profile wise into several bucket:

Please refer to paragraph (L) in this table below.

H. Additional details of loans made by housing finance company

Given that the Issuer is not a housing finance company, this is not applicable.

I. Disclosure of latest ALM statements to stock exchange

Not Applicable

J. Classification of loans/ advances given according to

(a) Type of Loans:

Details of types of loans

Sl. No.	Types of loans	Mar 22	Mar 23
1	Secured	576.75	904.56
2	Unsecured	5,977.37	7844.31
	Total assets under management (AUM)^^	6,553.42	8,748.87

**Information required at borrower level (and not by loan account as customer may have multiple loan accounts)*
^^Issuer is also required to disclose off balance sheet items

(b) Denomination of loans outstanding by loan-to-value:

Details of LTV -

Sl. No.	LTV (at the time of origination)	Percentage of AUM
1	Upto 40%	51.04%
2	41-60%	35.62%
3	61-80%	11.74%
4	81-90%	0.93%
5	>90%	0.67%
6	Total	100%

(c) Sector Exposure

Details of sectoral exposure

Sl. No.	Segment-wise break-up of AUM	Mar 22	Mar 23
1	**Retail**		
A	Mortgages (home loans and loans against property)	0.19%	2.49%
B	Gold loans	N.A.	N.A.
C	Vehicle finance	N.A.	N.A.
D	MFI	83.89%	86.03%
E	MSME	11.61%	11.11%
F	Capital market funding (loans against shares, margin funding)	N.A.	N.A.
G	Others	0.01%	0.37%
2	**Wholesale**		
A	Infrastructure	N.A.	N.A.

	B	Real estate (including builder loans)	N.A.	N.A.
	C	Promoter funding	N.A.	N.A.
	D	Any other sector (as applicable)	N.A.	N.A.
	E	Others	4.31%	-
		Total 100.00%	100%	

(d) Denomination of loans outstanding by ticket size *:

Details of outstanding loans category wise

S. No.	Ticket size (at the time of origination)	March 22	March 23
1.	Up to INR 2 lakh	87.70%	86.33%
2.	INR 2-5 Lakh	5.37%	6.47%
3.	INR 5-10 Lakh	2.33%	3.12%
4.	INR 10-25 Lakh	0.30%	0.66%
5.	INR 25-50 Lakh	0.00%	0.00%
6.	INR 50 Lakh - 1 crore	0.00%	0.00%
7.	INR 1-5 crore	0.00%	0.00%
8.	INR 5-25 crore	0.00%	0.00%
9.	INR 25-100 crore	0.00%	0.00%
10.	> INR 100 crore	0.00%	0.00%
11.	Inorganic	4.31%	3.42%
	Total	100.00%	100.00%

** Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);*

(e) Geographical classification of borrowers:

Top 5 states borrower wise

Sl. No.	Top 5 states	Percentage of AUM Mar-22	Percentage of AUM Mar-23
1	Odisha	26.28%	19.53%
2	Bihar	11.98%	15.85%
3	Madhya Pradesh	15.74%	15.11%
4	Rajasthan	5.90%	8.13 %
5	Maharashtra	8.04%	5.46 %
	Total	**67.93%**	**64.08%**

K. Details of loans, overdue and classified as non-performing in accordance with RBI stipulations

(a) Movement of Gross NPA

Movement of gross NPA*	Mar-22	Mar-23
Opening gross NPA	315.67	532.75
- Additions during the year	209.47	476.60
- Reductions during the year*	-	(750.94)
Closing balance of gross NPA	525.14	258.41

*Total reduction during the year includes Sale to Arc of 300 Cr & Write-off of 451.64 Cr
**Please indicate the gross NPA recognition policy (Day's Past Due)*
GNPA reflects Portfolio at risk>90 days

(b) Movement of provisions for NPA

Movement of provisions for NPA	Mar-22	Mar-23
Opening balance	183.04	372.38
- Provisions made during the year	189.34	398.77
- Write-off/ write-back of excess provisions	-	(609.11)
Closing balance	372.38	162.04

(c) Segment wise gross NPA

Sl. No.	Segment-wise gross NPA	Gross NPA (%)- Mar 22	Gross NPA (%)- Mar 23
1	**Retail**		
A	Mortgages (home loans and loans against property)	0.12%	0.10%
B	Gold loans	N.A.	N.A.
C	Vehicle finance	N.A.	N.A.
D	MFI	7.53%	2.77%
E	MSME	0.34%	0.44%
F	Capital market funding (loans against shares, margin funding)	N.A.	N.A.
G	Others	0.03%	0.02%
2	**Wholesale**		
A	Infrastructure	N.A.	N.A.
B	Real estate (including builder loans)	N.A.	N.A.
C	Promoter funding	N.A.	N.A.
D	Any other sector (as applicable)	N.A.	N.A.
E	Others	N.A.	N.A.
	Total	**8.01%**	**3.33%**

L. Residual maturity profile of assets and liabilities (in line with the RBI format):

Residual maturity profile of assets and liabilities

Category	Up to 30 / 31 days	>1 months – 2 months	>2 months – 3 months	>3 months – 6 months	>6 months – 1 year	>1 years – 3 years	>3 years – 5 years	> 5 years	Total
Deposit	-	-	-	-	-	-	-	-	-
Advances	269.20	306.06	297.43	896.74	1,706.48	2,520.52	144.50	185.94	**6,326.87**
Investments	314.61	52.76	27.09	57.29	116.16	106.24	-	-	**674.16**
Borrowings	420.04	307.21	311.67	990.63	1,423.65	2,619.65	364.61	96.22	**6,533.69**
FCA*	-	-	-	-	-	-	-	-	-
FCL*	-	-	-	-	-	-	-	-	-

**Investment includes unpledged FDs.*
**FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities;*

M. Details of borrowings granted by issuer

(a) Portfolio Summary of borrowings made by issuer:

Borrowing Profile as on Mar'23					
Sl No	**Name Of The Bank / FIs**	**Sanction Amount (INR Cr)**	**Disbursement Amount (INR Cr)**	**Closing Balance (INR Cr)**	**%age exposure**
Term Loans:					

1	Aditya Birla Finance	25.00	25.00	6.25	0.10%
2	Allahabad Bank	25.00	25.00	1.06	0.02%
3	Axis Bank	499.00	499.00	230.68	3.53%
4	Bajaj Finserv	30.00	30.00	10.00	0.15%
5	Bandhan Bank	400.00	400.00	292.86	4.48%
6	Bank of Baroda	100.00	100.00	2.70	0.04%
7	Bank of Maharashtra	100.00	100.00	30.86	0.47%
8	BNP Paribas	170.00	170.00	92.50	1.42%
9	Canara Bank	50.00	50.00	25.00	0.38%
10	Credit Agricole	35.00	35.00	35.00	0.54%
11	Credit Saison	85.00	85.00	78.75	1.21%
12	Cholamandalama	15.00	15.00	12.72	0.19%
13	DCB Bank	138.00	118.00	41.79	0.64%
14	Doha Bank	30.00	30.00	15.00	0.23%
15	Equitas Small Finance Bank	75.00	75.00	65.63	1.00%
16	Federal Bank	100.00	100.00	73.08	1.12%
17	HSBC Bank (Hongkong and Shanghai Banking Corporation)	367.00	367.00	196.59	3.01%
18	IDBI Bank	175.00	175.00	133.33	2.04%
19	ICICI Bank	1,225.00	985.00	467.35	7.15%
20	IDFC First Bank	375.00	375.00	297.32	4.55%
21	Indian Bank	75.00	75.00	52.35	0.80%
22	Indian Overseas Bank	50.00	50.00	41.67	0.64%
23	J M Financials	100.00	100.00	92.42	1.41%
24	Karnataka Bank	50.00	50.00	9.97	0.15%
25	Kookmin Bank	40.00	40.00	40.00	0.61%
26	Kotak Mahindra Bank	600.00	510.32	288.56	4.42%
27	Mahindra & Mahindra	100.00	100.00	66.99	1.03%
28	MAS Financial Services	160.00	160.00	111.46	1.71%
29	MUDRA	200.00	100.00	72.73	1.11%
30	MANAPPURAM FINANCE	40.00	40.00	31.96	0.49%
31	NABARD	690.00	690.00	444.06	6.80%
32	Nabkisan Finance Limited	110.00	110.00	75.37	1.15%
33	Nabsamruddhi	34.50	34.50	34.50	0.53%
34	Piramal Capital and Housing Finance Limited	50.00	50.00	30.00	0.46%
35	Punjab and Sind Bank	30.00	30.00	9.18	0.14%
36	RBL Bank	310.00	257.00	152.00	2.33%
37	SBI	480.00	280.00	177.76	2.72%
38	SBM (State Bank of Mauritius)	75.00	75.00	38.33	0.59%
39	SIDBI	300.00	300.00	300.00	4.59%
40	Standard Chartered Bank	326.00	310.00	307.33	4.70%
41	Tata Capital TL-1	50.00	50.00	37.04	0.57%
42	UCO Bank	200.00	200.00	111.14	1.70%

43	Union Bank of India	90.00	90.00	75.44	1.15%
44	Woori Bank	106.00	106.00	45.46	0.70%
45	YES Bank	190.00	190.00	95.21	1.46%
ECBs:					
1	Finfund (ECB)	117.30	117.30	58.65	0.90%
2	OeEB (ECB) (Senior Secured)	126.90	126.90	126.90	1.94%
3	Proparco (ECB)	113.37	113.37	64.78	0.99%
4	ResponsAbility (ECB)	44.19	44.19	44.19	0.68%
NCDs:					
1	NCD-Asian Development Bank	69.50	69.50	20.85	0.32%
2	NCD-Bandhan Bank	100.00	100.00	16.67	0.26%
3	NCD-Bank of Baroda	25.00	25.00	8.33	0.13%
4	NCD-CDC	60.00	60.00	52.80	0.81%
5	NCD-Global Access Fund LP	52.40	52.40	52.40	0.80%
6	NCD-Symboitics	358.65	358.65	358.65	5.49%
7	NCD-Blue Orchard	223.00	223.00	223.00	3.41%
8	NCD-Triodos	84.00	84.00	84.00	1.29%
9	NCD-Indian Bank	25.00	25.00	25.00	0.38%
10	NCD- KARVY (Sub-Debt)	80.00	80.00	65.00	0.99%
11	NCD Triple Jump	57.00	57.00	57.00	0.87%
12	NCD- IFMR Capital/ Northern Arc	179.00	179.00	146.50	2.24%
13	NCD- ResponsAbility	167.50	167.50	140.42	2.15%
14	NCD-State Bank of India	100.00	100.00	100.00	1.53%
15	NCD-Union Bank	15.00	15.00	15.00	0.23%
16	NCD- Vivriti Capital (Sub-Debt)	42.50	42.50	24.17	0.37%
	TOTAL	**10,515.81**	**9,797.13**	**6,533.69**	**100%**

(b) Quantum and percentage of secured vs. unsecured borrowings

Type of Borrowings	Outstanding as at March 31, 2023 (INR) (in Crore)	%
Secured Borrowings	6,013.03	92.03%
Unsecured Borrowings	520.66	7.97%
Total	**6,533.69**	**100%**

(This general information document is neither a prospectus nor a statement in lieu of a prospectus)

SECTION 11: DECLARATION BY THE DIRECTORS

A. The Issuer has complied with the provisions of the Companies Act, 2013 and the rules made hereunder.

B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government.

C. The monies received under the offer shall be used only for the purposes and objects indicated in this General Information Document.

D. The Issuer has complied with, and nothing in the General Information Document is contrary to, the provisions of Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, and the rules and regulations made thereunder.

I am authorized by the Board of Directors of the Issuer *vide* resolution no. 9 dated November 10, 2022 of the Board of Directors read with the resolution dated July 15, 2023 of the Executive Committee of the Board of Directors to deliver this General Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this General Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this General Information Document.

The Issuer declares that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this General Information Document is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this General Information Document is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in this General Information Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

For ANNAPURNA FINANCE PRIVATE LIMITED

For Annapurna Finance Pvt. Ltd.

Director

Authorised Signatory
Name: Dibyajyoti Pattanaik
Title: Director
Date: 26-07-2023

ANNEXURE I: TERM SHEET

As provided in Section 5.34 above.

ANNEXURE II: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE RATING AGENCY

Enclosed separately.

ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE AND REGISTRAR

Debenture Trustee:

Enclosed separately.

Registrar:

Enclosed separately.

ANNEXURE IV: APPLICATION FORM

To be set out in the relevant Key Information Document for the relevant issuance of Debentures.

ANNEXURE V: FINANCIAL STATEMENTS

The audited financial statements (including balance sheets, profit and loss statements, and cash flow statements) of the Issuer for financial years ended March 31, 2021, March 31, 2022 and March 31, 2023 to be disclosed along with the Auditor's Report along with the requisite schedules, footnotes, summary etc. are enclosed.

ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Company	Annapurna Finance Private Limited
Face Value (per security)	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Issue Date / Date of Allotment	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Redemption Date / Maturity Date	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Coupon Rate	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Frequency of the Coupon Payment with specified dates	To be set out in the relevant Key Information Document for the relevant issuance of Debentures.
Day Count Convention	Actual/Actual

1. INTEREST PAYMENT SCHEDULE

To be set out in the relevant Key Information Document for the relevant issuance of Debentures.

2. REDEMPTION SCHEDULE

To be set out in the relevant Key Information Document for the relevant issuance of Debentures.

ANNEXURE VII: DUE DILIGENCE CERTIFICATES

1. **Due diligence certificate as per the format specified in the SEBI Debenture Trustees Master Circular:**

   Enclosed separately.

ANNEXURE VIII: DISCLOSURES PURSUANT TO THE SEBI DEBENTURE TRUSTEES MASTER CIRCULAR

(a) **Details of assets, movable property and immovable property on which charge is proposed to be created**

As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(b) **Title deeds (original/ certified true copy by issuers/ certified true copy by existing charge holders, as available) or title reports issued by a legal counsel/ advocates, copies of the relevant agreements/ Memorandum of Understanding**

As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(c) **Copy of evidence of registration with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) etc**

As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(d) **For unencumbered assets, an undertaking that the assets on which charge is proposed to be created are free from any encumbrances**

As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(e) **For encumbered assets, on which charge is proposed to be created, the following consents along-with their validity as on date of their submission:**

(i) **Details of existing charge over the assets along with details of charge holders, value/ amount, copy of evidence of registration with Sub-registrar, Registrar of Companies, CERSAI, Information Utility (IU) registered with Insolvency and Bankruptcy Board of India (IBBI) etc. as applicable:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(ii) **Consent/ No-objection certificate (NOC) from existing charge holders for further creation of charge on the assets or relevant transaction documents wherein existing charge holders have given conditional consent/ permission to the Issuer to create further charge on the assets, along-with terms of such conditional consent/ permission, if any:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(iii) **Consent/ NOC from existing unsecured lenders, in case, negative lien is created by Issuer in favour of unsecured lenders:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(f) **In case of personal guarantee or any other document/ letter with similar intent is offered as security or a part of security:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(i) **Details of guarantor viz. relationship with the Issuer:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(ii) **Net worth statement (not older than 6 months from the date of debenture trustee agreement) certified by a chartered accountant of the guarantor:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(iii) **List of assets of the guarantor including undertakings/ consent/ NOC as per para (b) and (c) above:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(iv) **Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(v) **List of previously entered agreements for providing guarantee to any other person along with an undertaking that there are no agreements other than those provided in the list, if any:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(g) **In case of corporate guarantee or any other document/ letter with similar intent is offered as security or a part of security:**

(i) **Details of guarantor viz. holding/ subsidiary/ associate company etc**: As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(ii) **Audited financial statements (not older than 6 months from the date of debenture trustee agreement) of guarantor including details of all contingent liabilities**: As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(iii) **List of assets of the guarantor along-with undertakings/ consent/ NOC as per para (b) and (c) above:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(iv) **Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(v) **Impact on the security in case of restructuring activity of the guarantor:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(vi) **Undertaking by the guarantor that the guarantee shall be disclosed as "contingent liability" in the "notes to accounts" of financial statement of the guarantor:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(vii) **Copy of Board resolution of the guarantor for the guarantee provided in respect of the debt securities of the Issuer:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(viii) **List of previously entered agreements for providing guarantee to any other person along with an undertaking that there are no agreements other than those provided in the list, if any**: As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(h) **In case of any other contractual comforts/ credit enhancements provided for or on behalf of the issuer, it shall be required to be legal, valid and enforceable at all times, as affirmed by the issuer. In all other respects, it shall be dealt with as specified above with respect to guarantees.** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(i) **In case securities (equity shares, etc.) are being offered as security then a holding statement from the depository participant along with due pledge of such securities in favour of Debenture Trustee in the depository system shall be ensured:** As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(j) **Details of any other form of security being offered viz. Debt Service Reserve Account etc.**: As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(k) **Any other information, documents or records required by debenture trustee with regard to creation of security and perfection of security**: As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(l) **Declaration**: The Issuer declares that any Debentures issued pursuant to any Key Information Document shall be considered as secured only if the charges created are registered with sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

(m) **Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s)**: As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(n) **Details of security to be created**: As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(o) **Process of due diligence carried out by the debenture trustee**: As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(p) **Due diligence certificates as per the format specified in the SEBI Debenture Trustees Master Circular**: As set out in the relevant Key Information Document for the relevant issuance of Debentures.

ANNEXURE IX: IN-PRINCIPLE APPROVAL RECEIVED FROM BSE

Enclosed separately.

ANNEXURE X: BOARD RESOLUTION AND COMMITTEE RESOLUTION

Enclosed separately.

ANNEXURE XI: SHAREHOLDERS' RESOLUTION (SECTION 42)

Enclosed separately.

ANNEXURE XII: SHAREHOLDERS' RESOLUTIONS (SECTION 180)

Attached separately.

ANNEXURE XIII: SHAREHOLDING PATTERN

Enclosed separately.

ANNEXURE XIV: FORM NO. PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

As set out in the relevant Key Information Document for the relevant issuance of Debentures.

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

S. No.: 1

Date: April 18, 2024

KEY INFORMATION DOCUMENT
(FOR PRIVATE PLACEMENT)

by

ANNAPURNA FINANCE PRIVATE LIMITED

("**Issuer**"/"**Company**")

A private limited company incorporated under the Companies Act, 1956

Corporate Identification Number (CIN): U65999OR1986PTC015931 **Permanent Account Number (PAN):** AABCG2782K **Date of Incorporation:** April 30, 1986 **Place of Incorporation:** Varanasi, India **Registration/identification number issued by the relevant regulator:** B-04.00027	**Registered Office:** Plot No 1215/1401, Khandagiri Bari, Opposite Jaydev Vatika, Khandagiri, Bhubaneswar, Odisha, 751030, India **Corporate Office:** Plot No 1215/1401, Khandagiri Bari, Opposite Jaydev Vatika, Khandagiri, Bhubaneswar, Odisha, 751030, India **Telephone No.:** 0674-2386580 **Website:** www.annapurnafinance.in **Email:** subrat@ampl.net.in

Key information document for issue of Debentures on a private placement basis under Schedule I of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time in relation to the issue of 10,000 (ten thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 100,00,00,000 (Indian Rupees One Hundred Crore) inclusive of a green shoe option of 5,000 (five thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore) ("Debentures" or "NCDs") on a private placement basis (the "Issue") for cash at par on a fully paid-up basis. Certain details of the Debentures are as follows:

(a) **Rating**: The Debentures are rated as "CARE A- POSITIVE" by CARE Ratings Limited pursuant to the letter dated 18-04-2024 and the rating rationale dated 18-04-2024. Please refer to Annexure I below for the rating letter, press release and rating rationale. No other credit ratings have been obtained for the purposes of this Issue.
(b) **Listing**: The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) of the BSE Limited within the time period prescribed under the SEBI Listing Timelines Requirements (as defined below).
(c) **Eligible Investors**: Please refer Section 8.7 below.
(d) **Coupon related details**: The coupon rate 12% (twelve percent) per annum, payable monthly (fixed). Please refer Section 5.34 below for details about coupon/dividend rate, coupon/dividend payment frequency, redemption date, redemption amount.
(e) **Underwriting**: Not Applicable.
(f) **Details of Electronic Book Mechanism**: Please refer Section 8 below.

ISSUE SCHEDULE

Issue Opening Date	Issue Closing Date	Date of earliest closing of the issue, if any	Deemed Date of Allotment
April 22, 2024	April 22, 2024	N.A.	April 23, 2024

KEY OFFICERS OF THE ISSUER

Chief Compliance Officer	Company Secretary	Chief Financial Officer	Promoters
Mr. Subrata Pradhan Tel: +91-674-2386580 Email: subrat@ampl.net.in	Mr. Subrata Pradhan Tel: +91-674-2386580 Email: subrat@ampl.net.in	Mr. Satyajit Das Tel: +91- 8280336001 Email: satya@ampl.net.in	Gobinda Chandra Pattanaik & Dibyajyoti Pattanaik Tel: 0674-2386580 Email: md@ampl.net.in & dj@ampl.net.in

DETAILS OF STAKEHOLDERS

Debenture Trustee	Registrar and Transfer Agent	Credit Rating Agency	Statutory Auditors
Catalyst Trusteeship Limited Address: Windsor, 6th Floor, office No. 604, C.S.T Road, Kalina, Santacruz (East), Mumbai-400098 Tel: 022- 49220502 Contact Person: Umesh Salvi Email: complianceCTL-Mumbai@ctltrustee.com	**NSDL Database Management Limited** Address: 4th Floor, Trade World, A Wing, Kamala Mills Compound Lower Parel, Mumbai - 400 013, India Tel: +91 9833515383 Contact Person: Mr. Nilesh Email: info_ndml@nsdl.co.in	**CARE Ratings Limited** Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022 Tel: +91-22-6754 3456 Contact Person: Vivek Somani Email: vivek.somani@careedge.in Website: www.careedge.in	**BSR & Co. LLP, Chartered Accountants** Address: 14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, NescoCenter, Western Express Highway, Goregaon (East), Mumbai - 400063 Tel: +91 (22) 6257 1000 Contact Person: Sameer Mota

Website: https://catalysttrustee.com/	Website: www.ndml-nsdl.co.in		Email: smota@bsraffiliates.com Website: N.A.

Background
This Key Information Document (as defined below) is related to the Debentures to be issued by Annapurna Finance Private Limited (the "**Issuer**" or "**Company**") on a private placement basis and contains information and disclosures supplemental to those set out in the General Information Document (as defined below), as are required for the purpose of issuing of the Debentures. The issue of the Debentures described under this Key Information Document has been authorised by the Issuer through the special resolutions, each dated September 25, 2023, of the shareholders of the Issuer pursuant to Sections 180(1)(c) and 180(1)(a) of the Companies Act, 2013, the special resolution dated September 25, 2023 of the shareholders of the Issuer pursuant to Section 42 of the Companies Act, 2013, and the resolution dated April 15, 2024 of the executive committee of the board of directors of the Issuer read with the resolution dated November 08, 2023 of the board of directors of the Issuer, and the memorandum of association and articles of association of the Issuer. Pursuant to the special resolution dated September 25, 2023 of the shareholders of the Issuer, the Issuer has been authorised to raise funds upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding INR 2,000,00,00,00/- (Indian Rupees Two Thousand Crores). The present issue of Debentures in terms of this Key Information Document is within the overall powers of the Board as per the above shareholder resolution(s).

Issuer's Absolute Responsibility
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Key Information Document 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 this Key Information Document 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 Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading.

Issue Schedule	
Issue Opening Date	April 22, 2024
Issue Closing Date	April 22, 2024
Pay In Date	April 23, 2024
Deemed Date of Allotment	April 23, 2024

DISCLAIMERS

- This Key Information Document contains no unsubstantiated forward-looking statements. To the extent there are any unsubstantiated forward-looking statements under this Key Information Document, such statements shall be considered to be null and void.

- This issue document does not include any statement purporting to be made by an expert other than if the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the Issuer and has given their written consent to this issue of this Key Information Document and has not withdrawn such consent before the delivery of a copy of this Key Information Document to the Registrar (as applicable) for registration.

- Various disclosures set out in this Key Information Document have been linked to the disclosures set out in the General Information Memorandum. There are no changes to the disclosures which have been linked to the disclosures set out in the General Information Document, and in the case of any conflict/difference between the provisions of the General Information Document and this Key Information Document, the provisions of this Key Information Document shall be applicable to this issuance of Debentures.

- This Issue does not form part of non-equity regulatory capital for the purposes of Chapter V of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Chapter XIII (*Issuance, Listing and Trading Non-Equity Regulatory Capital*) of the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*". The face value of each debt security issued on private placement basis under this Issue is INR 1,00,000 (Indian Rupees One Lakh).

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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Key Information Document.

S. NO.	TERM	DEFINITION
1.	Act/Companies Act	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
2.	Allot/Allotment/Allotted	means the allotment of the Debentures pursuant to this Issue.
3.	Applicable Accounting Standards	means the generally accepted accounting principles as prescribed by the Institute of Chartered Accountants of India from time to time and consistently applied by the Issuer, and includes Indian Accounting Standards (IND-AS).
4.	Applicable Law	means all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof.
5.	Applicant	means a person who has submitted a completed Application Form to the Issuer, and "Applicants" shall be construed accordingly.
6.	Application Form	means the application form to apply for subscription to the Debentures, which is in the form annexed to this Key Information Document and marked as **Annexure III**.
7.	Application Money	means the subscription amounts paid by the Applicant at the time of submitting the Application Form.
8.	Assets	means, for any date of determination, the assets of the Issuer on such date as the same would be determined in accordance with the Applicable Accounting Standards.
9.	Beneficial Owners	means the holders of the Debentures in dematerialised form whose names are recorded as such with the Depository(ies) in the Register of Beneficial Owners, and "Beneficial Owner" shall be construed accordingly.
10.	Board / Board of Directors	means the board of directors of the Issuer.
11.	BSE	means BSE Limited.
12.	Business Day	means: (a) subject to (b) and (c) below, means any day on which commercial banks in Mumbai, India and Bhubaneswar, India are open for business; (b) for the period commencing on the "Issue Opening Date" set out in the Key Information Document until the "Issue Closing Date" set out in the Key Information Document, any day (other than a Saturday, Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881), on which commercial banks in Mumbai,

S. NO.	TERM	DEFINITION
		India and Bhubaneswar, India are open for business; and (c) for the period commencing on the "Issue Closing Date" set out in the Key Information Document until the listing of the Debentures in accordance with the DTD, any trading day of BSE, other than a Saturday, Sunday or a bank holiday, as specified by SEBI, and "Business Days" shall be construed accordingly.
13.	Capital Adequacy Ratio	means the capital adequacy ratio determined in accordance with the circulars/directions prescribed by the RBI (including the NBFC Directions).
14.	CDSL	means Central Depository Services (India) Limited.
15.	Client Loan	means each loan disbursed by the Issuer as a lender, and "Client Loans" shall be construed accordingly.
16.	Company/Issuer/Annapurna Finance	means Annapurna Finance Private Limited, a company incorporated under the Companies Act, 1956 with Corporate Identification Number ("**CIN**") U65999OR1986PTC015931 and registered as a non-banking financial company - micro finance institution with the Reserve Bank of India, having its registered office at Plot No. 1215/1401, Khandagiri Bari, Infront of Jayadev Vatika, PS/PO- Khandagiri, Bhubaneswar, Khordha, Odisha - 751030, India.
17.	Conditions Precedent	means the conditions precedent set out in Section 5.34 (*Summary Terms*) of this Key Information Document.
18.	Conditions Subsequent	means the conditions subsequent set out in Section 5.34 (*Summary Terms*) of this Key Information Document.
19.	Constitutional Documents	means the certificate of incorporation of the Issuer, the memorandum of association and articles of association of the Issuer and the certificate of registration issued by the RBI to the Issuer.
20.	Debentures/NCDs	means 10,000 (ten thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having a face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 100,00,00,000 (Indian Rupees One Hundred Crore) inclusive of a green shoe option of 5,000 (five thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore).

S. NO.	TERM	DEFINITION
21.	Debenture Holders / Investors	means each person who is: (a) registered as a Beneficial Owner; and (b) registered as a debenture holder in the Register of Debenture Holders. Sub-paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Issuer and the Depository(ies) from time to time, and in the event of any inconsistency between (a) and (b) above, (a) shall prevail, and "Debenture Holder" or "Investor" shall be construed accordingly.
22.	Debenture Trustee	means Catalyst Trusteeship Limited.
23.	Debenture Trustee Agreement	means the debenture trustee agreement executed / to be executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
24.	Debenture Trust Deed/DTD	means the debenture trust deed executed / to be executed by and between the Debenture Trustee and the Issuer *inter alia* setting out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
25.	Debenture Trustees Regulations/ SEBI Debenture Trustees Regulations	means the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended, modified, supplemented or restated from time to time.
26.	Debt Disclosure Documents	means, collectively, the General Information Document and the Key Information Document, and "Debt Disclosure Document" shall be construed accordingly.
27.	Debt Listing Regulations/ SEBI Debt Listing Regulations	means the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with the SEBI's circular bearing the reference number SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/027 dated February 8, 2023 on "*Clarification w.r.t. issuance and listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments under Chapter V of the SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021*", each as amended, modified, supplemented or restated from time to time.
28.	Deemed Date of Allotment	means April 23, 2024.
29.	Demat	means dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
30.	Depositories Act	means the Depositories Act, 1996, as amended from time to time.

S. NO.	TERM	DEFINITION
31.	Depositories	means the depositories with which the Issuer has made arrangements for dematerialising the Debentures, being NSDL and CDSL, and "Depository" means any one of them.
32.	Depository Participant / DP	means a depository participant as defined under the Depositories Act.
33.	Director(s)	means the director(s) of the Issuer.
34.	DP ID	means Depository Participant Identification Number.
35.	DRR	means the Debenture Redemption Reserve.
36.	Due Dates	means, collectively, each Interest Payment Date, the Final Redemption Date, and all other dates on which any interest, additional interest, or liquidated damages and/or any other amounts, are due and payable, and "Due Date" shall be construed accordingly.
37.	EBP Platform	has the meaning given to it under the EBP Requirements.
38.	Electronic Book Provider / EBP	has the meaning given to it under the EBP Requirements.
39.	Effective Date	means the date of execution of the DTD.
40.	EFT	means Electronic Fund Transfer
41.	Eligible Investors	has the meaning given to it in Section 8.7.
42.	Equity	means, in respect of the Issuer, the aggregate of the issued and paid-up equity shares of the Issuer, all compulsorily convertible instruments and preference share capital of the Issuer, and all reserves (excluding revaluation reserves) of the Issuer, as per the latest audited financials of the Issuer.
43.	Events of Default	means the events of default set out in Section 7.6.2 (*Events of Default*) of this Key Information Document, and "Event of Default" shall be construed accordingly.
44.	Exclusion List	means: (a) production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCBs, wildlife or products regulated under CITES; (b) production or trade in weapons and munitions; (c) production or trade in alcoholic beverages (excluding beer and wine); (d) production or trade in tobacco; (e) gambling, casinos and equivalent enterprises;

S. NO.	TERM	DEFINITION
		(f) production or trade in radioactive materials (this does not apply to the purchase of medical equipment, quality control (measurement) equipment); (g) production or trade in unbonded asbestos fibers (this does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20% (twenty percent)); (h) drift net fishing in the marine environment using nets in excess of 2.5 km. in length; (i) production or activities involving harmful or exploitative forms of forced labor, or harmful child labor; (j) production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals (hazardous chemicals include gasoline, kerosene, and other petroleum products); (k) production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples, without full documented consent of such peoples; and (l) any activity which may result in funding or supporting any individual or organisation designated as: (i) terrorists or terrorist organisations by the United Nations, the European Union and any other applicable country; and (ii) persons, groups or entities which are subject to United Nations, European Union and the US Office of Foreign Asset Control (OFAC) sanctions.
45.	Final Redemption Date	means January 24, 2030 (being the date occurring on the expiry of 5 (five) years, 9 (nine) months and 1 (one) day from the Deemed Date of Allotment), or such other earlier date, subject to Applicable Law and the prior approval of the RBI (if so required), on which the Debentures are required to be redeemed pursuant to the Transaction Documents.
46.	Final Settlement Date	means the date on which all Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders.
47.	Financial Indebtedness	means any indebtedness for or in respect of: (a) moneys borrowed and debit balances at banks or other financial institutions; (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent; (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, loan stock or any similar instrument;

S. NO.	TERM	DEFINITION
		(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease; (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); (h) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee; (i) any obligation under any put option in respect of any securities or any agreement or deed entered into by the Issuer providing the counterparty the right to exercise a put option; (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (k) any corporate/personal guarantee, a letter of comfort or any other similar contractual comfort issued or incurred in respect of a liability incurred by any other third person; (l) any amount of any liability under an advance or a deferred purchase agreement, if (i) one of the primary reasons for entering into such an agreement is to raise finance, or (ii) the agreement is in respect of the supply of assets or services, and the payment is due more than 6 (six) months after the date of supply; (m) any arrangement pursuant to which an asset sold by the Issuer may be reacquired by it (whether following the exercise of an option or otherwise); (n) any financial or payment obligation under any agreement executed by the Issuer; and (o) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (n) above.
48.	Financial Year/ FY	means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year.

S. NO.	TERM	DEFINITION
49.	General Information Document/GID	means the general information document dated July 26, 2023 issued by the Issuer for subscription to non-convertible securities to be issued by the Issuer (including the Debentures) on a private placement basis in accordance with the Debt Listing Regulations.
50.	Governmental Authority	means any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organization, established under any Applicable Law, and "Governmental Authorities" shall be construed accordingly.
51.	Green Shoe Option	has the meaning given to it in the Section 8.1 (*Summary Terms*).
52.	Gross Loan Portfolio	means the outstanding principal amount of all Client Loans originated by the Issuer on its own books.
53.	Gross NPA	means the gross "non-performing assets" of the Issuer determined in accordance with the Applicable Accounting Standards and the NBFC Directions.
54.	IBC	means the (Indian) Insolvency and Bankruptcy Code, 2016 and the rules and regulations framed thereunder, as may be amended, modified and supplemented from time to time.
55.	ICCL	means the Indian Clearing Corporation Limited.
56.	INR/Rs.	means Indian Rupees.
57.	Interest Payment Dates	means the dates on which interest is payable on the Debentures, and "Interest Payment Date" shall be construed accordingly. The interest payment dates are set out in Annexure IV below.
58.	Interest Rate	means 12% (twelve percent) per annum, payable monthly (fixed).
59.	Issue	means this issue of the Debentures.
60.	Issue Closing Date	means April 22, 2024.
61.	Issue Opening Date	means April 22, 2024.
62.	Key Information Document/KID	means this document which sets out the terms and conditions for the issue and offer of the Debentures by the Issuer on a private placement basis and contains the relevant information in this respect.
63.	Listed NCDs Master Circular	means the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as amended, modified, supplemented or restated from time to time.
64.	Listing Period	has the meaning given to it in Section 5.34 (*Summary Terms*).

S. NO.	TERM	DEFINITION
65.	LODR Regulations/SEBI LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, modified, supplemented or restated from time to time.
66.	Majority Debenture Holders	means the Debenture Holders holding an aggregate amount representing more than 50% (fifty percent) of the value of the Outstanding Principal Amounts of the Debentures.
67.	Majority Resolution	means a resolution approved by the Majority Debenture Holders.
68.	Material Adverse Effect	means the effect or consequence of an event, circumstance, occurrence or condition which has caused or could reasonably be expected to cause, as of any date of determination, a material and adverse effect: (a) on the rights or remedies of the Debenture Trustee acting for the benefit of the Debenture Holders hereunder or under any other Transaction Document; (b) on the ability of the Issuer to perform its obligations under the Transaction Documents; or (c) on the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
69.	N.A.	Not Applicable
70.	NBFC	means non-banking financial company.
71.	NBFC - MFI	Non-Banking Financial Company –Micro Finance Institution
72.	NBFC Directions	means the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 dated October 19, 2023, read together with the Master Circular on "*Non-Banking Financial Company-Micro Finance Institutions' (NBFC-MFIs) - Direction*" issued by the RBI on July 1, 2015, the Master Direction no. DoR.FIN.REC.95/03.10.038/2021-22 on "*Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022*" issued by the RBI on March 14, 2022 and the RBI's circular no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on "*Implementation of Indian Accounting Standards*" and the RBI's circular no. DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021 on "*Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications*", each as amended, modified, supplemented or restated from time to time.
73.	Net NPA	means the gross "non-performing assets" of the Issuer determined on the basis of the "non-performing assets" of the Issuer determined in accordance with the Applicable Accounting Standards and the NBFC Directions less the provisioning (determined in accordance with the Applicable Accounting Standards and the NBFC Directions) for such "non-performing assets".
74.	Net Worth	means:

S. NO.	TERM	DEFINITION
		(a) in respect of any body corporate that is a non-banking financial company, means the net worth of such body corporate determined in accordance with the Companies Act, the NBFC Directions and the Applicable Accounting Standards; and (b) in respect of any body corporate that is not a non-banking financial company, has the meaning given to it in the Companies Act.
75.	NSDL	means National Securities Depository Limited.
76.	Obligations	means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) at any time due, owing or incurred by the Issuer to the Debenture Trustee and the Debenture Holders in respect of the Debentures including without limitation, the obligation to redeem the Debentures in terms thereof together with interest, default interest/additional interest, if any, accrued thereon, any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee and other amounts payable by the Issuer in respect of the Debentures.
77.	Outstanding Amounts	means, at any date, the Outstanding Principal Amounts together with any interest, additional interest, costs, fees, charges, and other amounts payable by the Issuer in respect of the Debentures.
78.	Outstanding Principal Amount	means, at any date, the principal amounts outstanding under the Debentures.
79.	PAN	means Permanent Account Number
80.	Payment Default	means any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under Section 7.6.2(a) (*Payment Defaults*)
81.	Promoters	has the meaning given to it in the SEBI Debt Listing Regulations.
82.	Promoter Group	has the meaning given to it in the SEBI Debt Listing Regulations.
83.	Purpose	has the meaning given to it in Section 5.34 (*Summary Terms*).
84.	Quarterly Date	means each of March 31, June 30, September 30 and December 31 of a calendar year, and "Quarterly Dates" shall be construed accordingly.
85.	RBI	means the Reserve Bank of India.
86.	Rating	means the credit rating for the Debentures from the Rating Agency, being, "CARE A- POSITIVE" affirmed/assigned by the Rating Agency through its letter dated April 18, 2024.
87.	Rating Agency	means CARE Ratings Limited.
88.	Record Date	means the date that falls on the 14th (fourteenth) day of each month prior to any Due Date on which any payments are to be made to the Debenture Holder(s), provided such date is a Business Day. In case such date is not Business Day then succeeding Business Day will be considered as the "Record Date" for determination of the persons entitled to receive redemption of

S. NO.	TERM	DEFINITION
		principal, coupon, and other payments, if any, as the case may be, in respect of the Debentures shall be made.
89.	Recovery Expense Fund/REF	means the recovery expense fund established/to be established and maintained by the Issuer in accordance with the provisions of Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular.
90.	Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories.
91.	Register of Debenture Holders	means the register of debenture holders maintained by the Issuer in accordance with Section 88 of the Companies Act.
92.	R&T Agent/Registrar	means the registrar and transfer agent appointed for the issue of Debentures, being NSDL Database Management Limited.
93.	ROC	means the jurisdictional registrar of companies.
94.	RTGS	means Real Time Gross Settlement.
95.	SEBI	means the Securities and Exchange Board of India.
96.	SEBI Debenture Trustees Master Circular	means the master circular issued by SEBI bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 on "*Master Circular for Debenture Trustees*", as amended, modified, supplemented, or restated from time to time.
97.	SEBI EBP Requirements/EBP Requirements	means the requirements with respect to electronic book mechanism prescribed in Chapter VI (*Electronic Book Provider platform*) of the Listed NCDs Master Circular, and the operational guidelines issued by the relevant electronic book provider, as amended, modified, supplemented, or restated from time to time.
98.	SEBI Listed Debentures Circulars	means, collectively, the Listed NCDs Master Circular, the SEBI Debenture Trustees Master Circular, the SEBI Debt Listing Regulations, the SEBI LODR Master Circular and the LODR Regulations (to the extent applicable).
99.	SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the Listed NCDs Master Circular, read with, to the extent applicable, the SEBI EBP Requirements.
100.	SEBI LODR Master Circular	means the master circular issued by SEBI bearing reference number SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 on "*Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities*", as amended, modified, supplemented, or restated from time to time.
101.	Stressed Assets Framework	means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "*Prudential Framework for Resolution of Stressed Assets*", as amended, modified, supplemented or restated from time to time.

S. NO.	TERM	DEFINITION
102.	Special Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures.
103.	Special Resolution	means resolution approved by the Special Majority Debenture Holders.
104.	Tangible Net Worth	means, with respect to any person, the amount paid up on such person's paid-up equity share capital, compulsorily convertible preference share capital, compulsorily convertible debentures and any amount standing to the credit of its reserves, less goodwill or other intangible assets.
105.	Tax	means any present or future tax, levy, duty, charge, fees, deductions, withholdings, surcharges, cess, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed under Applicable Law or by any Governmental Authority.
106.	Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under a Transaction Document pursuant to Applicable Law.
107.	Tier 1 Capital	shall have the meaning given to it in NBFC Directions.
108.	Tier 2 Capital	shall have the meaning given to it in NBFC Directions.
109.	Total Assets	means, as on any date of determination, the total Assets of the Issuer on such date.
110.	Total Debt	means the aggregate of: (a) all long-term borrowings (including any subordinated debt in form of Tier 2 Capital); (b) any short term borrowings; (c) all current maturities (i.e., all Financial Indebtedness maturing in the next 12 (twelve) months (as on the date of reference/determination)); and (d) any financial guarantee provided in respect of a liability incurred by any other third person (including any group company).
111.	Transaction Documents	means: (a) the DTD; (b) the Debenture Trustee Agreement; (c) the Debt Disclosure Documents; (d) the letters issued by the, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar;

S. NO.	TERM	DEFINITION
		(e) each tripartite agreement between the Issuer, the Registrar and the relevant Depository; and (f) any other document that may be designated as a Transaction Document by the Debenture Trustee or the Debenture Holders, and "Transaction Document" means any of them.
112.	WDM	means the Wholesale Debt Market segment of the BSE
113.	Wilful Defaulter	means an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

Please refer to Section 2.1 of the General Information Document for the disclaimers by the Issuer.

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE KEY INFORMATION DOCUMENT OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

Please refer to Section 2.2 of the General Information Document for the disclaimers in respect of the stock exchanges.

2.3 DISCLAIMER CLAUSE OF RBI

Please refer to Section 2.3 of the General Information Document for the disclaimers in respect of the RBI.

2.4 DISCLAIMER CLAUSE OF SEBI

Please refer to Section 2.4 of the General Information Document for the disclaimers in respect of the SEBI.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE KEY INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN 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 KEY INFORMATION DOCUMENT. THE LEAD MANAGER(S) (IF ANY) HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE KEY INFORMATION 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.

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

Please refer to Section 2.5 of the General Information Document for the disclaimers in respect of the jurisdiction.

2.6 DISCLAIMER IN RESPECT OF RATING AGENCY

Please refer to Section 2.6 of the General Information Document for the disclaimers in respect of the Rating Agency.

2.7 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

Please refer to Section 2.7 of the General Information Document for the disclaimers in respect of issuances of the Debentures in dematerialised form.

2.8 DISCLAIMER CLAUSE OF THE ARRANGER

The only role of the Arranger with respect to any Debentures is confined to arranging placement of the Debentures on the basis of this Placement Memorandum as prepared by the Issuer. Without limiting the foregoing, the Arranger is not acting, and has not been engaged to act, as an underwriter,

merchant banker or other intermediary with respect to the Debentures. The Issuer is solely responsible for the truth, accuracy and completeness of all the information provided in a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto). Neither is the Arranger responsible for preparing, clearing, approving, scrutinizing or vetting a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto), nor is the Arranger responsible for doing any due diligence for verification of the truth, correctness or completeness of the contents of a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto). The Arranger shall be entitled to rely on the truth, correctness and completeness of a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto). It is to be distinctly understood that the aforesaid use of a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto) by the Arranger should not in any way be deemed or construed to mean that a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto) has been prepared, cleared, approved, scrutinized or vetted by the Arranger. Nor should the contents of a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto) in any manner be deemed to have been warranted, certified or endorsed by the Arranger as to the truth, correctness or completeness thereof. Each recipient must satisfy itself as to the accuracy, reliability, adequacy, reasonableness or completeness of a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto).

The Arranger has not conducted any due diligence review on behalf or for the benefit of the Debenture Trustee or any of the Debenture Holders. Each of the Debenture Holders should conduct such due diligence on the Issuer and the Debentures as it deems appropriate and make its own independent assessment thereof.

Distribution of a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto) does not constitute a representation or warranty, express or implied by the Arranger that the information and opinions herein will be updated at any time after the date of a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto). The Arranger does not undertake to notify any recipient of any information coming to the attention of the Arranger after the date of a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto). No responsibility or liability or duty of care is or will be accepted by the Arranger for updating or supplementing a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto) nor for providing access to any additional information as further information becomes available.

Neither the Arranger nor any of their respective directors, employees, officers or agents shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in or omission from a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto) or in any other information or communications made in connection with the Debentures.

The Arranger is acting for the Issuer in relation to the Issue of the Debentures and not on behalf of the recipients of a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant

thereto). The receipt of a General Information Document (and any Key Information Document issued pursuant thereto and/or any Private Placement Offer cum Application Letters issued pursuant thereto) by any recipient is not to be constituted as the giving of investment advice by the Arranger to that recipient, nor to constitute such a recipient a customer of the Arranger. The Arranger is not responsible to any other person for providing the protection afforded to the customers of the Arranger nor for providing advice in relation to the Debentures.

SECTION 3: RISK FACTORS

Please refer to Section 3 of the General Information Document for the risk factors in respect of the issuance of Debentures.

SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the year ended March 31, 2023, March 31, 2022, and March 31, 2021 are set out in Annexure V of the General Information Document, and the limited review financial statements as of December 31, 2023 are set out in Annexure IX hereto.

The audited financial statements for the Financial Year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

SECTION 5: REGULATORY DISCLOSURES

This Key Information Document is prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this Section 5, the Issuer has set out the details required as per the SEBI Debt Listing Regulations (including Schedule I thereof).

5.1 **The Issuer shall file the following documents along with the listing application to the stock exchange and with the Debenture Trustee**

Along with this Key Information Document and the corporate authorisations for this issuance of the Debentures, the documents set out in Section 5.1 of the General Information Document have been / shall be submitted along with the listing application to the BSE and with the Debenture Trustee.

5.2 **The following documents have been / shall be submitted to BSE at the time of filing the draft of this Key Information Document:**

Due diligence certificates from the Debenture Trustee as per the format specified in the SEBI Debenture Trustees Master Circular and in the SEBI Debt Listing Regulations.

5.3 **Details of Promoters of the Issuer**:

Please refer to Section 5.3 of the General Information Document for the details of the promoters of the Issuer.

5.4 **Details of credit rating along with the latest press release of the Credit Rating Agency in relation to the issue and declaration that the rating is valid as on the date of issuance and listing. Such press release shall not be older than one year from the date of opening of the issue.**

CARE Ratings Limited has affirmed/assigned a rating of "CARE A- POSITIVE" through its letter dated April 18, 2024, for the Debentures to be issued in the proposed Issue. The rating letter from the Rating Agency, the rating rationale from the Rating Agency and the detailed press release are provided in Annexure I of this Key Information Document.

The Issuer hereby declares that the rating is and shall be valid as on the date of issuance and listing of any Debentures.

5.5 **Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being or has been created, as specified by the Board:**

The Debentures are proposed to be listed on the WDM segment of the BSE within the time period prescribed under the SEBI Listing Timelines Requirements. The Debentures are not proposed to be listed on more than one stock exchange.

The Issuer has obtained the in-principle approval for the listing of the debentures in accordance with the General Information Document from BSE, and the same is annexed in Annexure IX of the General Information Document.

The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis. The Recovery Expense Fund shall be created by the Issuer with BSE in accordance with Chapter IV of the SEBI Debenture Trustees Master Circular.

5.6 **Name, logo, addresses, website URL, email address, telephone number and contact person of specific entities in relation to the Issue:**

(a) **Legal Counsel**

Name	N.A.
Logo	N.A.
Address	N.A.
Website	N.A.
E-mail address	N.A.
Telephone Number	N.A.
Contact Person Details	N.A.

(b) **Merchant Banker and co-managers to the issues**

Name	N.A.
Logo	N.A.
Address	N.A.
Website	N.A.
E-mail address	N.A.
Telephone Number	N.A.
Contact Person Details	N.A.

(c) **Guarantor**

Name	N.A.
Logo	N.A.
Address	N.A.
Website	N.A.
E-mail address	N.A.
Telephone Number	N.A.
Contact Person Details	N.A.

(d) **Arrangers**

Name	N.A.
Logo	N.A.
Address	N.A.
Website	N.A.
E-mail address	N.A.
Telephone Number	N.A.
Contact Person Details	N.A.

(e) **Debenture Trustee to the Issue**

Name	Catalyst Trusteeship Limited
Logo	CATALYST Believe in yourself... Trust us!
Address	Unit No-901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai, Maharashtra - 400013, India
Website	www.catalysttrustee.com
E-mail address	complianceCTL-Mumbai@ctltrustee.com
Telephone Number	022-49220555
Contact Person Details	Mr. Umesh Salvi

(f) **Credit Rating Agency for the Issue**

Name	CARE Ratings Limited
Logo	CareEdge RATINGS
Address	4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022
Website	www.careedge.in
E-mail address	vivek.somani@careedge.in
Telephone Number	+91-22-6754 3456
Contact Person Details	Mr. Vivek Somani

(g) **Registrar the Issue**

Name	NSDL Database Management Limited
Logo	NSDL Technology, Trust & Reach
Address	Trade World, A – Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400013, India
Website	https://www.ndml.in/
E-mail address	info_ndml@nsdl.co.in
Telephone Number	022 4914 2591
Contact Person Details	Mr. Nilesh Bhandare, Manager

(h) **Statutory Auditors**

Name	BSR & Co. LLP, Chartered Accountants
Logo	B S R & Co. LLP Chartered Accountants
Peer review certificate no.	014196
Address	14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, NescoCenter, Western Express Highway, Goregaon (East), Mumbai - 400063
Website	N.A.
E-mail address	smota@bsraffiliates.com
Telephone Number	+91 22 6257 1000
Contact Person Details	Sameer Mota, Partner

5.7 **About the Issuer**

The following details pertaining to the issuer:

(a) **Overview and a brief summary of the business activities of the Issuer**

Annapurna Finance Private Limited (AFPL) is a non-deposit accepting or taking NBFC micro-finance institution registered with the Reserve Bank of India. AFPL started as Mission Annapurna

by People's Forum (the parent organisation) to carry out the microfinance activities of People's Forum. People's Forum has been in operations since 1994 and is engaged in wide array of developmental activities including microfinance, healthcare, women empowerment, agricultural and allied services training, microenterprise training programs etc for the poor section of the society. The Company's mission is "Establishment of a self-sustainable and economically empowered rural, tribal & sub-urban society". Mission Annapurna was subsequently converted to an NBFC in Financial Year (FY) 2008-09 after acquisition of an NBFC.

The organisation is jointly promoted by Mr Gobinda Chandra Pattanaik and Mr Dibyajyoti Pattanaik. Mr Gobinda Pattanaik, a development professional is the chief promoter. Mr. Gobinda Chandra Pattanaik started People's Forum ("PF") in 1988 which is one of the largest NGOs operating in Odisha.

AFPL has its head office in Bhubaneswar and operates in mainly rural areas with a good presence in semi urban areas and small presence in urban areas.

Branch details:

As on the date of this Key Information Document, the Company has 1,335 branches across 21 states of India.

Subsidiary details:

As of the date of this Key Information Document, the Company has 1 (One) subsidiary i.e. Annapurna SME Finance Private Limited and is in dormant status.

(b) **Corporate Structure of the Issuer:**

The graphic description/organogram of the corporate structure of the issuer is as follows:

Details regarding the directors of the Company:

Sl. No.	Name of the Directors	Designation	Dt. of Birth	Address	DIN	PAN	Director of the company since	Director in other company
01	Gobinda Chandra Pattanaik	Managing Director	23 Jun 1968	Palla, Pallatotapada, Khurdha, Odisha-752056	02716330	AJEPP2669K	13-08-2009	No
02	Dibyajyoti Pattanaik	Director	27 Jun 1977	Palla, Konark Nagar, Pallatotapada, Khurdha, Odisha-752056	02764187	AMUPP2199K	14.09.2009	Annapurna SME Finance Pvt Ltd
03	Sean Leslie Nossel	Independent director	11 Jun 1970	444 Central Park West, Apt 15E, New York, USA - 10025	05327455		20/07/2012	No
04	Krishna Kumar Tiwary	Independent director	29 Feb 1972	A-36/51-E, Konia Road, Sahdevram Mukhiya Marg,Kazzakpura, Varanasi- 221001 (U.P)	02914614	ABRPT3587D	13/02/2012	1. M-SWASTH NORTH SOLUTION PRIVATE LIMITED 2. SAVE MICROFINANCE PRIVATE LIMITED 3. SAVE SOLUTIONS PRIVATE LIMITED 4. SAVE HOUSING FINANCE LIMITED

05	Ashok Ranjan Samal	Independent director	24 Jul 1955	Plot No.7, Aryabhoomi, Plot No.442/3998, Nandan Kanan Main Road, Patia, Bhubaneswar, Odisha - 751031	00918164	ABJPS3492E	17/10/2016	Annapurna SME Finance Private Limited
06	Christina Stefanie Juhasz	Nominee Director	29 Dec 1967	199, Upper Hook Road, Katonah, New York, USA	06451902	N.A.	30/11/2016	Wheelsemi Private Limited
07	Abhishek Agrawal	Nominee Director	8 Aug 1980	C/o Flat No. 401, Sai Samman, Chembur East, Plot 28/29, Union Park, Near R K Studio, Mumbai, Maharastra - 400071	06760344	AECPA4338P	23-12-2021	IKF Finance Ltd Accion Impact Management India Private Ltd
08	R V Dilip Kumar	Nominee Director	20 Oct 1968	C-703, CTS-827, A/1C-1A, 7th Floor, Raheja Heights, Arun Kumar Vaidya Rd, Malad East, Mumbai, 400097	01060651	AAEPD4604P	25/06/2021	#As per list provided below
09	Mr. Arup Kumar	Nominee Director	10 Sept 1968	Flat No. 603, SIDBI Officers Appartment, Raheja Majestics, Plot No 161, TPS-III , Manmala Tank Road, Mahim West, Mumbai, 400016	07682113	AHCPK9525H	28-09-2022	Bandhan Financial Services Limited

10	Sunit Vasant Joshi	Nominee Director	9 Dec 1955	B-206 Yuthika Apartments, Veerbhadranagar, Near Ganraj Mangal Karyalya, Baner, Pune 411045	02962154	AATPJ9096Q	19-05-2020	No
11	Guillaume Martin Accarain	Nominee Director	2 Nov 1990	(1150) Rue Jean Wellens, 47 (Belgium)	09527231	N.A.	18-04-2022	No
12	Radhika Jayant Shroff	Nominee Director	28 Jan 1974	215 West 88th Street, Apt 2H, New york-10024	09210584	N.A.	25-06-2021	No
13	Venkiteswaran M R	Nominee Director	25 May 1960	Flat No. B2-703, LNT South City Apartments, Arekere Mico Layout, Bannerghata Road, Bangalore South, Bengaluru, Karnataka - 560076	08286433	AHCPM7574L	25-09-2020	Annapurna SME finance Pvt Ltd -Origo commodities india private limited -Origo finance private limited
14	Mr. Ajay Bhaskar Limaye	Nominee Director	20 May1969	1901 Brooke Ville, Mogul Lane, Mahim, Mumbai 400016	02762738	AAGPL6481Q	25-09-2023	Nil
15	Mr. Govinda Rajulu Chintala	Independent Director	15 July 1962	401, Krishi Vihar NABARD Quarters, Amerpet, Opposite Lal Bunglow, Sanathnagar, Hyderabad, Telengana, 500018	03622371	ABJPC6481F	25-09-2023	1. AYE FINANCE PRIVATE LIMITED 2. NSL SUGARS LIMITED, 3. NSL KRISHNAVENI SUGARS LIMITED 4. IIFL Samasta Finance Ltd.

 # R.V Dilip Kumar's interest in Other Entities

- Collateral Medical Private Limited
- ESAF Financial Holdings Private Limited
- Sonata Finance Private Limited
- RGVN (Northeast) Microfinance Limited
- Caspian Impact Investments Private limited
- Online PSB Loans Limited
- Janakalyan Financial Services Private limited
- SIDBI Venture Capital Limited (CEO & CFO)

Brief Profile of the Management

Sr. No.	Name	Designation	Qualification	Experience
1	**Mr. Sanjay Pattanaik**	Chief Operating Officer	MA, LLB	Mr. Sanjay leads the Operation Department of Annapurna, he has been a pioneer member in the journey of Annapurna. Through his exemplary work in the field of development, he has been exceptional in handling the responsibilities of the operations team which is evident from his well-structured and motivated team. He has contributed immensely towards establishing Annapurna's presence across India. His work exemplifies his client centric approach and his dedication towards meeting his clients' needs.
2	**Mr. Satyajit Das**	Chief Finance Officer	PGDFM	Mr. Das is involved in crafting the strategic decision making, innovating future growth opportunities of AFPL, besides ensuring the funds flow cycle of Annapurna remains intact. His exceptional ability of sensing the opportunities of growth and expansion makes him the most charismatic leader in Annapurna. His close and meticulous understanding of financial sector helps the company in securing many financial deals with leading FIs.
3	**Mr. Sabyasachi Sahu**	Head -Credit & Appraisal	MBA	Mr. Sahu heads the credit department of AFPL. His long association with Annapurna and active interest in the field, has helped the company in developing an exceptional credit discipline. He plays a vital role in maintaining a healthy loan portfolio by formulating appropriate credit policies.
4	**Mr. Rakesh Ranjan Rath**	Head -Accounts	MBA, CA (Inter)	Mr. Rath has worked with several chartered firms prior to joining AFPL. With a hands-on expertise in accounts and internal control, he currently heads the accounts department of AFPL. Besides, he takes active role in Treasury Management, budgetary controls and maintaining the database of company transactions.
5	**Mr. Suraj Bali Painkra**	Head - Internal Audit	PGDFM	Mr. Painkra is an experienced professional with over 12 years of experience in Rural Sales and Distribution, Planning and Strategy. He pursued his PGDFM from IIFM, Bhopal. Currently he heads the internal audit. He has been instrumental in designing & implementing audit tools & matrix. Prior to association with Annapurna, he has worked with leading financial companies like ICICI Prudential and Birla Sun Life Insurance Company Ltd. He also has hands on experience in finance while working with Sambandh Finserve Pvt Ltd.
6	**Mr. Subrata Pradhan**	Company Secretary	CS, LLB	He is a qualified company secretary from the Institute of Company Secretaries of India and holds a bachelor's degree in economics. He has been the cornerstone of drafting all the partnership agreements of AFPL. He looks after the compliance, legal & regulatory requirements. He is instrumental in handling the function of Company Secretary independently after taking over the role in AFPL. Mr. Pradhan is well versed with all the aspects of Company Law, Legal and Statutory Compliances.

7	**Mr. Kumar Vaibhav**	Head - Institutional Finance	PGDFM	He has prior experience of the sector while working for BFIL (previously known as SKS). The added advantage of him being the head of Institutional Finance division is that he already had a stint in SBI looking after the bank finance. So, he leverages his previous parallel skill-sets to manage the team efficiently while dealing with a variety of lenders, out of which a majority are banks
8	**Mr. Laxman Kumar Mohapatra**	Head - Treasury	MBA	Mr. Laxman Mohapatra leads the Treasury department of Annapurna. He has pursued Masters in Business Management in Finance. Prior to his association with the company, he has had a decade long experience in the industry, where he has worked with OSACS - Dept. of Health & Family Welfare, Govt. of Odisha for several years, besides having association with People's Forum. Mr Mohapatra has meticulously shaped the treasury department by taking several innovative steps to ease the fund transfer process. His long association with the company right from its inception has proved his exemplary devotion.
9	**Mr. Manoj Singh**	State Head-Madhya Pradesh	MA	Mr. Singh leads Annapurna's operations in Rajasthan. He has been a banker at HDFC Bank, besides having prior proven experience in urban as well rural finance while working with Shikharfin and Cashpor respectively. Mr. Singh and his team's role has been exceptional in establishing Annapurna's outreach in this state. He holds a Masters' Degree in Sociology.
10	**Mr. Pradeepta Champatiray**	Head - Systems	Graduation	Mr. Champatiray has been in the forefront of managing the IT vertical of Annapurna for several years. He is responsible for system installation and management across all the branches, Regional Offices and H.O.
11	**Ms. Bandita Behera**	Head - MIS	MBA	Data accumulation and management is one of the important aspects in any MFI, and that is linked with the smooth functioning of every department. She efficiently manages the role while coordinating with different branches across the 21 states. Additionally, Ms. Behera has got the responsibility of addressing the data requirement of external agencies. She was handling the MIS of Mahashakti Foundation in her previous role.
12	**Mr. Anoop TP**	Head - Risk	FRM, PGDFM	He has commendable understanding in the identification of risky areas in finance and provides thoughtful suggestions to the management on this. Mr. TP takes avid interest in new technology implementation like that of GIS integration in credit history data to come out with a robust analysis of areas of operation as well as new approachable areas. Along with his team, he is currently looking after the risk analysis part in all of the AFPL operational states.
13	**Ms. Ananya Pan**	Head-SPM & Product	PGDFM	Ms. Ananya Pan is an IIFM alumnus, who looks after the social performance management initiatives of the company. Her enthusiasm towards her profession, which is a result of her passion to work for the development sector makes her a suitable person for the cause. Her zeal to improve the lives of clients while working in the development sector, has further strengthened the Social Performance Management activities of the company. Previously, she has worked with Aga Khan Rural Support Programme in Rural Development and Monitoring verticals.
14	**Mr. Manas Ranjan Pattnayak**	Regional Head - North	PGDRM	The experience that he has gained over the years while working with various leading MFIs including Annapurna, makes him a first-choice manager to lead such a vast state like Madhya Pradesh. Prior to his association with Annapurna, he has worked with BASIX and other MFIs and has learnt the glitches of the industry for over 17 years. He holds a PG Diploma in Rural Management.

15	**Mr. Subrat Sabyasachi Roy**	VP- Operations	PGDM	Mr. Roy pursued his PGDM from EDII Ahmedabad. His more than a decade experience while working with ICICI foundation, Tata AIG Life-insurance and BASIX has provided him with an all-round experience in development and insurance sector. With these skills and experience of these sectors in the Finance Industry, he has gained an outlook that covers all the aspects of micro credit and micro insurance, which gives him a forte in understanding the scenario while increasing the portfolio. Mr. Roy is currently looking after the business strategy and monitoring.
16	**Mr. Sheik Askar Sabir**	State Head-Karnataka	Executive MBA	Mr. S.A. Sabir looks after the Operations of Tamilnadu & Karnataka. He has been in the forefront of the company's finance operations where his unwavering association with the company has been for about a decade now. His contributions in Annapurna's expansion are more than words can define.
17	**Mr. Binod Bihari Mishra**	State Head (Western Zone)	M.Com.,LLB	Joined as Branch Manager in 2006, he moved up to the rank of Area Manager in 2008 while establishing the branch network and overseeing the operations in the different parts of Odisha. He has time and again proven his commitment towards work and enduring passion to work for the betterment of the rural poor women over the years. He is currently responsible for streamlining the operations of each branch in Western Odisha.
18	**Mr. Dillipa Kumar Khuntia**	Head - Technology	MCA	Mr. Khuntia is an MCA, has over 8 years of experience in new technology implementation and smartphone applications in the finance sector. Prior to this, he was handling similar roles in Dhanei KGFS, a Strategic Business Unit of IFMR Rural Channels and Services Pvt Ltd.
19	**Mr. Preetam Debasish Sahoo**	Dy. Vice President-HR	MBA, LLB	Mr. Preetam leads the HRBP, Training & Development function and also responsible for managing Strategic HR, Performance Management, Statutory Compliance, Employee Welfare and HRMS. He has over 9 years of experience in entire gamut of HR functions and has handled key positions in MFI Sector. He is a Certified Professional in SHRM, NLP, HR Analytics, Microfinance Training and Content Development. He holds an MBA degree & a degree in Law & also an alumnus of IIM Ahmedabad and IIM Rohtak. He has been instrumental in implementing various policies and procedures pertaining to HR.
20	**Mr. Shankarshan Panda**	Head - IT	MBA	An initiator and tech passionate professional, holds a MBA in IT & Finance besides a PG Certificate in Microfinance Management. A pro supporter of designed thinking to address challenges and make customer experience inhabitable. In this role he lead various initiatives in the areas of digital transformation and change management to enable the company adopt to newer technologies and achieve significant business value through use of technology. His expertise lies in delivering high-performance Applications and IT Infrastructure.
21	**Mr. Pabitra Barik**	State Head-Maharashtra	MBA	A banking and microfinance professional, has got tremendous hand in the microfinance operations. He has been given the charge of Maharashtra state and is successfully managing one of the major business portfolios.
22	**Mr. Sanjay Kumar Singh**	Business Head, MSME	MBA	Mr. Sanjay Kumar Singh, an MBA from NIM, is a very confident, self-driven, organized and dynamic individual, who possesses strong delegation and negotiation skills. His 14 years of experience in the NBFC sector and excellent leadership qualities, along with his innovative thinking ability has helped Annapurna MSME build a sustainable business platform for itself within no time. He has been associated with Annapurna since more than a year. Mr. Singh has

				previously worked with organisations like ISFC and Vistaar Financial Services.
23	**Mr. Soumik Ghanta**	Credit Head, MSME	PGDFM	Mr. Soumik Ghanta, is the Credit Head of Annapurna MSME. He is responsible for developing new lending platforms and provide his assistance in establishing and updating all lending policies and guidelines. His excellent interpersonal and organizational skills have helped MSME achieve heights. He has been a part of Annapurna MSME since 2017. He has 8 years of professional experience in the finance sector. He was previously associated with DCB Bank. He has pursued his PGDFM from IIFM, Bhopal.
24	**Mr. Sabyasachi Rout**	Head- Inorganic Business	MBA	Responsible for developing wholesale lending platform, BC and structure finance in AFPL. His excellent understanding on the Market will help the Alternate Business team to build a new height. He has been a part of Annapurna since March-19. He was 15 years of professional experience in Microfinance both in Retail and wholesale. He was working both in Business and Risk. Previously associated with Northern Arc Capital and BASIX. Pursued his MBA from Sambalpur University.
25	**Mr.Soumya Ranjan Dash**	Head-Operations MSME	PGDM	Being a Banking & Micro finance professional, Mr. Dash is designated as Associate Vice President & leads the Operations function of MSME Division. He has over 12 years of experience and has handled key positions in companies like DCB Bank Ltd, Axis Bank Ltd. etc. Mr. Dash holds a management degree from the eminent institute of development studies, EDII-Ahmedabad. Currently he is responsible for managing Post sanction Activities I.e., disbursement, Compliance, PDD Tracking etc. He has been instrumental in rolling out new process & product & is one of the core team members of Digital lending team of MSME Division of Annapurna.
26	**Mr. Shaikh Mehboob Subhani**	Associate Vice President (Fintech)	MBA	As Annapurna step into the world of Digital Finance, Mr. Subhani is playing a key role in the entire transformation of digitalization. He is pioneer to develop technical aspects of the company's strategy to ensure alignment with its business goals. Mr. Shaik holds an MBA degree. He has experience of 19 yrs. in project management, software development, application support, implementation & maintenance. Prior to Annapurna he worked with Jayam Solutions pvt. Ltd. Prior to Annapurna, he was associated with reputed companies like GfK, Kantar ITP-TNS, ING-Malaysia and Midland Financial Services Ltd. He has managed more than 40+ NBFC&MFI companies from Jayam and given digital lending solutions. Mr. Shaik is certified in Scrum Master, Six Sigma-Green Belt Microsoft Certified Solution Expert and PMP- PMBOK 6th Edition Trained.
27	**Mr. Ashish Mishra**	Senior Vice President (Fintech)	PGDBM	Being a Finance & Insurance Professional, Mr. Asish is designated as Senior Vice president & leads the Business Department of Fin/tech Vertical of Annapurna. He has over 17 years of experience and has handled key positions in companies like Bharti AXA Life Insurance Company Ltd., Nippon Life Insurance Company Ltd., HDFC Bank Ltd., Bajaj Allianz LIC Ltd., ICICI Prudential, Aviva Life Insurance and Wipro-e-peripherals Ltd. Mr. Mishra holds a PGDBM degree and his expertise lies in strategy formulation for sales & channel management and Client Management. His strong leadership skills continue to help create a unique identity for Annapurna within the industry.
28	**Mr. Suvrojit Choudhury**	Head- Branding and Communication	MBA	Mr. Suvrojit holds an MBA degree in rural management. He has been associated with Annapurna since last 8 years and is responsible for all sort of media communications, formulating, planning and implementing promotional activities.

29	**Mr. Tara Prasad Mohapatra**	Deputy Vice President	Bachelor of Arts	Mr. Mohapatra brings in 11 years+ of rich work experience in the field of microfinance spread across Odisha. He is currently looking after of Khurda zone as zonal manager. He established himself as a successful leader by strengthening and streamlining the Operation of Annapurna.
30	**Mr. Parashar Kemprai**	Deputy Vice President	PGDFM	One of the valued MFI professionals with a diverse knowledge in credit and operation field. He has joined Annapurna in 2013. Presently, he is looking after Assam state.
31	**Mr. Vivek Srivastava**	Deputy Vice President(HR)- MSME	B.Tech, MBA	Mr. Srivastava is a avid professional with a management degree and carries around 06 years of experience in HR functions. Previously associated with Ujjivan Small Finance Bank.
32	**Mr. Sourabh Kumar**	Associate Vice President	PGDFM	Mr. Sourabh Kumar holds a degree in PGDFM. His journey with Annapurna started in 2014 and has been synonymous with the growth of the company.
33	**Mr. Kasinadhuni Venkata Subba Rao**	Senior Vice President, MSME	14-Aug-1977	Mr. Rao is an experienced professional with over 17 years of experience in audit. Prior to association with Annapurna, he has worked with leading financial companies like Asirvad Microfinance Limited, Light Microfinance, SKS microfinance and Fincare Small Finance Bank. He is currently looking after Internal audit of MSME.

(a) **Structure of the group**:

Not Applicable

(b) **A brief summary of the business activities of the subsidiaries of the issuer:**

Please refer to Section 5.7 of the General Information Document for a brief summary of the business activities of the subsidiaries of the Issuer.

(c) **Details of branches or units where the issuer carries on its business activities, if any:**

The details of the branches or units where the Issuer carries on its business activities as are as follows:

Attached Separately

(d) **Project cost and means of financing, in case of funding of new projects**

Not Applicable.

5.8 **Expenses of the Issue: Expenses of the issue along with a break up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:**

S.NO	PARTICULARS	FEE/EXPENSE AMOUNT	% OF TOTAL ISSUE EXPENSES	% OF TOTAL ISSUE SIZE
1.	Lead Manager(s) fees	N. A.	N. A.	N. A.
2.	Underwriting commission	N. A.	N. A.	N. A.
3.	Brokerage, selling commission and upload fees	N. A.	N. A.	N. A.
4.	Fees payable to the registrars to the issue	8,000	7.86%	0.00%
5.	Fees payable to the legal advisors	N. A.	N. A.	N. A.
6.	Advertising and marketing expenses	N. A. *	N. A. *	N. A. *
7.	Fees payable to the regulators including stock exchanges	93810	92.14%	0.01%
8.	Expenses incurred on printing and distribution of issue stationary	N. A. **	N. A. **	N. A. **
9.	Any other fees, commission and payments under whatever nomenclature	N. A. ***	N. A. ***	N. A. ***

* As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific advertising and marketing expenses are envisaged to be payable in respect of such issue of Debentures.

** As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific expenses are envisaged to be incurred on printing and distribution of issue stationary in respect of such issue of Debentures.

*** As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific fees, commission and payments under whatever nomenclature are envisaged to be incurred in respect of such issue of Debentures.

5.9 **Financial Information**

(a) **The audited financial statements (i.e. profit and loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years, which shall not be more than six months old from the date of the issue document or issue opening date, as applicable. Such financial statements shall be should be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI").**

However, if the issuer, being a listed REIT/listed InvIT, has been in existence for a period of less than three completed years, and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and the interim period, the combined financial statements shall be disclosed for the periods for which such historical financial statements are not available.

The audited financial statements of the Issuer for the year ended March 31, 2023, March 31, 2022, and March 31, 2021 are set out in Annexure V of the General Information Document, and the limited review financial statements as of December 31, 2023 are set out in Annexure IX hereto.

The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

(b) **Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the listing regulations, may disclose unaudited financial information for the interim period in the format as specified therein with limited review report in the issue document, as filed with the stock exchanges, instead of audited financial statements for the interim period, subject to making necessary disclosures in this regard in issue document including risk factors.**

The audited financial statements of the Issuer for the year ended March 31, 2023, March 31, 2022, and March 31, 2021 are set out in Annexure V of the General Information Document, and the limited review financial statements as of December 31, 2023 are set out in Annexure IX hereto.

The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

(c) **Issuers other than REITs/ InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:**

(i) The issue is made on the Electronic Book Platform of the stock exchange, irrespective of the issue size; and

(ii) In case of issue of securities on a private placement basis, the issue is open for subscription only to qualified institutional buyers

Not applicable as the Issuer has been in existence for more than 3 (three) years.

(d) **The above financial statements shall be accompanied with the auditor's report along with the requisite schedules, footnotes, summary etc.**

Please refer Annexure V of the General Information Document for the audited financial statements of the Issuer for the Financial Years ended March 31, 2021, March 31, 2022, and March 31, 2023, and Annexure IX hereto the limited review financial statements of the Issuer as of December 31, 2023, each along with the auditor's report along with the requisite schedules, footnotes, summary etc.

The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

(e) **Key Operational and Financial Parameters on a consolidated basis and on a standalone basis:**

Standalone Basis

PARTICULARS	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2023	DECEMBER 31, 2023
	Audited	**Audited**	**Audited**	**Limited Review**
BALANCE SHEET				
Assets				
Property, Plant and Equipment	11.39	17.87	23.86	27.29
Financial Assets	5,701.29	7,068.92	8,443.74	8585.91
Non-financial Assets excluding property, plant and equipment	42.39	93.82	110.26	78.81
Total Assets	**5,755.07**	**7,180.61**	**8,577.85**	**8692.01**
Liabilities				
Financial Liabilities	4977.45	6369.43	7349.07	7284.68
- Derivative financial instruments	-	4.75	-	7.53
- Trade Payables	2.27	2.91	18.36	-
- Debt Securities	1,738.54	1,856.77	1,530.08	1162.07
- Borrowings (other than Debt Securities)	2,823.07	4,024.13	5,191.32	5324.01
- Subordinated liabilities	322.75	331.5	327.14	468.15
- Other financial liabilities	90.82	149.36	282.17	322.92
Non-Financial Liabilities	15.02	17.29	20.47	45.99
- Current tax liabilities (net)	-	-	-	-
- Provisions	10.34	11.86	13.23	14.45
- Deferred tax liabilities (net)	-	-	-	23.59
- Other non-financial liabilities	4.68	5.43	7.24	7.96
Equity (Equity Share Capital and Other Equity)	762.6	793.89	1,208.31	1361.33
Total Liabilities and Equity	**5,755.07**	**7,180.61**	**8,577.85**	**8692.01**
PROFIT AND LOSS				
Revenue from operations	974.85	1,147.16	1,557.78	1490.22
Other Income	2.26	5.61	11.79	8.16
Total Income	977.11	1,152.77	1,569.57	1498.38
Total Expense	975.44	1,129.02	1,525.39	1263.05
Profit after tax for the year	1.82	17.13	32.72	175.72
Other Comprehensive income	-4.64	15.62	24.88	-23.00
Total Comprehensive Income	-2.82	32.75	57.6	152.72
Earnings per equity share (Basic)	0.26	2.39	3.93	19.28
Earnings per equity share (Diluted)	0.24	2.25	3.34	15.61
CASH FLOW				
Net cash from / used in (-) operating activities	-802.09	-1,190.58	-1,367.98	
Net cash from / used in (-) investing activities	-11.9	-11.05	-5.95	
Net cash from / used in (-) financing activities	975.07	1,291.62	1,179.38	
Net increase / decrease (-) in cash and cash equivalents	161.08	89.99	-194.55	
Cash and cash equivalents as per Cash Flow Statement as at the end of Half year	861.35	951.34	756.79	

ADDITIONAL INFORMATION				
Net Worth	994.21	1,431.82	1,617.58	1770.60
Cash and cash equivalents	861.35	951.34	756.79	248.87
Loans	4,098.91	5,328.65	6,506.02	7428.86
Loans (Principal Amount)	4,008.27	5,194.28	6,326.87	7,252.45
Total Debts to Total Assets	0.79	0.77	0.76	0.80
Interest Income	847.58	933.54	1,143.23	1190.87
Interest Expense	507.72	560.07	659.96	596.19
Impairment on Financial Instruments	191.75	193.83	361.84	203.32
Bad Debts to Loans	-	-	-	-
% Stage 3 Loans on Loans (Principal Amount)	6.59%	8.01%	3.33%	3.04%
% Net Stage 3 Loans on Loans (Principal Amount)	2.77%	2.33%	1.48%	1.36%
Tier I Capital Adequacy Ratio (%)	21.94%	25.07%	21.78%	18.84%
Tier II Capital Adequacy Ratio (%)	5.77%	4.71%	2.88%	7.16%

Consolidated Basis**:

PARTICULARS	MARCH 31, 2021	MARCH 31, 2022	MARCH 31, 2023
	Audited	**Audited**	**Audited**
BALANCE SHEET			
Assets	11.39	17.87	23.86
Property, Plant and Equipment	5,701.29	7,068.31	8,443.16
Financial Assets	42.39	93.79	110.16
Non-financial Assets excluding property, plant and equipment	**5,755.07**	**7,179.97**	**8,577.18**
Total Assets	11.39	17.87	23.86
Liabilities			
Financial Liabilities	**4,977.45**	**6,369.45**	**7,349.07**
- Derivative financial instruments	-	4.75	-
- Trade Payables	2.27	2.91	18.36
- Other Payables	-	-	-
- Debt Securities	1,738.54	1,856.77	1,530.08
- Borrowings (other than Debt Securities)	2,823.07	4,024.13	5,191.32
- Deposits	-	-	-
- Subordinated liabilities	322.75	331.50	327.14
- Lease liabilities	0.36	-	-
- Other financial liabilities	90.46	149.39	282.17
Non-Financial Liabilities	**15.02**	**17.29**	**20.47**
- Current tax liabilities (net)	-	-	-
- Provisions	10.34	11.86	13.23
- Deferred tax liabilities (net)	-	-	-
- Other non-financial liabilities	4.68	5.43	7.24
Equity (Equity Share Capital and Other Equity)	**762.60**	**793.23**	**1,207.64**
Non-controlling interest	-	-	-
Total Liabilities and Equity	**5,755.07**	**7,179.97**	**8,577.18**
PROFIT AND LOSS			

Revenue from operations	974.85	1,147.28	1,558.05
Other Income	2.26	5.61	11.79
Total Income	**977.11**	**1,152.89**	**1,569.84**
Total Expenses	975.44	1,129.04	1,525.40
Profit after tax for the year	1.82	17.19	32.91
Other Comprehensive income	(4.64)	15.62	24.88
Total Comprehensive Income	(2.82)	32.81	57.79
Earnings per equity share (Basic)	0.26	2.40	3.96
Earnings per equity share (Diluted)	0.24	2.26	3.36
CASH FLOW			
Net cash from / used in (-) operating activities	(802.09)	(1,190.46)	(1,367.99)
Net cash from / used in (-) investing activities	(6.90)	(16.00)	(5.79)
Net cash from / used in (-) financing activities	975.07	1,291.62	1,179.37
Net increase / decrease (-) in cash and cash equivalents	166.08	85.16	(194.41)
Cash and cash equivalents as per Cash Flow Statement as at the end of Half year	866.35	951.51	757.10
ADDITIONAL INFORMATION			
Net Worth	991.26	1431.15	1,616.91
Cash and cash equivalents	866.35	951.51	757.10
Loans	4,098.91	5,328.65	6,506.02
Total Debts to Total Assets	0.79	0.77	0.76
Interest Income	839.00	933.54	1,143.23
Interest Expense	507.72	560.07	659.96
Impairment on Financial Instruments	191.75	193.83	361.84
Bad Debts to Loans	-	-	-

** The Issuer does not maintain the consolidated financial statements on a quarterly or semi-annual basis.

The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

(f) **Details of any other contingent liabilities of the Issuer based on the latest audited financial statements including amount and nature of liability:**

Please refer Section 5.9(f) of the General Information Document for the details of the contingent liability of the Issuer as of March 31, 2023.

The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

(g) **The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued**

Please refer Section 5.9(g) of the General Information Document for the details of corporate guarantee or letter of comfort issued by the Issuer.

5.10 **A brief history of Issuer since its incorporation giving details of its following activities:**

(a) ***Details of Share Capital as on last quarter end, i.e., March 31, 2024:***

Share Capital	Amount (in Rs.)
Authorised Share Capital	
11,39,00,000 equity shares of Rs.10/- each	**113,90,00,000.00**
2,51,00,000 preference shares of Rs.10/-each	**25,10,00,000.00**
TOTAL	**139,00,00,000.00**
Issued and Subscribed Share Capital	
10,56,33,990 Equity shares of Rs.10/- each	**105,63,39,900.00**
30,00,000 preference Shares of Rs.10/- each	**3,00,00,000.00**
TOTAL	**108,63,39,900.00**
Paid Up Capital	
10,14,99,978 nos of Equity shares of Rs.10/- each	**101,49,99,780.00**
41,34,012 nos of Equity shares are partly paid i.e 0.09024 paid per shares	**3,73,072.00**
(30,00,000 preference Shares of Rs.10/- each)	**3,00,00,000.00**
TOTAL	**104,53,72,852.00**

(b) **Changes in its capital structure as on last quarter end, for the preceding three financial years and current financial year:**

Please refer Section 5.10(b) of the General Information Document for the details of change in the share capital of the Issuer for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023. There are no further changes in the Issuer's capital structure for the financial year ended March 31, 2024 and the current financial year.

(c) **Details of the equity share capital for the preceding three financial years and current financial year:**

						Cumulative Paid Up Capital			Remarks
Date of Allotment	**No. of Equity Shares**	**Face Value (in Rs)**	**Issue Price (in Rs)**	**Consideration (Cash, other than cash etc.)**	**Nature of Allotment**	**No of Equity Shares**	**Equity Share Capital (Rs in Crore)**	**Equity Share Premium (Rs. In Crore)**	
10.06.15	53,61,930	10	44.76	Conversion	Conver sion	2,95,57,004	29.55	45.80	Nil
24.02.16	1,824,151	10	54.82	Cash	Private Placement	31,381,155	31.38	53.97	Nil
25.05.16	4,968,063	10	70.45	Cash	Private Placement	36,349,218	36.34	83.97	Nil

						Cumulative Paid Up Capital			Remarks
Date of Allotment	**No. of Equity Shares**	**Face Value (in Rs)**	**Issue Price (in Rs)**	**Consideration (Cash, other than cash etc.)**	**Nature of Allotment**	**No of Equity Shares**	**Equity Share Capital (Rs in Crore)**	**Equity Share Premium (Rs. In Crore)**	
30.06.17	34,06,757	10	95.00	Cash	Private Placement	3,97,55,975	39.75	112.92	Nil
07.07.17	15,00,000	10	95.00	Cash	Private Placement	4,12,55,975	41.25	125.67	Nil
07.07.17	15,10,526	10	95.00	Cash	Private Placement	4,27,66,501	42.76	138.50	Nil
05.01.18	2,54,907	10	39.23	Conversion	Conversion	4,30,21,408	43.02	139.24	Nil
01.06.18	1,000	10	107.48	Cash	Private Placement	4,30,22,408	43.02	139.24	Nil
21.08.18	1,39,88,538	10	110.81	Conversion	Conversion	5,70,10,946	57.01	280.25	Nil
01.02.19	1,16,88,702	10	117.75	Cash	Private Placement	6,86,99,648	68.69	406.196	Nil
26.03.2021	100	10	117.75	Cash	Private Placement	68699748	**68.69**	406.197	Nil
31.03.2021	11000	10	41.00	Cash	Private Placement	68710748	**68.71**	406.23	Nil
31.03.2021	5200	10	49.00	Cash	Private Placement	68715948	**68.71**	406.25	Nil
02.08.2021	2200	10	41.00	Cash	Private Placement	687,19,948	68.72	406.34	Nil
02.08.2021	1800	10	49.00	Cash	Private Placement	687,19,948	68.72	406.34	Nil
23-12-2021	100	10	117.75	Cash	Private Placement	6,87,20,048	68.72	406.34	Nil
23-12-2021	100	10	117.75	Cash	Private Placement	6,87,20,148	68.72	406.34	Nil
30-12-2021	21400	10	41.00	Cash	Private Placement	6,87,47,048	68.75	406.46	Nil

						Cumulative Paid Up Capital			Remarks
Date of Allotment	No. of Equity Shares	Face Value (in Rs)	Issue Price (in Rs)	Consideration (Cash, other than cash etc.)	Nature of Allotment	No of Equity Shares	Equity Share Capital (Rs in Crore)	Equity Share Premium (Rs. In Crore)	
30-12-2021	5500	10	49.00	Cash	Private Placement	6,87,47,048	68.75	406.46	Nil
28-01-2022	5200	10	41.00	Cash	Private Placement	6,87,55,948	68.76	406.49	Nil
28-01-2022	3700	10	49.00	Cash	Private Placement	6,87,55,948	68.76	406.49	Nil
28-02-2022	12,40,203	10	110.81	Cash	Private Placement	6,99,96,151	68.77	418.96	Nil
28-02-2022	16,53,605	10	110.81	Cash	Private Placement	7,16,49,756	68.78	435.63	Nil
28-02-2022	6,20,102	10	110.81	Cash	Private Placement	7,22,69,858	68.79	441.88	Nil
28-02-2022	6,20,102	10	110.81	Cash	Private Placement	7,28,89,960	68.79	448.13	Nil
31-03-2022	2200	10	41.00	Cash	Private Placement	7,28,92,160	68.80	448.13	Nil
31-03-2022	3000	10	49.00	Cash	Private Placement	7,28,95,160	68.80	448.13	Nil
27-09-2022	1700	10	41.00	Cash	Private Placement	7,28,96,860	68.80	448.13	Nil
27-09-2022	2700	10	49.00	Cash	Private Placement	728,99,560	68.80	448.24	Nil
28-09-2022	1,33,51,310	10	-	Conversion	1,94,18,612 CCPS converted into Equity	8,62,50,870	82.15	448.24	Nil
28-09-2022	59,70,985	10	-	Conversion	7820000 CCPS converted into Equity	9,22,21,855	88.12	448.24	Nil
30-03-2023	6,000	10	41	Cash	Private Placement	9,22,27,855	88.12	448.25	Nil
30-06-2023	3400	10	41	Cash	Private Placement	9,22,31,255	88.12	448.26	Nil
30-06-2023	3200	10	49	Cash	Private Placement	9,22,34,455	88.13	448.28	Nil
28-09-2023	4000	10	41	Cash	Private Placement	9,22,3	88.14	448.29	Nil

						Cumulative Paid Up Capital			Remarks
Date of Allotment	**No. of Equity Shares**	**Face Value (in Rs)**	**Issue Price (in Rs)**	**Consideration (Cash, other than cash etc.)**	**Nature of Allotment**	**No of Equity Shares**	**Equity Share Capital (Rs in Crore)**	**Equity Share Premium (Rs. In Crore)**	
						8,455			
15-11-2023	3000	10	41	Cash	Private Placement	9,22,41,455	88.14	448.30	Nil
15-11-2023	1200	10	49	Cash	Private Placement	9,22,42,655	88.15	448.30	Nil
21-12-2023	4200	10	41	Cash	Private Placement	9,22,46,855	88.15	448.31	Nil
21-12-2023	1700	10	49	Cash	Private Placement	9,22,48,555	88.15	448.319	Nil
04-01-2024	1,33,74,335	10	-	Conversion	2,20,18,814 nos. of CCPS converted into Equity	10,56,22,890	101.53	448.32	Nil
30-03-2024	8,400	10	41	Cash	Private Placement	10,56,31,290	101.54	448.34	Nil
30-03-2024	2,700	10	49	Cash	Private Placement	10,56,33,990	101.54	448.35	Nil

The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

(d) **Details of any acquisition of or amalgamation with any entity in the preceding one year:**

No acquisition or amalgamation has occurred with any entity in the preceding one year.

(e) **Details of any Reorganization or Reconstruction in the preceding one year:**

No reorganisation or reconstruction has occurred with any entity in the preceding one year.

(f) ***Details of the shareholding of the Company as at the latest quarter end, as per the format specified under the listing regulations****:* The shareholding pattern of the Issuer as of the last quarter end, i.e., March 31, 2024, prepared in accordance with the LODR Regulations is set out in Annexure X below.

(g) ***List of top ten holders of equity shares of the Company as on the latest quarter end, i.e., March 31, 2024****:*

Sl. No	Name of Equity Share Holders	No. of Equity Shares held	Shareholding as a % of total no of equity shares	No. of shares in demat form
1	Gobinda Chandra Pattanaik	80,00,546	7.57	-
2	Belgian Investment Company for	95,27,723	9.02	95,27,723

	Developing Countries NV/SA			
3	ESF Holdings II	65,65,371	6.22	65,65,371
4	Oikocredit Ecumenical Development Cooperative Society U.A.	91.91.233	8.70	91,91,233
5	Women's World Banking Capital Partners, LP	58,00,000	5.49	58,00,000
6	Accion Digital Transformation Fund LP	51,58,467	4.88	51,58,467
7	Oman India Joint Investment Fund II	1,80,48,942	17.09	1,80,48,942
8	Asian Development Bank	1,16,88,702	11.07	1,16,88,702
9	Nuveen Global Impact Fund India S.à r.l	1,33,51,410	12.64	-
10	SOCIÉTÉ DE PROMOTION ET DE PARTICIPATION POUR LA COOPÉRATION ECONOMIQUE S.A.	59,70,985	5.65	59,70,985

5.11 **Following details regarding the directors of the Company:**

(a) **Details of the current directors of the Company:**

S. No.	Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
01	Gobinda Chandra Pattanaik	Managing Director	55	Palla, Pallatotapada, Khurdha, Odisha- 752056	02716330	13-08-2009	Nil	No
02	Dibyajyoti Pattanaik	Director	46	Palla, Konark Nagar, Pallatotapada, Khurdha, Odisha- 752056	02764187	14.09.2009	Annapurna SME Finance Pvt Ltd	No
03	Sean Leslie Nossel	Independent director	53	444 Central Park West, Apt 15E, New York, USA - 10025	05327455	20/07/2012	Nil	No

S. No.	Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
04	Krishna Kumar Tiwary	Independent director	51	A-36/51-E, Konia Road, Sahdevram Mukhiya Marg,Kazzakpura, Varanasi-221001 (U.P)	02914614	13/02/2012	1. M-SWASTH NORTH SOLUTION PRIVATE LIMITED 2. SAVE MICROFINANCE PRIVATE LIMITED 3. SAVE SOLUTIONS PRIVATE LIMITED 4. SAVE HOUSING FINANCE LIMITED	No
05	Ashok Ranjan Samal	Independent director	68	Plot No.7, Aryabhoomi, Plot No.442/3998, Nandan Kanan Main Road, Patia, Bhubaneswar, Odisha - 751031	00918164	17/10/2016	Annapurna SME Finance Private Limited	No
06	Christina Stefanie Juhasz	Nominee Director	55	199, Upper Hook Road, Katonah, New York, USA	06451902	30/11/2016	Wheelsemi Private Limited	No
07	Abhishek Agrawal	Nominee Director	43	C/o Flat No. 401, Sai Samman, Chembur East, Plot 28/29, Union Park, Near R K Studio, Mumbai, Maharastra - 400071	06760344	23-12-2021	• IKF Finance Ltd • Accion Impact Management India Private Ltd	No
08	Ranganathan Varadarajan Dilip Kumar	Nominee Director	54	C-703, CTS-827, A/1C-1A, 7th Floor, Raheja Heights, Arun Kumar Vaidya Rd, Malad East, Mumbai, 400097	01060651	25/06/2021	#As per list provided below	No

S. No.	Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
09	Mr. Arup Kumar	Nominee Director	54	Flat No. 603, SIDBI Officers Appartment, Raheja Majestics, Plot No 161, TPS-III , Manmala Tank Road, Mahim West, Mumbai, 400016	07682113	28-09-2022	Bandhan Financial Services Limited	No
10	Sunit Vasant Joshi	Nominee Director	67	B-206 Yuthika Apartments, Veerbhadranagar, Near Ganraj Mangal Karyalya, Baner, Pune 411045	02962154	19-05-2020	Nil	No
11	Guillaume Accarain	Nominee Director	32	(1150) Rue Jean Wellens, 47 (Belgium)	09527231	18-04-2022	Nil	No
12	Radhika Jayant Shroff	Nominee Director	49	215 West 88th Street, Apt 2H, New york-10024	09210584	25-06-2021	Nil	No
13	Venkiteswaran Mecherimadam Ramakrishnan	Nominee Director	63	Flat No. B2-703, LNT South City Apartments, Arekere Mico Layout, Bannerghata Road, Bangalore South, Bengaluru, Karnataka - 560076	08286433	25-09-2020	- Annapurna SME finance Pvt Ltd -Origo commodities india private limited -Origo finance private limited	No
14	Ajay Bhaskar Limaye	Nominee Dirctor	54	1901 Brooke Ville, Mogul Lane, Mahim, Mumbai 400016	02762738	25-09-2023	Nil	No

S. No.	Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
15	Govinda Rajulu Chintala	Independent Director	61	401, Krishi Vihar NABARD Quarters, Amerpet, Opposite Lal Bunglow, Sanathnagar, Hyderabad, Telengana, 500018	0 3622 371	25-09-2023	1. AYE FINANCE PVT LTD 2. NSL SUGARS LIMITED, 3. NSL KRISHNAVENI SUGARS LIMITED	No

 # R.V Dilip Kumar Interest in Other Entities

- Collateral Medical Private Limited
- ESAF Financial Holdings Private Limited
- Sonata Finance Private Limited
- RGVN (Northeast) Microfinance Limited
- Caspian Impact Investments Private limited
- Online PSB Loans Limited
- Janakalyan Financial Services Private limited
- SIDBI Venture Capital Limited (CEO & CFO)

(b) **Details of change in directors in the preceding three financial years and current financial year:**

Name	Designation	DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Mr. Sarath Naru	Alternate Director	00027469	-	14-Feb-17	-	Nil
Ms. Milena Loayza Amorin	Nominee Director	07925625	07-Sept-17	-	-	Nil
Mr. Sarath Naru	Alternate Director	00027469	07-Sept-17	-	-	Nil
Mr. Bernhard Jakob Eikenberg	Nominee Director	07933703	08-Sept-17	-	-	Nil
Mr. Bernhard Jakob Eikenberg	Nominee Director	07933703	-	01-Jun-2018	-	Nil
Mr. Satish Chavva	Nominee Director	03615175	01-Jun-2018	-	-	Nil
Mr. Satya Prakash Singh	Nominee Director	03168099	15-Jan-2019	-	-	Nil

Mr. Apurva Kumar	Nominee Director	08349501	01-Feb-2019	-	-	Nil
Mr. R. V. Dilip Kumar	Nominee Director	01060651	-	03-April-19	-	Nil
Mrs. Milena Loayza Amorin	Nominee Director	07925625	-	24-April-19	-	Nil
Mrs. Laetitia Counye	Nominee Director	06990144	-	24-April-19	-	Nil
Mr. Sarath Naru	Alternate Director	00027469	-	24-April-19	-	Nil
Mr. Sarath Naru	Alternate Director	00027469	05-Aug-2019	-	-	Nil
Mr. Satya Prakash Singh	Nominee Director	03168099	-	12 Sep-2019	-	Nil
Mr. Rishi Dwivedi	Nominee Director	08595325	24-Oct-2019	-	-	Nil
Mr. Rishi Dwivedi	Nominee Director	08595325	-	28-Feb-2020	-	Nil
Mr. Sarath Naru	Alternate Director	00027469	-	28-Feb-2020	-	Nil
Ms. Dhara Jitendra Mehta	Nominee Director	07410469	28-Feb-2020	-	-	Nil
Mr. Prakash Kumar	Nominee Director	06758416	28-Feb-2020	-	-	Nil
Mr. Apurva Kumar	Nominee Director	08349501	-	19-05-2020	-	Nil
Mr. Sunit Vasant Joshi	Nominee Director	02962154	19-05-2020	-	-	Nil
Mr. Florian Christoph Grohs	Nominee Director	05264322	-	25-09-2020	-	Nil
Mr. Venkiteswaran Mecherimadam Ramakrishnan	Nominee Director	08286433	25-09-2020	-	-	Nil
Ms. Dhara Jitendra Mehta	Nominee Director	07410469	-	25-06-2021	-	Nil
Mr. Ranganathan	Nominee Director	01060651	25-06-2021	-	-	Nil

Varadarajan Dilip Kumar						
Ms. Radhika Jayant Sharoff	Nominee Director	09210584	25-06-2021	-	-	Nil
Mr Satish Chavva	Nominee Director	03615175	-	03-03-2022	-	Nil
Mrs. Laetitia Counye	Nominee Director	06990144	-	18-04-2022	-	Nil
Mr. Guillaume Accarain	Nominee Director	09527231	18-04-2022	-	-	Nil
Mr Abhishek Agrawal	Nominee Director	06760344	23-12-2021	-	-	Nil
Mr. Pushkar Jauhari	Nominee Director	06391650	27-05-2022	-	-	Nil
Mr. Prakash Kumar	Nominee Director	06758416	-	28-09-2022	-	Nil
Mr. Arup Kumar	Additional Director	07682113	28-09-2022	-	-	Nil
Mr. Pushkar Jauhari	Nominee Director	06391650	-	25-09-2023	-	Nil
Mr. Ajay Bhaskar Limaye	Nominee Director	02762738	25-09-2023	-	-	Nil
Mr. Govinda Rajulu Chintala	Independent Director	03622371	25-09-2023	-	-	Nil

(c) **Details of directors' remuneration, and such particulars of the nature and extent of their interests in the issuer (during the current year and preceding three financial years):**

(i) Remuneration payable or paid to a director by the issuer, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis;

By/in the Issuer:

S. NO.	NAME OF THE DIRECTOR	REMUNERATION PAYABLE/PAID BY THE ISSUER					SHAREHOLDING/NO. OF SHARES IN THE ISSUER (ON A FULLY DILUTED BASIS)
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25 (current year)	
1.	**Mr. Gobinda Chandra Pattanaik**	**1.53 Crores**	**2.00 Crores**	**2.68 Crores**	3.79 Crores	NIL	6.65%
2.	**Mr. Dibyajyoti Pattanaik**	**0.70 Crores**	**1.01 Crores**	**1.25 Crores**	1.68 Crores	NIL	1.43%

By/in the subsidiaries of the Issuer:

S. NO.	NAME OF THE DIRECTOR	REMUNERATION PAYABLE/PAID BY THE SUBSIDIARIES OF THE ISSUER					SHAREHOLDING IN THE SUBSIDIARIES OF THE ISSUER (ON A FULLY DILUTED BASIS)
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	

						(current year)	
1.	**Mr. Gobinda Chandra Pattanaik**	NIL	NIL	NIL	NIL	NIL	0.02%
2.	**Mr. Dibyajyoti Pattanaik**	NIL	NIL	NIL	NIL	NIL	0.02%

By/in the associate of the Issuer:

S. NO.	NAME OF THE DIRECTOR	REMUNERATION PAYABLE/PAID BY THE ASSOCIATE COMPANIES OF THE ISSUER					SHAREHOLDING IN THE ASSOCIATE COMPANIES OF THE ISSUER (ON A FULLY DILUTED BASIS)
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25 (current year)	
1.	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
2.	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**

(ii) ***Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company;***

Of the Issuer:

S. NO.	NAME OF THE DIRECTOR	DETAILS OF THE RELATIVE	DETAILS OF APPOINTMENT OF THE RELATIVE TO AN OFFICE OR PLACE OF PROFIT
1.	**NA**	**NA**	**NA**

Of the subsidiaries of the Issuer:

S. NO.	NAME OF THE DIRECTOR	DETAILS OF THE RELATIVE	DETAILS OF APPOINTMENT OF THE RELATIVE TO AN OFFICE OR PLACE OF PROFIT OF THE SUBSIDIARIES OF THE ISSUER
1.	**NA**	**NA**	**NA**

Of the associate companies of the Issuer:

S. NO.	NAME OF THE DIRECTOR	DETAILS OF THE RELATIVE	DETAILS OF APPOINTMENT OF THE RELATIVE TO AN OFFICE OR PLACE OF PROFIT OF THE ASSOCIATE COMPANIES OF THE ISSUER
1.	**NA**	**NA**	**NA**

(iii) **Full particulars of the nature and extent of interest, if any, of every director:**

A. **in the promotion of the issuer company; or**

B. **in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it; or**

C. **where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a**

statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed.

Please refer Section 5.11(c)(iii) of the General Information Document for the details of the full particulars of the nature and extent of interest, if any, of every director.

(d) **Contribution being made by the directors as part of the offer or separately in furtherance of such objects.**

Please refer Section 5.11(d) of the General Information Document for the details of contribution being made by the directors as part of the offer or separately in furtherance of such objects.

5.12 **Any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons.**

Please refer Section 5.12 of the General Information Document for the details of any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons.

5.13 **Following details regarding the auditors of the Issuer:**

(a) **Details of the auditor of the Issuer:**

Please refer Section 5.13(a) of the General Information Document for the details of the auditor of the Issuer.

(b) **Details of change in auditors for preceding three financial years and current financial year:**

Please refer Section 5.13(b) of the General Information Document for the details of change in auditors for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023. There are no further changes in the auditors of the Issuer for the financial year ended March 31, 2024 and the current financial year.

5.14 **Details of the following liabilities of the issuer, as at the end of the preceding quarter, or if available, a later date:**

(a) ***Details of outstanding secured loan facilities as at the end of the last quarter, i.e., December 31, 2023**:***

**The information set out in this sub-paragraph (a) has been disclosed as of December 31, 2023, as this information is prepared by the Issuer together with the financial results/statements of the Issuer. In view of this, the latest information is available only up to December 31, 2023. The information as on March 31, 2024 will be provided by the Issuer to BSE in accordance with, and within the time period prescribed under, the LODR Regulations.

NAME OF LENDER	TYPE OF FACILITY	AMOUNT SANCTIONED (IN RS CR)	PRINCIPAL AMOUNT OUTSTANDING (IN RS CR)	REPAYMENT DATE/SCHEDULE	SECURITY	CREDIT RATING, IF APPLICABLE	ASSET CLASSIFICATION
Axis Bank TL 13.1	Term Loan	200.00	61.36	Monthly	5.00%	CARE	Standard Asset

Axis Bank TL 13.2	Term Loan		22.73	Monthly	5.00%	CARE	Standard Asset
Axis Bank TL 14.1	Term Loan	300.00	45.45	Monthly	0.00%	CARE	Standard Asset
Axis Bank TL 14.2	Term Loan		95.45	Monthly	0.00%	CARE	Standard Asset
Axis Bank TL 14.3	Term Loan		50.00	Monthly	0.00%	CARE	Standard Asset
Bajaj Finance TL 4	Term Loan	50.00	43.75	Monthly	0.00%	ICRA	Standard Asset
Bandhan Bank TL 7.1	Term Loan	200.00	-	Quarterly	5.00%	CARE	Standard Asset
Bandhan Bank TL 7.2	Term Loan		7.14	Quarterly	5.00%	CARE	Standard Asset
Bandhan Bank TL 8	Term Loan	150.00	85.71	Quarterly	0.00%	CARE	Standard Asset
Bandhan Bank TL 9	Term Loan	50.00	42.86	Quarterly	0.00%	CARE	Standard Asset
Bank of Baroda TL 4	Term Loan	100.00	91.67	Monthly	0.00%	CARE	Standard Asset
Bank of Maharashtra TL 2	Term Loan	50.00	4.68	Monthly	2.50%	CARE	Standard Asset
Bank of Maharashtra TL 3.1	Term Loan	150.00	40.00	Monthly	0.00%	CARE	Standard Asset
BNP Paribas TL 6.1	Term Loan	100.00	18.75	Quarterly	5.00%	ICRA	Standard Asset
BNP Paribas TL 6.2	Term Loan		18.75	Quarterly	5.00%	ICRA	Standard Asset
Credit Agricole TL-2	Term Loan	35.00	30.63	Quarterly	0.00%	CARE	Standard Asset
Credit Saison TL 1	Term Loan	50.00	25.00	Quarterly	0.00%	ICRA	Standard Asset
Credit Saison TL 2	Term Loan	35.00	21.88	Quarterly	0.00%	ICRA	Standard Asset
Cholamandalama TL-1	Term Loan	15.00	7.35	Monthly	0.00%	CARE	Standard Asset
DBS TL-3	Term Loan	200.00	83.33	Monthly	0.00%	CARE	Standard Asset
DCB TL - 15.1	Term Loan	55.00	14.57	Monthly	2.50%	CRISIL	Standard Asset
DCB TL - 15.2	Term Loan		14.16	Monthly	2.50%	CRISIL	Standard Asset
Doha Bank TL 2	Term Loan	30.00	7.50	Quarterly	5.00%	CRISIL	Standard Asset
Doha Bank TL 3	Term Loan	30.00	26.25	Quarterly	0.00%	CRISIL	Standard Asset
Equitas Small Finance Bank TL 3	Term Loan	75.00	37.50	Monthly	5.00%	ICRA	Standard Asset
Federal Bank TL 3	Term Loan	100.00	38.46	Monthly	5.00%	ICRA	Standard Asset
Federal Bank TL 4.1	Term Loan	150.00	61.54	Monthly	5.00%	ICRA	Standard Asset

Federal Bank TL 4.2	Term Loan		16.15	Monthly	5.00%	ICRA	Standard Asset
Federal Bank TL 4.3	Term Loan		22.12	Monthly	5.00%	ICRA	Standard Asset
Federal Bank TL 4.4	Term Loan		23.08	Monthly	5.00%	ICRA	Standard Asset
HSBC Bank TL 6	Term Loan	100.00	9.52	Monthly	5.00%	CARE	Standard Asset
HSBC Bank TL 7.1	Term Loan	75.00	9.52	Monthly	5.00%	CARE	Standard Asset
HSBC Bank TL 7.2	Term Loan		10.00	Monthly	5.00%	CARE	Standard Asset
HSBC Bank TL 8	Term Loan	60.00	37.14	Monthly	5.00%	CARE	Standard Asset
HSBC Bank TL 9.1	Term Loan	150.00	47.62	Monthly	0.00%	CARE	Standard Asset
HSBC Bank TL 9.2	Term Loan	150.00	100.00	Monthly	0.00%	CARE	Standard Asset
HDFC TL -1.1	Term Loan	50.00	25.00	Monthly	0.00%	CARE	Standard Asset
ICICI Bank TL 11.1	Term Loan	200.00	-0.00	Monthly	5.00%	CRISIL	Standard Asset
ICICI Bank TL 11.2	Term Loan		6.82	Monthly	5.00%	CRISIL	Standard Asset
ICICI Bank TL 11.3	Term Loan		11.36	Monthly	5.00%	CRISIL	Standard Asset
ICICI Bank TL 11.4	Term Loan		16.36	Monthly	5.00%	CRISIL	Standard Asset
ICICI Bank TL 12.1	Term Loan	500.00	71.11	Monthly	5.00%	CRISIL	Standard Asset
ICICI Bank TL 12.2	Term Loan		16.67	Monthly	5.00%	CRISIL	Standard Asset
ICICI Bank TL 12.3	Term Loan		20.00	Monthly	5.00%	CRISIL	Standard Asset
ICICI Bank TL 12.4	Term Loan		20.00	Quarterly	5.00%	CRISIL	Standard Asset
ICICI Bank TL 12.5	Term Loan		28.00	Quarterly	5.00%	CRISIL	Standard Asset
ICICI Bank TL 12.6	Term Loan		44.44	Quarterly	5.00%	CRISIL	Standard Asset
ICICI Bank TL 12.7	Term Loan		44.44	Quarterly	0.00%	CRISIL	Standard Asset
ICICI Bank TL 12.8	Term Loan		100.00	Quarterly	0.00%	CRISIL	Standard Asset
ICICI Bank TL 12.9	Term Loan		40.00	Quarterly	0.00%	CRISIL	Standard Asset
IDBI TL 9	Term Loan	100.00	20.83	Monthly	5.00%	CARE	Standard Asset
IDBI TL 10	Term Loan	75.00	56.25	Monthly	5.00%	CARE	Standard Asset
IDBI TL 11.1	Term Loan	50.00	10.00	Monthly	0.00%	CARE	Standard Asset
IDFC Bank TL 3.1	Term Loan	100.00	-	Monthly	0.00%	ICRA	Standard Asset
IDFC Bank TL 3.2	Term Loan		10.71	Monthly	0.00%	ICRA	Standard Asset

IDFC Bank TL 4.1	Term Loan	250.00	25.00	Quarterly	0.00%	ICRA	Standard Asset
IDFC Bank TL 4.2	Term Loan		100.00	Quarterly	0.00%	ICRA	Standard Asset
IDFC Bank TL 5.1	Term Loan	125.00	37.50	Quarterly	0.00%	ICRA	Standard Asset
IDFC Bank TL 5.2	Term Loan		56.25	Quarterly	0.00%	ICRA	Standard Asset
Indian Bank TL 6	Term Loan	75.00	29.52	Monthly	5.00%	CARE	Standard Asset
Indian Bank TL 6	Term Loan			Monthly	5.00%	CARE	Standard Asset
Indian Bank TL 7.1(Agri)	Term Loan	50.00	40.00	Monthly	0.00%	CARE	Standard Asset
Indian Bank TL 7.2(Agri)	Term Loan			Monthly	0.00%	CARE	Standard Asset
Indian Bank TL 8.1(MSME)	Term Loan	50.00	25.00	Monthly	0.00%	CARE	Standard Asset
Indian overseas bank-5	Term Loan	50.00	29.17	Monthly	10.00%	ICRA	Standard Asset
J M Financials TL 1	Term Loan	100.00	56.93	Monthly	0.00%	CARE	Standard Asset
J M Financials TL 2.1	Term Loan	100.00	46.24	Monthly	0.00%	CARE	Standard Asset
J M Financials TL 2.2	Term Loan		48.15	Monthly	0.00%	CARE	Standard Asset
Karnataka Bank TL 2	Term Loan	40.00	34.95	Quarterly	0.00%	ICRA	Standard Asset
Kookmin TL 1.1	Term Loan	40.00	12.50	Quarterly	5.00%	CRISIL	Standard Asset
Kookmin TL 1.2	Term Loan		15.00	Quarterly	5.00%	CRISIL	Standard Asset
Kotak Mahindra Bank TL 6.1	Term Loan	250.00	3.12	Monthly	5.00%	ICRA	Standard Asset
Kotak Mahindra Bank TL 6.2	Term Loan		4.16	Monthly	5.00%	ICRA	Standard Asset
Kotak Mahindra Bank TL 6.3	Term Loan		4.17	Monthly	5.00%	ICRA	Standard Asset
Kotak Mahindra Bank TL 6.4	Term Loan		3.95	Monthly	5.00%	ICRA	Standard Asset
Kotak Mahindra Bank TL 6.5	Term Loan		10.69	Monthly	5.00%	ICRA	Standard Asset
Kotak Mahindra Bank TL 7.1	Term Loan	275.00	24.75	Monthly	5.00%	ICRA	Standard Asset
Kotak Mahindra Bank TL 7.2	Term Loan		7.50	Monthly	5.00%	ICRA	Standard Asset
Kotak Mahindra Bank TL 7.3	Term Loan		24.82	Monthly	5.00%	ICRA	Standard Asset
Kotak Mahindra Bank TL 7.4	Term Loan		31.25	Monthly	5.00%	ICRA	Standard Asset
Kotak Mahindra Bank TL 7.5	Term Loan		41.25	Monthly	5.00%	ICRA	Standard Asset
Kotak Mahindra Bank TL 7.6	Term Loan		27.19	Monthly	5.00%	ICRA	Standard Asset
Kotak Mahindra Bank TL 8.1	Term Loan	150.00	22.92	Monthly	0.00%	ICRA	Standard Asset

Kotak Mahindra Bank TL 8.2	Term Loan		44.00	Monthly	0.00%	ICRA	Standard Asset
Mahindra & Mahindra TL 3.1	Term Loan	100.00	13.55	Monthly	0.00%	CRISIL	Standard Asset
Mahindra & Mahindra TL 3.2	Term Loan		15.75	Monthly	0.00%	CRISIL	Standard Asset
MAS TL- 28A	Term Loan	5.00	1.67	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 28B	Term Loan	5.00	1.67	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 29A	Term Loan	5.00	1.67	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 29B	Term Loan	5.00	1.67	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 30A	Term Loan	5.00	1.67	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 30B	Term Loan	5.00	1.67	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 31A	Term Loan	5.00	1.67	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 31B	Term Loan	5.00	1.67	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 32A	Term Loan	5.00	1.67	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 32B	Term Loan	5.00	1.67	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 33A	Term Loan	7.00	1.75	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 33B	Term Loan		1.75	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 34A	Term Loan	7.00	1.75	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 34B	Term Loan		1.75	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 35A	Term Loan	7.00	1.75	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 35B	Term Loan		1.75	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 36A	Term Loan	7.00	1.75	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 36B	Term Loan		1.75	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 37A	Term Loan	7.00	1.75	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 37B	Term Loan		1.75	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 38A	Term Loan	5.00	2.71	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 38B	Term Loan	5.00	2.71	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 39A	Term Loan	5.00	2.71	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 39B	Term Loan	5.00	2.71	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 40A	Term Loan	5.00	2.71	Monthly	0.00%	ICRA	Standard Asset

MAS TL- 40B	Term Loan	5.00	2.71	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 41A	Term Loan	5.00	2.71	Monthly	0.00%	ICRA	Standard Asset
MAS TL- 41B	Term Loan	5.00	2.71	Monthly	0.00%	ICRA	Standard Asset
MUDRA TL 6.1	Term Loan	200.00	45.45	Monthly	10.00%	CRISIL	Standard Asset
MANAPPURAM FINANCE	Term Loan	40.00	19.03	Monthly	0.00%	ICRA	Standard Asset
NABARD TL 4	Term Loan	80.00	2.00	Half yearly	0.00%	CARE	Standard Asset
NABARD TL 5	Term Loan	100.00	7.50	Half yearly	0.00%	CARE	Standard Asset
NABARD TL 8	Term Loan	200.00	72.73	Quarterly	0.00%	CARE	Standard Asset
NABARD TL 9	Term Loan	300.00	218.18	Quarterly	5.00%	CARE	Standard Asset
Nabkisan TL 2.1	Term Loan	35.00	14.58	Quarterly	0.00%	CRISIL	Standard Asset
Nabkisan TL 2.2	Term Loan			Quarterly	0.00%	CRISIL	Standard Asset
Nabkisan TL 3	Term Loan	50.00	35.71	Quarterly	0.00%	CRISIL	Standard Asset
Nabsamruddhi TL 2 (Wash segement)	Term Loan	5.00	4.26	Monthly	5.00%	CRISIL	Standard Asset
Nabsamruddhi TL 3 (MFI Segement)	Term Loan	29.50	25.16	Monthly	5.00%	CRISIL	Standard Asset
Odisha Gramya Bank TL 1	Term Loan	250.00	242.35	Monthly	0.00%	CRISIL	Standard Asset
Piramal TL 1.1	Term Loan	50.00	2.86	Monthly	0.00%	CRISIL	Standard Asset
Piramal TL 1.2	Term Loan		5.71	Monthly	0.00%	CRISIL	Standard Asset
Piramal TL 2	Term Loan	70.00	53.33	Monthly	0.00%	CRISIL	Standard Asset
RBL Bank (TL-12.1)	Term Loan	160.00	-	Quarterly	5.00%	CRISIL	Standard Asset
RBL Bank (TL-12.2)	Term Loan		7.50	Quarterly	5.00%	CRISIL	Standard Asset
RBL Bank (TL-13.1)	Term Loan	150.00	18.75	Quarterly	5.00%	CRISIL	Standard Asset
RBL Bank (TL-13.2)	Term Loan		29.38	Quarterly	5.00%	CRISIL	Standard Asset
RBL Bank (TL-13.3)	Term Loan		36.40	Quarterly	5.00%	CRISIL	Standard Asset
RBL Bank (TL-13.4)	Term Loan		9.10	Quarterly	5.00%	CRISIL	Standard Asset
SBI TL- 4	Term Loan	100.00	32.76	Quarterly	10.00%	ICRA	Standard Asset
SBI TL- 5.1	Term Loan	300.00	70.35	Quarterly	5.00%	ICRA	Standard Asset
SBI TL- 5.2	Term Loan		162.50	Quarterly	5.00%	ICRA	Standard Asset

SBM TL 4.1 (State Bank of Mauritius)	Term Loan	35.00	2.50	Monthly	5.00%	CARE	Standard Asset
SBM TL 4.2 (State Bank of Mauritius)	Term Loan		4.17	Monthly	5.00%	CARE	Standard Asset
SBM TL 5.1 (State Bank of Mauritius)	Term Loan	15.00	1.66	Monthly	5.00%	CARE	Standard Asset
SBM TL 5.2 (State Bank of Mauritius)	Term Loan		3.75	Monthly	5.00%	CARE	Standard Asset
SBM TL 6.1 (State Bank of Mauritius)	Term Loan	25.00	4.58	Monthly	0.00%	CARE	Standard Asset
SBM TL 6.2 (State Bank of Mauritius)	Term Loan		19.17	Monthly	0.00%	CARE	Standard Asset
SBM TL 7.1(State Bank of Mauritius)	Term Loan	40.00	5.00	Monthly	0.00%	CARE	Standard Asset
SIDBI TL 10	Term Loan	300.00	250.00	Monthly	5.00%	CARE	Standard Asset
Standard Chartered TL 1.42	Term Loan	171.00	64.13	Quarterly	5.00%	CRISIL	Standard Asset
Standard Chartered TL 1.46	Term Loan		10.69	Quarterly	5.00%	CRISIL	Standard Asset
Standard Chartered TL 1.47	Term Loan		13.36	Quarterly	5.00%	CRISIL	Standard Asset
Standard Chartered TL 1.49	Term Loan		19.50	Quarterly	5.00%	CRISIL	Standard Asset
Standard Chartered TL 1.51	Term Loan		8.75	Quarterly	5.00%	CRISIL	Standard Asset
Standard Chartered TL 1.52	Term Loan		20.43	Quarterly	5.00%	CRISIL	Standard Asset
Standard Chartered TL 1.48	Term Loan	155.00	86.88	Quarterly	5.00%	CRISIL	Standard Asset
Standard Chartered TL 1.50	Term Loan		12.00	Quarterly	5.00%	CRISIL	Standard Asset
Standard Chartered TL 1.53	Term Loan		32.16	Quarterly	5.00%	CRISIL	Standard Asset
Tata Capital TL-1	Term Loan	50.00	20.37	Monthly	0.00%	ICRA	Standard Asset
UCO Bank - 10	Term Loan	50.00	23.12	Monthly	10.00%	CRISIL	Standard Asset
UCO Bank - 11	Term Loan	50.00	31.51	Monthly	10.00%	CRISIL	Standard Asset

UCO Bank - 12	Term Loan	100.00	17.17	Monthly	0.00%	CRISIL	Standard Asset
UCO Bank - 12	Term Loan		30.00	Monthly	0.00%	CRISIL	Standard Asset
UCO Bank - 12	Term Loan		50.00	Monthly	0.00%	CRISIL	Standard Asset
Union Bank TL 3	Term Loan	50.00	36.36	Quarterly	5.00%	ICRA	Standard Asset
Woori Bank TL 4	Term Loan	30.00	2.50	Monthly	5.00%	CRISIL	Standard Asset
Woori Bank TL 5	Term Loan	40.00	15.00	Monthly	5.00%	CRISIL	Standard Asset
Woori Bank TL 6	Term Loan	35.00	24.35	Monthly	0.00%	CRISIL	Standard Asset
Yes Bank TL 6.1	Term Loan	125.00	18.23	Monthly	5.00%	ICRA	Standard Asset
Yes Bank TL 6.2	Term Loan		23.44	Monthly	5.00%	ICRA	Standard Asset
Yes Bank TL 7.1	Term Loan	150.00	25.00	Monthly		ICRA	Standard Asset
Blue orchard(MIFA) (ECB) Loan-1	ECB	32.96	32.96	Bullet Repayment	0.00%	-	Standard Asset
Blue orchard(ECB) Loan-1	ECB	56.53	56.53	Bullet Repayment	0.00%	-	Standard Asset
Frankfurt School Financial Services (ECB)	ECB	41.10	41.10	Bullet Repayment	0.00%	-	Standard Asset
Frankfurt School Financial Services (ECB) 2	ECB	41.52	41.52	Bullet Repayment	0.00%	-	Standard Asset
Microvest 2 (ECB)	ECB	82.40	82.40	Bullet Repayment	0.00%	-	Standard Asset
OeEB (ECB) (Senior Secured)	ECB	126.90	95.18	Semi Annually	0.00%	-	Standard Asset
Proparco (ECB)	ECB	113.37	48.59	Semi Annually	0.00%	-	Standard Asset
ResponsAbility 2 (ECB)	ECB	44.19	44.19	Bullet Repayment	0.00%	-	Standard Asset
NCD-Asian Development Bank	NCD	69.50	13.90	Semi Annually	0.00%	-	Standard Asset
NCD-Blue Orchard-7 (COVID-19 EFM MSME)	NCD	40.00	40.00	Bullet Repayment	0.00%	-	Standard Asset
NCD-Blue Orchard-8 (MEF)	NCD	37.00	37.00	Bullet Repayment	0.00%	-	Standard Asset
NCD-Blue Orchard-9	NCD	46.00	46.00	Bullet Repayment	0.00%	ICRA (A-Stable)	Standard Asset
NCD-CDC 1	NCD	60.00	51.00	Part Redemption	0.00%	CARE (A (CE))	Standard Asset
NCD-Global Access Fund LP 1 (Senior Debt)	NCD	7.50	7.50	Bullet Repayment	0.00%	-	Standard Asset

NCD-Symboitics 9 (AAV SRL and Masala Investments 9)	NCD	63.30	63.30	Bullet Repayment	0.00%	ICRA (A-Stable)	Standard Asset
NCD-Symboitics 11 (AAV SRL and Masala Investments 11)	NCD	46.87	46.87	Bullet Repayment	0.00%	ICRA (A-Stable)	Standard Asset
NCD-Symboitics 13 (AAV SRL and Masala Investments 13)	NCD	53.82	53.82	Bullet Repayment	0.00%	-	Standard Asset
NCD-Triodos Investment Mgmt. 4	NCD	50.00	50.00	Bullet Repayment	0.00%	CARE (A-Stable)	Standard Asset
NCD-Triple Jump 4 (Senior Debt)	NCD	22.00	22.00	Bullet Repayment	0.00%	CARE (A-Stable)	Standard Asset
NCD-ResponsAbility 2 (Karvy)	NCD	30.00	15.00	Bullet Repayment	0.00%	CRISIL (A-Stable)	Standard Asset
NCD-Northern Arc (Senior)	NCD	35.00	35.00	Bullet Repayment	0.00%	PP-MLD ICRA (A-Stable)	Standard Asset
NCD-Northern Arc- II Sundaram	NCD	25.00	21.88	Quarterly	0.00%	-	Standard Asset
NCD- Sundaram Finance	NCD	25.00	21.88	Quarterly	0.00%	-	Standard Asset
Total		10,205.46	5,663.71				

(b) ***Details of outstanding unsecured loan facilities as at the end of the last quarter, i.e., December 31, 2023**:***

**The information set out in this sub-paragraph (b) has been disclosed as of December 31, 2023, as this information is prepared by the Issuer together with the financial results/statements of the Issuer. In view of this, the latest information is available only up to December 31, 2023. The information as on March 31, 2024 will be provided by the Issuer to BSE in accordance with, and within the time period prescribed under, the LODR Regulations.

Name of lender	Type of Facility	Amount Sanctioned (in Rs Cr)	Principal Amount outstanding (in Rs Cr)	Repayment Date / Schedule	Credit Rating, if applicable
Finnfund (ECB)	ECB	117.30	29.33	Semi Annually	------
ResponsAbility 3 (ECB)	ECB	122.95	122.95	Semi Annually	
NCD-Global Access Fund LP 1 (Sub Debt)	Sub-Debt	44.90	44.90	Bullet Repayment	
NCD-Karvy (Sub Debt)	Sub-Debt	30.00	30.00	Bullet Repayment	CRISIL (A-Stable)
NCD-Karvy 3 (Sub Debt)	Sub-Debt	20.00	20.00	Bullet Repayment	
NCD-Phillip Services India Pvt Ltd 1 (Sub Debt)	Sub-Debt	60.00	60.00	Bullet Repayment	

NCD-Phillip Services India Pvt Ltd 2 (Sub Debt)	Sub-Debt	60.00	60.00	Bullet Repayment	
NCD-Phillip Services India Pvt Ltd 3 (Sub Debt)	Sub-Debt	100.00	100.00	Bullet Repayment	
NCD-Symboitics 5 (AAV SRL and Masala Investments 5) (Sub Debt)	Sub-Debt	39.60	39.60	Bullet Repayment	CARE (A-Stable)
NCD-Symboitics 7 (AAV SRL and Masala Investments 7) (Sub Debt)	Sub-Debt	71.25	71.25	Bullet Repayment	CARE (A-Stable)
NCD-Symboitics 10 (AAV SRL and Masala Investments 10) (Unsecured)	NCD	40.76	40.76	Bullet Repayment	ICRA (A-Stable)
NCD-Symboitics 12 (AAV SRL and Masala Investments 12)	NCD	37.26	37.26	Bullet Repayment	
NCD-Triodos Investment Mgmt. 3 (Sub Debt)	Sub-Debt	34.00	34.00	Bullet Repayment	CARE (A-Stable)
NCD-Triple Jump 3 (TJ & RespA)(Unsecured)	NCD	35.00	35.00	Bullet Repayment	CRISIL (A-Stable)
NCD-ResponsAbility 3 (TJ & RespA)(Unsecured)	NCD	35.00	35.00	Bullet Repayment	CRISIL (A-Stable)
NCD-ResponsAbility 5(Unsecured)	NCD	30.00	30.00	Bullet Repayment	CARE (A-Stable)
NCD-Northern Arc 2(Unsecured)	NCD	60.00	22.50	Quarterly	ICRA (A-Stable)
NCD-Vivriti Capital 1 (Sub Debt)	Sub-Debt	15.00	15.00	Bullet Repayment	CARE (A-Stable)
Total		**953.02**	**827.54**		

(c) ***Details of outstanding non-convertible securities as at the end of the last quarter, i.e., December 31, 2023, in the following format****:

**The information set out in this sub-paragraph (c) has been disclosed as of December 31, 2023, as this information is prepared by the Issuer together with the financial results/statements of the Issuer. In view of this, the latest information is available only up to December 31, 2023. The information as on March 31, 2024 will be provided by the Issuer to BSE in accordance with, and within the time period prescribed under, the LODR Regulations.

Series of Non-Convertible Securities	ISIN	Tenor / Period of Maturity (in months)	Coupon	Amount outstanding (in Rs Cr)	Date of allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
NCD-Asian Development Bank	INE515Q07269	60	9.68%	13.90	12-07-2019	12-07-2024	-	Secured	110%
NCD-Blue Orchard-7 (COVID-19 EFM MSME)	INE515Q07533	60	14.60%	40.00	09-07-2021	09-07-2026	CARE A- (Positive)	Secured	105%
NCD-Blue Orchard-8 (MEF)	INE515Q07525	60	14.33%	37.00	13-07-2021	13-07-2026	CARE A- (Positive)	Secured	105%
NCD-Blue Orchard-9	INE515Q07590	60	14.01%	46.00	19-10-2022	19-10-2027	ICRA (A-Stable)	Secured	105%
NCD-CDC 1	INE515Q07491	48	12.56%	51.00	30-03-2021	30-03-2025	CARE (A (CE))	Secured	110%
NCD-Global Access Fund LP 1 (Senior Debt)	INE515Q07509	72	11.87%	7.50	23-04-2021	23-04-2027	-	Secured	100%

NCD-Global Access Fund LP 1 (Sub Debt)	INE515Q07558	72	12.69%	44.90	23-04-2021	23-04-2027	-	Unsecured	0%
NCD-Karvy (Sub Debt)	INE515Q08093	84	12.87%	30.00	02-05-2019	02-05-2026	CRISIL A-{STABLE}	Unsecured	0%
NCD-Karvy 3 (Sub Debt)	INE515Q08218	65	13.10%	20.00	29-03-2023	29-08-2028	ICRA A-(Stable)	Unsecured	0%
NCD-Phillip Services India Pvt Ltd 1 (Sub Debt)	INE515Q08226	68, 24 days	12.40%	60.00	31-07-2023	31-03-2029	ICRA A-(Stable)	Unsecured	0%
NCD-Phillip Services India Pvt Ltd 2 (Sub Debt)	INE515Q08226	68	12.40%	60.00	24-08-2023	24-04-2029	ICRA A-(Stable)	Unsecured	0%
NCD-Phillip Services India Pvt Ltd 3 (Sub Debt)	INE515Q08242	69	12.25%	100.00	07-12-2023	07-09-2029	ICRA A-(Stable)	Unsecured	0%
NCD-Symboitics 5 (AAV SRL and Masala Investments 5) (Sub Debt)	INE515Q08101	84	13.66%	39.60	24-03-2020	24-03-2027	CARE A-(Positive)	Unsecured	0%
NCD-Symboitics 7 (AAV SRL and Masala Investments 7) (Sub Debt)	INE515Q08135	85	12.91%	71.25	18-01-2021	18-02-2028	CARE A-(Positive)	Unsecured	0%
NCD-Symboitics 9 (AAV SRL and Masala Investments 9)	INE515Q07558	60	11.87%	63.30	20-12-2021	20-12-2026	ICRA A-Stable	Secured	100%
NCD-Symboitics 10 (AAV SRL and Masala Investments 10)(Unsecured)	INE515Q08200	44, 4Days	10.50%	40.76	04-11-2022	04-07-2026	ICRA A-(Stable)	Unsecured	0%
NCD-Symboitics 11 (AAV SRL and Masala Investments 11)	INE515Q07608	60	11.45%	46.87	04-11-2022	04-11-2027	ICRA A-(Stable)	Secured	100%
NCD-Symboitics 12 (AAV SRL and Masala Investments 12)	INE515Q08234	48	11.90%	37.26	13-09-2023	13-09-2027	ICRA A-(Stable)	Unsecured	0%
NCD-Symboitics 13 (AAV SRL and Masala Investments 13)	INE515Q07624	72	12.00%	53.82	02-11-2023	02-11-2029	ICRA A-(Stable)	Secured	100%
NCD-Triodos Investment Mgmt. 3 (Sub Debt)	INE515Q08127	61	14.59%	34.00	31-03-2020	30-04-2025	CARE A-(Positive)	Unsecured	0%
NCD-Triodos Investment Mgmt. 4	INE515Q07566	72	14.52%	50.00	07-07-2022	07-07-2028	CARE A-(Positive)	Secured	100%
NCD-Triple Jump 3 (TJ & RespA)(Unsecured)	INE515Q08176	72	12.38%	35.00	20-03-2019	20-03-2025	CRISIL A-{STABLE}	Unsecured	0%
NCD-ResponsAbility 3 (TJ & RespA)(Unsecured)	INE515Q08177	72	12.72%	35.00	20-03-2019	20-03-2025	CRISIL A-{STABLE}	Unsecured	0%
NCD-Triple Jump 4 (Senior Debt)	INE515Q07574	36	13.88%	22.00	29-07-2022	29-07-2025	ICRA A-(Stable)	Secured	100%
NCD-ResponsAbility 2 (Karvy)	INE515Q07228	84	12.50%	15.00	19-12-2018	19-12-2025	CRISIL A-{STABLE}	Secured	110%
NCD-ResponsAbility 5(Unsecured)	INE515Q08168	72	12.43%	30.00	24-12-2021	24-12-2027	CARE A-(Positive)	Unsecured	0%

NCD-Northern Arc 2(Unsecured)	INE515Q08192	24	12.20%	22.50	26-09-2022	26-09-2024	ICRA A- (Stable)	Unsecured	0%
NCD-Northern Arc (Senior)	INE515Q07582	37, 4Days	11.50%	35.00	27-09-2022	27-10-2025	PP-MLD ICRA A- (Stable)	Secured	110%
NCD-Northern Arc-II Sundaram	INE515Q07616	24	11.50%	21.88	25-09-2023	25-09-2025	CARE A- (Positive)	Secured	110%
NCD- Sundaram Finance	INE515Q07617	24	11.50%	21.88	25-09-2023	25-09-2025	CARE A- (Positive)	Secured	110%
NCD-Vivriti Capital 1 (Sub Debt)	INE515Q08119	74	14.50%	15.00	27-03-2020	27-05-2026	CARE A- (Positive)	Unsecured	0%
Total				**1,200.41**					

(d) ***Details of commercial paper issuances as at the end of the last quarter, i.e., March 31, 2024, in the following format:***

SERIES OF NCS	ISIN	TENOR / PERIOD OF MATURITY	COUPON	AMOUNT OUTSTANDING (IN INR)	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
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

(e) ***List of top ten holders of non-convertible securities in terms of value (in cumulative basis) as the end of the last quarter, i.e., December 31, 2023**:***

**The information set out in this sub-paragraph (e) has been disclosed as of December 31, 2023, as this information is prepared by the Issuer together with the financial results/statements of the Issuer. In view of this, the latest information is available only up to December 31, 2023. The information as on March 31, 2024 will be provided by the Issuer to BSE in accordance with, and within the time period prescribed under, the LODR Regulations.

NAME OF HOLDERS OF NON-CONVERTIBLE SECURITIES	CATEGORY OF HOLDER	FACE VALUE OF HOLDING	AMOUNT (IN RS CR)	PERCENTAGE (%) OF TOTAL NON-CONVERTIBLE SECURITIES OUTSTANDING
NCD-Symboitics	Foreign	NA	352.86	29.40%
NCD-Phillip Services India Pvt Ltd (Sub Debt)	Domestic	1,00,000.00	220.00	18.33%
NCD-Blue Orchard	Foreign	10,00,000.00	123.00	10.25%
NCD-Triodos	Foreign	10,00,000.00	84.00	7.00%
NCD- KARVY (Sub-Debt)	Domestic (Non QIB)	NA	65.00	5.41%

NCD- ResponsAbility	Foreign	10,00,000.00	65.00	5.41%
NCD- IFMR Capital/ Northern Arc	Domestic (QIB)	NA	57.50	4.79%
NCD Triple Jump	Foreign	10,00,000.00	57.00	4.75%
NCD-Global Access Fund LP	Foreign	10,00,000.00	52.40	4.37%
NCD-CDC	Foreign	8,50,000.00	51.00	4.25%
TOTAL (A)			**1127.76**	**93.95%**

(f) ***List of top ten holders of Commercial paper in terms of value (in cumulative basis) as the end of the last quarter, i.e., March 31, 2024:***

SR. NO.	NAME OF HOLDER	CATEGORY OF HOLDER	FACE VALUE OF HOLDING	HOLDING AS A % OF TOTAL COMMERCIAL PAPER OUTSTANDING OF THE ISSUER
1.	NA	NA	NA	NA
2.	NA	NA	NA	NA
3.	NA	NA	NA	NA

(g) ***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 the end of the last quarter, i.e., March 31, 2024:***

NAME OF PARTY (IN CASE OF FACILITY)/ NAME OF INSTRUMENT	TYPE OF FACILITY / INSTRUMENT	AMOUNT SANCTIONED/ ISSUED	PRINCIPAL AMOUNT OUTSTANDING	DATE OF REPAYMENT/ SCHEDULE	CREDIT RATING	SECURED / UNSECURED	SECURITY
NA	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

5.15 **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.**

Please refer Section 5.15 of the General Information Document for the details of the corporate guarantee or letter of comfort issued by the Issuer.

5.15A **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:**

- **in whole or part,**
- **at a premium or discount, or**
- **in pursuance of an option or not.**

Please refer Section 5.15 of the General Information Document for the details of any outstanding borrowings taken/ debt securities issued for consideration other than cash.

5.16 **Where the Issuer is a non-banking finance company or housing finance company, the required disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:**

Please refer to Section 10 below.

5.17 **Details of all default/s 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:**

NIL. There are no defaults and/or delays in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness for the financial year ended March 31, 2024 and the current financial year.

Please also refer Section 5.17 of the General Information Document for the details of all default/s 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 for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023.

5.18 **Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper.**

Please refer Section 5.18 of the General Information Document for the details of the material event/development or change on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.).

5.19 **Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the company:**

Please refer Section 5.19 of the General Information Document for the details of the any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the Key Information Document against the promoter of the Issuer.

5.20 **Details of default and non-payment of statutory dues for the preceding three financial years and current financial year:**

Please refer Section 5.20 of the General Information Document for the details of default and non-payment of statutory dues for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023. There are no additional disclosures for the financial year ended March 31, 2024 and the current financial year.

5.21 **Details of pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares**

Please refer Section 5.21 of the General Information Document for the details of the relevant pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person.

5.22 **Details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the issuer**

Please refer Section 5.22 of the General Information Document for the details of acts of material frauds committed against the issuer in the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023. There are no additional details for the financial year ended March 31, 2024 and the current financial year.

5.23 **Details of pending proceedings initiated against the issuer for economic offences, if any**

Please refer Section 5.23 of the General Information Document for the details of the pending proceedings initiated against the issuer for economic offences, if any.

5.24 **Related party transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided**

Please refer Section 5.24 of the General Information Document for the details of related party transactions entered for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023. The financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI. As the current financial year has just commenced, the required details for the current financial year will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

5.25 **In case the issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:**

S. NO.	NAME OF THE BORROWER (A)	AMOUNT OF ADVANCES /EXPOSURES TO SUCH BORROWER (GROUP) (RS. CRORE) (B)	PERCENTAGE OF EXPOSURE (C)= B/TOTAL ASSETS UNDER MANAGEMENT
Not Applicable.			

5.26 **In order to allow investors to better assess the issue, the following additional disclosures shall be made by the issuer in the issue documents: (i) A portfolio summary with regards to industries/ sectors to which borrowings have been granted by NBFCs. (ii) Quantum and percentage of secured vis-à-vis unsecured borrowings granted by NBFCs. (iii) Any change in promoters' holdings in NBFCs during the preceding financial year beyond the threshold specified by the Reserve Bank of India from time to time.**

Please refer Section 5.26 of the General Information Document.

Further, there has been no change in promoters' holding in the Issuer during the financial year 2023-2024, beyond the threshold specified by the Reserve Bank of India from time to time.

5.27 **Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**

PARTICULARS	REFERENCING
Directors	Please refer Annexure VII in respect of the resolutions passed at the meeting of the board of directors of the Issuer and at the meeting of executive committee of the board of directors of the Issuer.
Auditors	Not applicable as no auditor is proposed to be mandated for any private placement of Debentures pursuant to this

	General Information Document and any Key Information Document issued pursuant thereto.
Bankers to issue	Not applicable as no banker is proposed to be mandated for any private placement of Debentures pursuant to this General Information Document and any Key Information Document issued pursuant thereto.
Trustees	The consent letter from Debenture Trustee is provided in Annexure II of this Key Information Document.
Solicitors /Advocates	Not applicable.
Legal Advisors	Not applicable.
Lead Manager	Not applicable as no lead manager is proposed to be mandated for any private placement of Debentures pursuant to this General Information Document and any Key Information Document issued pursuant thereto.
Registrar	The consent letter from the Registrar is provided in Annexure II of this Key Information Document.
Lenders of the Issuer	Not applicable. The Issuer believes that as any private placement of Debentures pursuant to the General Information Document and the Key Information Document issued pursuant thereto would fall within the purview of fund raising in the ordinary course of business of the Issuer.
Experts	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, and as no statements or confirmations from any experts are being obtained in respect of this issue of Debentures, the Issuer believes that no specific consent from the lenders of the Issuer is required.

5.28 **The name(s) of the debentures trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with copy of the consent letter from the debenture trustee.**

The Debenture Trustee of the proposed Debentures is Catalyst Trusteeship Limited. Catalyst Trusteeship Limited has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Key Information Document and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in Annexure II of this Key Information Document.

5.29 **If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain the detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the issue document.**

Not Applicable.

5.30 **Disclosure of cash flow with date of interest/dividend/ redemption payment as per day count convention**

(a) ***The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made***: Actual / Actual. Please also refer to the sub-section named "*Business Day Convention*" under Section 5.34 of this Key Information Document.

(b) ***Procedure and time schedule for allotment and issue of securities***: Please refer Section 8 of this Key Information Document.

(c) ***Cash flows emanating from the non-convertible securities shall be mentioned in the Key Information Document, by way of an illustration***: The cashflows emanating from the Debentures, by way of an illustration, are set out under Annexure IV (*Illustration of Bond Cashflows*) of this Key Information Document.

5.30A **Undertaking by the Issuer**: Please refer Section 9 below.

5.30B **Risk Factors**: Please refer Section 3.

5.30C **Attestation by Directors**: Please refer Section 9.2 of the General Information Document.

5.31 **Other details:**

(a) ***Creation of Debenture Redemption Reserve (DRR) / Capital Redemption Reserve (CRR) - relevant legislations and applicability***: Please refer Section 5.31(a) of the General Information Document for the details in respect of the creation of DRR.

(b) *Issue / instrument specific regulations - relevant details (Companies Act, Reserve Bank of India guidelines etc.)*: The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the relevant notified rules thereunder, the SEBI Debt Listing Regulations, the LODR Regulations, the Debenture Trustees Regulations, the SEBI Listed Debentures Circulars, and other RBI guidelines and SEBI guidelines applicable to issuance of non-convertible debentures by NBFCs on a private placement basis.

(c) *Default in payment***:** Please refer to the sub-section named "*Default Interest Rate*" and "*Additional Disclosures (Default in Payment)*" of Section 5.34 (*Summary Terms*) in respect of the additional interest in the event of a default in payment, and Section 7.6.2(a) in respect of the event of default in the event of a default in payment.

(d) *Delay in listing***:** Please refer the sub-section named "*Listing (name of stock Exchange(s) where it will be listed and timeline for listing)*" of Section 5.34 (*Summary Terms*) in relation to the listing requirements in respect of the Debentures and sub-section named "*Additional Disclosures (Delay in Listing)*" of Section 5.34 (*Summary Terms*) in respect of the default interest in the event of delay in listing.

(e) ***Delay in allotment of securities***:

(i) The Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.

(ii) The Debentures shall be deemed to be allotted to the Debenture Holders on the Deemed Date of Allotment. All benefits relating to the Debentures are available to the Debenture Holders from the Deemed Date of Allotment.

(iii) If the Issuer fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").

(iv) If the Issuer fails to repay the Application Money within the Repayment Period, then Issuer shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum, gross of withholding taxes, from the expiry of the Allotment Period.

(f) ***Issue details***: Please refer to Section 5.34 (*Summary Terms)* of this Key Information Document.

(g) ***Application process***: The application process for the Issue is as provided in Section 8 of this Key Information Document.

(h) ***Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any*****:** The PPOA prepared in accordance with the Form PAS 4 prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014 is provided in Annexure XI. Please refer Annexure XI for all disclosures required under the Companies (Prospectus and Allotment of Securities) Rules, 2014.

(i) ***Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project***: Not applicable.

5.9 **Other matters and reports**:

(a) **If the proceeds, or any part of the proceeds, of the issue of the debt securities are or is to be applied directly or indirectly:**

(i) in the purchase of any business; or

(ii) in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith

the company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the issue document) upon -

(A) **the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the issue document; and**

(B) **the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the issue document.**

Not Applicable. The proceeds from the issue of Debentures will be utilised in accordance with the Purpose (as set out in Section 5.34 below).

(b) **In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding**

(i) the names, addresses, descriptions and occupations of the vendors;

(ii) the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;

(iii) the nature of the title or interest in such property proposed to be acquired by the company; and

(iv) the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the

transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:

Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location/total area and the number of vendors from whom it is being acquired and the aggregate value being paid. Details of minimum amount, the maximum amount and the average amount paid/ payable should also be disclosed for each immovable property

Not Applicable. The proceeds from the issue of Debentures will be utilised in accordance with the Purpose (as set out in Section 5.34 below).

(c) **If:**

(i) the proceeds, or any part of the proceeds, of the issue of the debt securities are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and -

(ii) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon –

A. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and

B. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.

Not Applicable. The proceeds from the issue of Debentures will be utilised in accordance with the Purpose (as set out in Section 5.34 below).

(d) **The said report shall:**

(i) indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and

(ii) where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in Section 5.32(c)(ii) above.

Not applicable.

(e) **The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default shall be disclosed**.

Please refer Section 10 below for the broad lending policy of the Issuer.

Please refer Annexure XIII below for the broad borrowing policy of the Issuer.

(f) **The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within six months immediately preceding the date of filing the issue document with the Registrar of Companies are as follows**.

Please refer Section 5.32(f) of the General Information Document for details of the aggregate number of securities of the issuer company and its subsidiary companies purchased or sold.

(g) **The matters relating to: (i) Material contracts; (ii) Time and place at which the contracts together with documents will be available for inspection from the date of issue document until the date of closing of subscription list**

The following contracts, not being contracts entered into in the ordinary course of business carried on by the Issuer or entered into more than 2 (two) years before the date of this Key Information Document which are or may be deemed material have been entered into by the Issuer.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the registered office of the Issuer between on 10.00 am to 4.00 pm Business Days.

S. No.	Nature of Contract
1.	Certified true copy of the memorandum of association, the articles of association, and the certificate of incorporation of the Issuer.
2.	Board Resolution dated November 8, 2023 read together with the resolution dated April 15, 2024 of the executive committee of the board of directors of the Company authorizing the issue of Debentures offered under the terms of this Disclosure Document.
3.	Resolution dated September 25, 2023 of the shareholders of the Issuer under Section 42 of the Companies Act.
4.	Resolution dated September 25, 2023 of the shareholders of the Issuer under Section 180(1)(c) of the Companies Act.
5.	Annual reports of the Issuer for the last 3 (three) Financial Years.
6.	Credit rating letter, the rating rationale and the press release from the Rating Agency.
7.	Letter from Catalyst Trusteeship Limited having reference no. CL/DEB/24-25/32 and dated April 09, 2024 giving its consent to act as Debenture Trustee.
8.	Letter from NSDL Database Management Limited dated April 09, 2024 giving its consent to act as Register and Transfer Agent.
9.	The tripartite agreement(s) executed between the Issuer, the Registrar and the relevant Depositories.
10.	The application made to BSE for grant of in-principle approval for listing of Debentures, and the in-principle approval provided by the BSE in respect of the listing of the Debentures.
11.	The due diligence certificate(s) issued by the Debenture Trustee pursuant to the SEBI Debenture Trustees Master Circular and the other SEBI Listed Debentures Circulars.
12.	The Transaction Documents (including the Debt Disclosure Documents).

(h) **Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document**.

Please refer Section 5.32(h) of the General Information Document.

The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

(i) **The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of issue document, and of their impact on the financial statements and financial position of the company, and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks**.

Please refer Section 5.32(i) of the General Information Document for the summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of issue document.

The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE in accordance with the LODR Regulations and any other directions of SEBI.

(j) **The details of:**

- **any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law;**
- **prosecutions filed, if any (whether pending or not); and**
- **fines imposed or offences compounded,**

  in the three years immediately preceding the year of issue of issue document in the case of the issuer being a company and all of its subsidiaries.

Please refer Section 5.32(j) of the General Information Document.

(k) **The details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and actions taken by the issuer**

Please refer Section 5.32(k) of the General Information Document for the details of acts of material frauds committed against the issuer in the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023. There are no additional disclosures for the financial year ended March 31, 2024 and the current financial year.

5.32 **Utilization of the Issue Proceeds**

Please refer the sub-section on "*Details of the utilization of the Proceeds*" under Section 5.34 (*Summary Terms)* of this Key Information Document.

5.10 **Summary Terms**

Security Name (Name of the non-convertible securities which includes	12% AFPL 2030

(Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	
Issuer	Annapurna Finance Private Limited
Type of Instrument	Non-Convertible Debentures
Nature of Instrument (Secured or Unsecured)	Rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid up, non-convertible debentures
Seniority (Senior or Subordinated)	Subordinated
Eligible Investors	As specified in Section 8.7 (*Eligible Investors*).
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	(a) The Issuer shall submit all duly completed documents to the BSE, SEBI, the jurisdictional registrar of companies or any other Governmental Authority, as are required under Applicable Law and obtain the listing of the Debentures within the timelines prescribed under the SEBI Listing Timelines Requirements ("**Listing Period**"). (b) The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE. (c) The Issuer shall ensure that the Debentures at all times are rated in accordance with the provisions of the Transaction Documents and that the rating of the Debentures is not withdrawn until the Final Settlement Date. (d) In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will, pursuant to the requirements prescribed under Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the Listed NCDs Master Circular, pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the Deemed Date of Allotment until the listing of the Debentures is completed.
Rating of the Instrument	"CARE A- POSITIVE" by CARE Ratings Limited
Issue Size	INR 100,00,00,000 (Indian Rupees One Hundred Crore) inclusive of a Green Shoe Option of INR 50,00,00,000 (Indian Rupees Fifty Crore). Pursuant to this Key Information Document, the addressee of this Key Information Document has the option to subscribe to up to 5,000 (five thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore) ("**Green Shoe Option**").)
Minimum Subscription	Minimum application shall not be less than INR 1,00,00,000 (Indian Rupees One Crore) (being 100 (one hundred) Debentures) and in multiples of 1 (one) Debenture thereafter.
Option to retain oversubscription (Amount)	Not Applicable. However, pursuant to this Key Information Document, the addressee of this Key Information Document has the option to subscribe to up to 5,000 (five thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having face value of INR 1,00,000 (Indian Rupees One

	Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore).
Objects of the Issue / Purpose for which there is requirement of funds	(a) The funds raised by the Issue shall be utilized by the Issuer for ("**Purpose**"): (i) the general corporate purposes of the Issuer; (ii) utilization in the ordinary course of business of the Issuer (including repayment/re-financing of any existing Financial Indebtedness of the Issuer); (iii) the purposes of deployment in the business of the Issuer, and the growth of the asset book of the Issuer; and/or (iv) augmenting the Issuer's Tier 2 capital. The amount equivalent to 100% of the funds raised by the Issue will be utilized towards the Purpose. The Issuer has not, as of the date of this Key Information Document, determined the specific allocation between the objects set out above. (b) Without prejudice to paragraph (a) above, the Issuer shall not use the proceeds of the Issue towards: (i) capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market activities), whether directly or indirectly; (ii) any speculative purposes, and/or any other purpose that is specifically restricted by the RBI and/or any other Governmental Authority; (iii) land acquisition, any real estate business and/or purchase of land. The expression "real estate business" has the meaning given to it in the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (as amended from time to time); (iv) providing/extending any loans to, or making any inter-corporate deposits with any associate company (as defined in the Companies Act), or any subsidiary (as defined in the Companies Act); (v) entering into any bill discounting facility; (vi) the repayment of any loans/financial indebtedness availed by the Issuer from any of the directors and/or the promoters (as defined in the Companies Act) of the Issuer; and/or (vii) in contravention of any Applicable Law (including but not limited to the NBFC Directions and the guidelines, rules or regulations of the RBI applicable to non-banking financial companies). PROVIDED HOWEVER THAT until the funds raised by the

	Issue are utilised by the Issuer in accordance with the Purpose, the Issuer shall be entitled to temporarily invest the funds raised by the Issue in overnight and/or liquid schemes of mutual funds and/or deposits held with scheduled commercial banks.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	N. A
Details of the utilization of the Proceeds	(a) The funds raised by the Issue shall be utilized by the Issuer for: (i) the general corporate purposes of the Issuer; (ii) utilization in the ordinary course of business of the Issuer (including repayment/re-financing of any existing Financial Indebtedness of the Issuer); (iii) the purposes of deployment in the business of the Issuer, and the growth of the asset book of the Issuer; and/or (iv) augmenting the Issuer's Tier 2 capital. The amount equivalent to 100% of the funds raised by the Issue will be utilized towards the Purpose. The Issuer has not, as of the date of this Key Information Document, determined the specific allocation between the objects set out above. (b) Without prejudice to paragraph (a) above, the Issuer shall not use the proceeds of the Issue towards: (i) capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market activities), whether directly or indirectly; (ii) any speculative purposes, and/or any other purpose that is specifically restricted by the RBI and/or any other Governmental Authority; (iii) land acquisition, any real estate business and/or purchase of land. The expression "real estate business" has the meaning given to it in the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (as amended from time to time); (iv) providing/extending any loans to, or making any inter-corporate deposits with any associate company (as defined in the Companies Act), or any subsidiary (as defined in the Companies Act); (v) entering into any bill discounting facility; (vi) the repayment of any loans/financial indebtedness availed by the Issuer from any of the directors and/or the

	promoters (as defined in the Companies Act) of the Issuer; and/or (vii) in contravention of any Applicable Law (including but not limited to the NBFC Directions and the guidelines, rules or regulations of the RBI applicable to non-banking financial companies). PROVIDED HOWEVER THAT until the funds raised by the Issue are utilised by the Issuer in accordance with the Purpose, the Issuer shall be entitled to temporarily invest the funds raised by the Issue in overnight and/or liquid schemes of mutual funds and/or deposits held with scheduled commercial banks.
Coupon/Dividend Rate	12% (twelve percent) per annum, payable monthly (fixed). ***Interest on Debentures*** The interest on the Outstanding Principal Amounts shall accrue at the Interest Rate from the Deemed Date of Allotment until the Debentures are repaid in full and shall be payable on each Interest Payment Date. The interest payment schedule is set out in **Annexure IV**.
Step Up/Step Down Coupon Rate	As set out in the Transaction Documents.
Coupon/Dividend Payment Frequency	The indicative interest payment schedule is set out in Annexure IV.
Coupon/Dividend Payment Dates	The indicative interest payment schedule is set out in Annexure IV.
Cumulative / non cumulative, in case of dividend	Not Applicable.
Coupon Type (Fixed, floating or other structure)	Fixed.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Not Applicable.
Day Count Basis (Actual/Actual)	Interest and all other charges shall accrue based on an actual/actual basis.
Interest on Application Money	(i) Interest at the Interest Rate (subject to deduction of tax at source, as applicable) will be paid on the Application Money to the Applicants from the date of receipt of such Application Money up to (and including) the day occurring 1 (one) day prior to the Deemed Date of Allotment for all valid applications, within 5 (five) Business Days from the Deemed Date of Allotment. Where pay-in date of the Application Money and the Deemed Date of Allotment are the same, no interest on Application Money will be payable. (ii) Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount to the bank account of the Applicant as described in the Application Form by electronic mode of transfer such as (but not limited to) RTGS/NEFT/direct credit. (iii) Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be

	refunded to the Applicant in the bank account of the Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant.
Default Interest Rate	(a) If, at any time, a Payment Default occurs, the Issuer agrees to pay an additional interest rate of 2% (two percent) per annum above the Interest Rate on the Outstanding Principal Amounts from the date of the occurrence of such Payment Default until such Payment Default is cured or the Debentures are fully redeemed by the Issuer (whichever is earlier), on each Interest Payment Date occurring during the aforementioned period. (b) In case of any default/non-compliance by the Issuer in respect of any covenants of the Issuer under the DTD or the Transaction Documents (other than the reporting covenants set out under Section 7.3 (*Reporting Covenants*) below), the Issuer agrees to pay additional interest at 2% (two percent) per annum above the Interest Rate on the Outstanding Principal Amounts from the date of the aforementioned non-compliance until such non-compliance is cured, or the Debentures are fully redeemed by the Issuer (whichever is earlier), on each Interest Payment Date occurring during the aforementioned period. (c) Each of the actions mentioned above are subject to Applicable Law and the prior approval of the RBI (if so required).
Tenor	5 (five) years, 9 (nine) months and 1 (one) day from the Deemed Date of Allotment
Redemption Date	January 24, 2030
Redemption Amount	INR 1,00,000 (Indian Rupees One Lakh) per Debenture. ***Manner of redemption*** (a) The Debentures shall be redeemed on a *pari passu* basis by the Issuer by making payment of the Outstanding Principal Amounts on the Final Redemption Date. The redemption schedule is set out in **Annexure IV**. (b) The Issuer shall not redeem (or prematurely redeem) the Debentures in any way other than in accordance with the terms of this DTD.
Redemption Premium/Discount	N.A.
Issue Price	INR 1,00,000 (Indian Rupees One Lakh) per Debenture
Discount at which security is issued and the effective yield as result of such discount	N.A.
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	N.A.
Put Date	N.A.
Put Price	N.A.

Call Date	N.A.
Call Price	N.A.
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	N.A.
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	N.A.
Face Value	INR 1,00,000 (Indian Rupees One Lakh) per Debenture
Minimum application and in multiples thereafter	Minimum application shall not be less than INR 1,00,00,000 (Indian Rupees One Crore) (being 100 (one hundred) Debentures) and in multiples of 1 (one) Debenture thereafter.
Issue Timing	
1. Issue Opening Date	April 22, 2024
2. Issue Closing Date	April 22, 2024
3. Date of earliest closing of the issue, if any.	N.A.
4. Pay-in Date	April 23, 2024
5. Deemed Date of Allotment	April 23, 2024
Settlement Mode of the Instrument	Please refer Section 8 below.
Depository	NSDL and CDSL
Disclosure of Interest/Dividend/ redemption dates	The illustrative interest payment and redemption schedule is set out in Annexure IV.
Record Date	means the date that falls on the 14th (fourteenth) day of each month prior to any Due Date on which any payments are to be made to the Debenture Holder(s), provided such date is a Business Day. In case such date is not Business Day then succeeding Business Day will be considered as the "Record Date" for determination of the persons entitled to receive redemption of principal, coupon, and other payments, if any, as the case may be, in respect of the Debentures shall be made.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	To be more particularly set out in the DTD and the other Transaction Documents. Please also refer Section 7 below for an indicative list of representations and warranties of the Issuer, financial covenants, reporting covenants, affirmative covenants, and negative covenants, and acceleration on event of default.
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	Not applicable as the Debentures are unsecured and subordinated debt instruments.
Replacement of security, interest to the debenture	Not applicable as the Debentures are unsecured and subordinated debt instruments.

holder over and above the coupon rate as specified in the Trust Deed and disclosed in the issue document	
Transaction Documents	means: (a) the DTD; (b) the Debenture Trustee Agreement; (c) the Debt Disclosure Document; (d) the letters issued by the, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar; (e) each tripartite agreement between the Issuer, the Registrar and the relevant Depository; and (f) any other document that may be designated as a Transaction Document by the Debenture Trustee or the Debenture Holders, and "Transaction Document" means any of them.
Conditions precedent to Disbursement	The Issuer shall fulfil the following conditions precedent, to the satisfaction of the Debenture Trustee/the Applicants, prior to the Deemed Date of Allotment, by submitting and providing to the Debenture Trustee/the Applicants: **CORPORATE AUTHORISATIONS** (a) copies of the Constitutional Documents certified as correct, complete and in full force and effect; (b) a copy of the resolution of the board of directors of the Issuer and any resolution of any committee of the board of directors (if so applicable) authorizing the execution, delivery and performance of the Transaction Documents certified as correct, complete and in full force and effect; (c) a copy of the resolution of the shareholders of the Issuer under Sections 180(1)(c) of the Companies Act, certified as correct, complete and in full force and effect; (d) (if so required) a copy of the resolution of the shareholders of the Issuer under Section 42 of the Companies Act, certified as correct, complete and in full force and effect; **TRANSACTION DOCUMENTS** (e) execution, delivery and stamping of the Transaction Documents (including the Debt Disclosure Documents) in a form and manner satisfactory to the Debenture Trustee; **INTERMEDIARY DOCUMENTS** (f) a copy of the rating letter and the rating rationale issued by the

	Rating Agency in relation to the Debentures, which rating shall be at least "A-"; (g) a copy of the consent from the Debenture Trustee to act as the debenture trustee for the Issue; (h) a copy of the consent from the Registrar to act as the registrar and transfer agent for the Issue; (i) a copy of the tripartite agreement(s) executed between the Issuer, the Registrar and the relevant Depository; (j) a copy of the listing agreement entered into between the Issuer and the BSE; **OTHERS** (k) a copy of the in-principle approval provided by the BSE in respect of the General Information Document and/or the listing of the Debentures; (l) evidence that all "know your customer" requirements prescribed by the Debenture Trustee and the Applicants have been provided/fulfilled; (m) the audited financial statements of the Issuer for the Financial Year ended March 31, 2023, and, to the extent available, the most recently prepared audited/unaudited financial statements of the Issuer for most recent financial half-year; (n) a certificate from the authorised signatories of the Issuer addressed to the Debenture Trustee confirming the following as on the Deemed Date of Allotment/the date of the certificate: (i) the persons authorised to sign the Transaction Documents and any document to be delivered under or in connection therewith, on behalf of the Issuer, together with the names, titles and specimen signatures of such authorised signatories; (ii) the Issuer has the power under the Constitutional Documents to borrow monies by way of the issuance of the Debentures; (iii) the issuance of the Debentures will not cause any limit, including any borrowing limit binding on the Issuer to be exceeded; (iv) no consents and approvals are required by the Issuer from its creditors or any Governmental Authority or any other person for the issuance of the Debentures; (v) the representations and warranties contained in the DTD and the other Transaction Documents are true and correct in all respects;

	(vi) no Event of Default has occurred or is subsisting; (vii) no Material Adverse Effect has occurred; and (viii) no investor or shareholder consent/approval, pursuant to the articles of association of the Issuer or any shareholders' agreements or other documents/instruments entered into by the Issuer and its shareholders and investors, is required for the Issuer to enter into or perform its obligations under the Transaction Documents; and (o) provide such other information, documents, certificates, opinions and instruments as the Debenture Holders may reasonably request.
Conditions Subsequent to Disbursement	The Issuer shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee: (a) the Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements; (b) the Issuer shall make the application for listing of the Debentures and obtain listing of the Debentures within the Listing Period; (c) the Issuer shall file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 5 (five) days of the Deemed Date of Allotment, along with a list of the Debenture Holders and with the prescribed fee; (d) if so required, the Issuer shall maintain and file a copy of Form PAS-5 in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014 in respect of the issue of the Debentures; and (e) comply with such other condition (including executing any documents) and provide such other information and documents as the Debenture Holders may reasonably request or as may be required under Applicable Law (including without limitation, the Act, and any guidelines/circulars issued by the RBI).
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer Section 7.6.2 below.
Creation of recovery expense fund	The Issuer hereby undertakes and confirms that it shall, within the time period prescribed under Chapter IV of the SEBI Debenture Trustees Master Circular, establish and maintain the Recovery Expense Fund in such manner/mode as is prescribed under Chapter IV of the SEBI Debenture Trustees Master Circular. The Issuer shall, promptly upon establishment, provide the details of the Recovery Expense Fund to the Debenture Trustee.

Conditions for breach of covenants (as specified in Debenture Trust Deed)	Please refer sections named "*Default Interest Rate*" and Section 7 below.
Provisions related to Cross Default	The below is an Event of Default. (i) The Issuer defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created, other than any default that is due to a technical error which has been confirmed by the relevant lender/debenture trustee in relation to such Financial Indebtedness. (ii) The Issuer defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity. (iii) Due to any default or an event of default (howsoever described), any Financial Indebtedness of the Issuer is declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment (whether or not such right shall have been waived), prior to the stated maturity thereof.
Roles and Responsibilities of the Debenture Trustee	In addition to the powers conferred on the Debenture Trustee in the DTD and Applicable Law, and without limiting the liability of the Debenture Trustee, it is agreed as follows: (a) the Debenture Trustee may, in relation to the DTD and the other Transaction Documents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Issuer or by the Debenture Trustee or otherwise; (b) subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have the discretion as to the exercise thereof and to the mode and time of exercise thereof. In the absence of any fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with

		such request or direction;
	(c)	with a view to facilitating any dealing under any provisions of the DTD or the other Transaction Documents, subject to the Debenture Trustee obtaining the consent of the Majority Debenture Holders, the Debenture Trustee shall have (i) the power to consent (where such consent is required) to a specified transaction or class of transactions (with or without specifying additional conditions); and (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of the DTD;
	(d)	the Debenture Trustee shall not be responsible for the amounts paid by the Applicants for the Debentures;
	(e)	the Debenture Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Debenture Holders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Debenture Holders;
	(f)	the Debenture Trustee and each receiver, attorney, manager, agent or other person appointed by it shall, subject to the provisions of the Act, be entitled to be indemnified by the Issuer in respect of all liabilities and expenses incurred by it in the execution or purported execution of the powers and trusts thereof;
	(g)	subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be liable for any of its actions or deeds in relation to the Transaction Documents;
	(h)	subject to the approval of the Debenture Holders by way of Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained herein or in enforcing the covenants contained herein or in giving notice to any person of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holders or by a Majority Resolution duly passed at a meeting of the Debenture Holders. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such

	amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction; (i) notwithstanding anything contained to the contrary in the DTD, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders; (j) the Debenture Trustee shall forward to the Debenture Holders copies of any information or documents from the Issuer pursuant to the DTD within 2 (two) Business Days of receiving such information or document from the Issuer; (k) without prejudice to anything contained in this sub-section named "*General Rights, Powers and Discretions*", the Debenture Trustee shall oversee and monitor the transaction contemplated in the Transaction Documents for and on behalf of the Debenture Holders; and (l) the Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Debenture Trustees Master Circular. PROVIDED THAT nothing contained in this sub-section named "*General Rights, Powers and Discretions*" shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or Applicable Law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder.
Risk factors pertaining to the issue	Please refer Section 3.
Governing Law & Jurisdiction	The Transaction Documents shall be governed by and will be construed in accordance with the laws of India and any disputes arising there from shall be subject to the jurisdiction of appropriate courts and tribunals at Mumbai, India and as more particularly provided for in the respective Transaction Documents.
Business Day Convention	(a) Interest and all other charges shall accrue based on an actual/actual basis. (b) All payments in respect of the Debentures required to be made by the Issuer shall be made on a Business Day. (c) If any Due Date on which any interest or additional interest is payable falls on a day which is a Sunday or is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day. (d) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is a Sunday or is not a Business Day, the payment to be made on such Due Date shall be made on the

	preceding Business Day. (e) If the Final Redemption Date falls on a day which is a Sunday or is not a Business Day, the payment of any amounts in respect of the Outstanding Principal Amounts to be made shall be made on the preceding Business Day. (f) In the absence of anything to the contrary mentioned in the DTD and other Transaction Documents, if any day for performance of any acts under the Transaction Documents (other than those set out in paragraph (c) to paragraph (e) above) falls on a day which is not a Business Day, such acts shall be performed shall be made on the succeeding Business Day.
Multiple Issuances	(a) Subject to Applicable Law, the Issuer reserves the right to make multiple issuances under the same International Security Identification Number ("**ISIN**"). (b) Such issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium/par/discount as the case may be in accordance with the Applicable Law.
Right to repurchase	(a) The Issuer, subject to the Applicable Law (including guidelines, rules/regulations of the RBI), shall have the option from time to time to repurchase a part or all of the Debentures from the secondary market or otherwise, upon obtaining prior consent from the Debenture Holders, at any time prior to the Final Settlement Date. (b) In the event any or all of the Debentures are repurchased, or redeemed under any circumstances whatsoever, the Issuer shall have, and shall be deemed to have had, subject to Applicable Law, the power to reissue the Debentures either by reissuing the same Debentures or by issuing other non-convertible debenture in their place. (c) In respect of any repurchased/redeemed Debenture, the Issuer shall have the power to (either for a part or all of the Debenture) cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as is permitted under Applicable Law.
Additional Disclosures (Security Creation)	Not applicable as the Debentures are unsecured and subordinated debt instruments.
Additional Disclosures (Default in Payment)	If, at any time, a Payment Default occurs, the Issuer agrees to pay an additional interest rate of 2% (two percent) per annum above the Interest Rate on the Outstanding Principal Amounts from the date of the occurrence of such Payment Default until such Payment Default is cured or the Debentures are fully redeemed by the Issuer (whichever is earlier), on each Interest Payment Date occurring during the aforementioned period.
Additional Disclosures (Delay in Listing)	In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will, pursuant to the requirements prescribed under Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the Listed NCDs Master Circular,

	pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the Deemed Date of Allotment until the listing of the Debentures is completed.
Declaration required by BSE Limited	This Issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. The face value of each debt security/Debenture issued on private placement basis shall be INR 1,00,000 (Indian Rupees One Lakh).

Note:

a. If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and events which lead to such change should be disclosed.

b. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.

c. The issuer shall provide granular disclosures in their Key Information Document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".

SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

(a) **The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:**

(i) **Name of the bank declaring the entity as a Wilful Defaulter**: NIL

(ii) **The year in which the entity is declared as a Wilful Defaulter**: NIL

(iii) **Outstanding amount when the entity is declared as a Wilful Defaulter**: NIL

(iv) **Name of the entity declared as a Wilful Defaulter**: NIL

(v) **Steps taken, if any, for the removal from the list of wilful defaulters**: NIL

(vi) **Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions**: NIL

(vii) **Any other disclosure as specified by SEBI**: NIL

(b) **The fact that the issuer or any of its promoters or directors is a wilful defaulter shall be disclosed prominently on the cover page with suitable cross-referencing to the pages**: **NIL**

SECTION 7: KEY TERMS OF THE ISSUE

7.1. Representations and Warranties of the Issuer

The Issuer makes the representations and warranties set out in this Section 7.1 (*Representations and Warranties of the Issuer*) to the Debenture Trustee for the benefit of the Debenture Holders as on the Effective Date, which representations shall be true and valid until the Final Settlement Date.

(a) ***Status***

(i) It is a company, duly incorporated, registered and validly existing under Applicable Law.

(ii) It is a non-banking financial company - micro finance institution registered with the RBI, and such registration is valid and subsisting.

(iii) It has the corporate power, authority and all material permits, approvals, authorizations, licenses, registrations, and consents including registrations, to own and operate its Assets and to carry on its business in substantially the same manner as it is currently conducted.

(b) ***Binding obligations***

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

(c) ***Non-conflict with other obligations***

The entry into and performance by it of, and the transactions contemplated by the Transaction Documents do not and will not conflict with:

(i) any Applicable Law (including, without limitation, any laws and regulations regarding anti-money laundering or terrorism financing, and similar financial sanctions);

(ii) its Constitutional Documents; or

(iii) any agreement or instrument binding upon it or any of its Assets, including but not limited to any terms and conditions of the Financial Indebtedness availed by the Issuer.

(d) ***Power and authority***

It has the power to issue the Debentures, and enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by such Transaction Documents.

(e) ***Validity and admissibility in evidence***

All approvals, authorizations, consents, permits (third party, statutory or otherwise), filings, or intimations required or desirable:

(i) to enable it lawfully to enter into, exercise its rights and comply with its obligations under the Transaction Documents to which it is a party (including the issuance of Debentures);

(ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and

(iii) for it to carry on its business, and which are material,

have been obtained or effected and are in full force and effect.

(f) ***No default***

(i) No Event of Default has occurred and is continuing or would be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures.

(ii) No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Issuer or any of its Assets or which might have a Material Adverse Effect.

(g) ***No proceedings pending***

(i) No litigation, arbitration, claims, investigations or administrative proceedings of or before any court, arbitral body, governmental authority or agency has been commenced/pending against or relating to the Issuer, which would have a Material Adverse Effect.

(ii) There are no unfulfilled or unsatisfied judgments or court orders in respect of the Issuer.

(h) ***No misleading information***

All information provided by the Issuer to the Debenture Trustee/Debenture Holders is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated and is not misleading due to omission to state a fact or otherwise.

(i) ***Compliance***

(i) The Issuer has complied with Applicable Law in respect of the issuance of the Debentures (including without limitation, the Debt Listing Regulations) and for the performance of the Issuer of its obligations with respect to the Debentures, and to carry on their business.

(ii) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated against the Issuer which would have a Material Adverse Effect.

(iii) No notice or other communication (official or otherwise) from any Governmental Authority has been issued or is outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such Applicable Law or requiring them to take or omit any action.

(iv) All the legal and procedural requirements specified in the Constitutional Documents or required under Applicable Law have been duly complied with in all respects in relation to the issue of the Debentures.

(j) ***Assets***

Except for the security interests and encumbrances created and recorded with the ROC, the Issuer has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(k) ***Financial Statements***

(i) Its audited financial statements most recently provided to the Debenture Trustee as of March 31, 2023 were prepared in accordance with Applicable Accounting Standards consistently applied save to the extent expressly disclosed in such financial statements.

(ii) Its audited financial statements as of March 31, 2023 provided to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the Financial Year save to the extent expressly disclosed in such financial statements.

(l) ***Solvency***

(i) The Issuer is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of Applicable Law, nor will it become unable to pay its debts for the purposes of Applicable Law as a consequence of entering into the DTD or any other Transaction Document.

(ii) The Issuer, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Financial Indebtedness.

(iii) The value of the Assets of the Issuer is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.

(iv) The Issuer has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings nor has any order been passed for its winding-up, dissolution or re-organization, or for the enforcement of any security over its Assets, or for the appointment of a liquidator, supervisor, receiver, administrator, administrative receiver, compulsory manager, trustee or other similar officer for it or in respect of its assets.

(v) No insolvency or bankruptcy process has commenced under Applicable Law in respect of the Issuer (including pursuant to the IBC and the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019).

(vi) No reference has been made, or enquiry or proceedings commenced, in respect of the Issuer, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the Stressed Assets Framework).

(m) ***Material Adverse Effect***

(i) No Material Adverse Effect has occurred, and is subsisting.

(ii) There are no circumstances existing which could give rise, with the passage of time or otherwise, to a Material Adverse Effect.

(iii) The Issuer is not aware of any document, judgment or legal process or defects which has remained undisclosed and/or which may have a Material Adverse Effect.

(n) ***Illegality***

It is not illegal or unlawful for the Issuer to perform any of its obligations under the Transaction Documents.

(o) ***Tax Laws***

(i) The Issuer has complied with all the requirements as specified under the Tax laws as applicable to the Issuer in relation to returns, computations, notices and information which are, or are required to be made or given by the Issuer to any Tax authority for taxation, and for any other Tax or duty purposes, have been made and are correct.

(ii) The Issuer has not received any notice of any Tax disputes or other liabilities of Taxes in respect of which a claim has been made or notice has been issued against the Issuer.

(p) ***Subordinated Obligations***

(i) Except for obligations mandatorily preferred by Applicable Law applying to companies generally, the payment obligations of the Issuer under the Transaction Documents:

(A) are subordinated to the claims of all other creditors of the Issuer; and

(B) are equivalent to/at par with the claims of all other subordinated debt of the Issuer.

(ii) The Debentures are eligible for classification as Tier 2 Capital of the Issuer.

(q) ***Confirmations pursuant to the Debt Listing Regulations***

With effect from the date of filing of the draft Key Information Document with the BSE, as on the date of filing of the draft Key Information Document with the BSE in accordance with the Debt Listing Regulations:

(i) the Issuer, the Promoters of the Issuer, the Promoter Group of the Issuer or the directors of the Issuer have not been debarred from accessing the securities market or dealing in securities by SEBI;

(ii) no Promoter of the Issuer or director of the Issuer is a promoter or director of any another company which is debarred from accessing the securities market or dealing in securities by SEBI;

(iii) no Promoter of the Issuer or director of the Issuer is a fugitive economic offender; and

(iv) no fines or penalties levied by SEBI or any of the stock exchanges is pending to be paid by the Issuer.

(r) ***SCORES Authentication***

The Issuer has received the Securities and Exchange Board of India Complaints Redress System (SCORES) authentication prior to the Deemed Date of Allotment.

(s) ***Existing Indebtedness***

All existing Financial Indebtedness of the Issuer (as on the Effective Date) is classified as "standard" (determined in accordance with the criteria prescribed by the RBI).

7.2. **Financial Covenants**

Each of the requirements prescribed and actions mentioned in this Section 7.2 (*Financial Covenants*) are subject to Applicable Law and the prior approval of the RBI (if so required).

(a) Until the Final Settlement Date, the Issuer shall:

(i) maintain a Capital Adequacy Ratio of 15% (fifteen percent) or such other higher threshold as may be prescribed by the RBI from time to time;

(ii) maintain the ratio of A:B of less than 3% (three percent), where A is the Issuer's Net NPA, and B is the Gross Loan Portfolio, multiplied by 100, and followed by the "%" symbol;

(iii) maintain a ratio of A:B of less than 5% (five percent), where A is the Issuer's Gross NPA, and B is the Gross Loan Portfolio of the Issuer, multiplied by 100, and followed by the "%" symbol;

(iv) maintain the ratio of the Total Debt of the Issuer to the Equity of the Issuer of not more than 5.5 (five decimal five) times or such other higher threshold as may be prescribed by the RBI from time to time;

(v) ensure that its Net Worth is maintained at such threshold/level as is prescribed by the RBI from time; and

(vi) ensure that the earnings of the Issuer (being the net income of the Issuer (excluding extraordinary income) after tax) is maintained at such threshold/level as is prescribed by the RBI from time to time.

(b) The financial covenants set out in this Section 7.2 (*Financial Covenants*) shall be tested on a quarterly and on an annual basis, commencing from June 30, 2024 until the Final Settlement Date, on the basis of the audited and/or limited review financial statements of the Issuer.

7.3. **Reporting Covenants**

The Issuer shall provide or cause to be provided to the Debenture Trustee and to the Debenture Holders (if so requested by the Debenture Holders), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

(a) as soon as available, and in any event within 90 (ninety) calendar days after the end of each Financial Year (or any other shorter time period that may be prescribed under Applicable Law), provide the following annual reporting requirements, in a form and substance satisfactory to the Debenture Trustee and the Debenture Holders:

(i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed financial year, prepared in accordance with Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow.

All such information shall be complete and correct in all material respects and shall fairly represent the financial condition, results of operation and changes in cash flow and a list comprising all material financial liabilities of the Issuer whether absolute or contingent as of the date thereof;

(ii) certified copy of the statutory auditors' report and the directors' annual report. In the event of any changes to the annual report, the revised copy of the annual report, together with the details and explanation for the changes shall be provided to the Debenture Trustee within 5 (five) Business Days of such change;

(iii) a certificate from a director or a chief financial officer of the Issuer confirming that there is no existing potential Event of Default or Event of Default; and

(iv) all information/documents required to be submitted by the Issuer to the RBI on an annual basis in respect of such Financial Year;

(b) as soon as available and in any event within 45 (forty five) calendar days of each of September 30 and March 31, certified copies of its unaudited consolidated and non-consolidated (if any) financial statements for the period of immediately preceding 6 (six) months, prepared in accordance with Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow;

(c) as soon as practicable and in any event within 15 (fifteen) calendar days of each of September 30 and March 31, provide a certificate signed by the authorised signatory of the Issuer certifying the debt profile of the Issuer (including, without limitation, the guarantee obligations of the Issuer) in a format acceptable to the Debenture Trustee;

(d) as soon as practicable and in any event within 45 (forty five) calendar days after the end of each Quarterly Date (or any other shorter time period as may be specified under Applicable Law), provide the management information system required, in form and substance satisfactory to the Debenture Trustee and the Debenture Holder(s), containing the information in respect of the following:

(i) certified copies of its unaudited consolidated and non-consolidated (if any) quarterly financial statements for the preceding financial quarter, prepared in accordance with Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow;

(ii) information on financial statements, operations, portfolio and asset quality (collection efficiency and portfolio at risk data), and the funding data of the Issuer;

(iii) details of the shareholding pattern/structure, and the list/composition of the board of directors of the Issuer;

(iv) a compliance certificate from the chief financial officer or an authorized signatory of the Issuer stating that the Issuer is in compliance with all the financial covenants prescribed in Section 7.2 (*Financial Covenants*);

(v) the asset profile of the Issuer (including, without limitation, its borrowers'/clients' details, geographical distribution, portfolio split under various delinquent buckets and provisioning against these assets);

(vi) the debt profile of the Issuer (including, without limitation, the non - convertible debentures issued by the Issuer) with detailed terms of borrowings availed by the Issuer;

(vii) the asset liability management statement of the Issuer for such financial quarter;

(viii) the liquidity position of the Issuer at the end of such financial quarter;

(ix) certified copy of the filings/returns filed by the Issuer with the RBI for, and during such financial quarter;

(x) the static pool data and bucket flow analysis;

(xi) the details of the interest and principal payments to be made, but unpaid and reasons for the non-payment thereof in relation to the Debentures;

(xii) a certificate from the chief financial officer of the Issuer certifying that no changes have been made to the "joint liability group loan disbursement policy" of the Issuer; and

(xiii) such other information as may be required by the Debenture Trustee and/or the Debenture Holder in relation to the Debentures;

(e) as soon as practicable and in any event within 7 (seven) calendar days after the end of each calendar month, submit the monthly management information system, in such form and manner as is agreed with the Debenture Trustee and/or the to the Debenture Holders;

(f) as soon as practicable and in any event within 5 (five) calendar days of the occurrence of the following events, the details of:

(i) any change in the list/composition of the board of directors of the Issuer;

(ii) any change in the Issuer's shareholding structure by more than 10% (percent) from that subsisting as on the Effective Date (on a fully diluted basis);

(iii) any change in the key managerial personnel (as defined in the Companies Act) of the Issuer;

(iv) any change in the Constitutional Documents that may have a Material Adverse Effect, other than any changes in relation to any increase in the authorised share capital of the Issuer;

(v) resignation of the statutory auditor of the Issuer along with the relevant resignation letter;

(vi) any change in the Issuer's joint liability group lending policy; and

(vii) such other information, as may be required by the Debenture Trustee;

(g) the Issuer shall, while submitting its quarterly/annual financial results to the BSE (in accordance with Applicable Law), disclose, *inter alia,* the following line items (as applicable to a non-banking financial company), together with its financial results, and communicate such information to the Debenture Trustee and/or the Debenture Holders on a quarterly/annual basis (as the case may be):

(i) debt-equity ratio of the Issuer;

(ii) debt-service coverage ratio;

(iii) interest service coverage ratio;

(iv) outstanding redeemable preference shares (quantity and value) (if applicable);

(v) capital redemption reserve/debenture redemption reserve (if applicable);

(vi) net worth;

(vii) net profit after tax;

(viii) earnings per share;

(ix) current ratio;

(x) long term debt to working capital;

(xi) bad debts to account receivable ratio;

(xii) current liability ratio;

(xiii) total debts to total assets;

(xiv) debtors turnover;

(xv) inventory turnover;

(xvi) operating margin (%);

(xvii) net profit margin (%);

(xviii) any other sector specific equivalent ratios, as applicable;

(xix) pre provisioning operating profit;

(xx) provision for the non-performing loans;

(xxi) asset under management;

(xxii) on-book loan portfolio;

(xxiii) portfolio at risk (PAR) (PAR 0, PAR 30, PAR 60 and PAR 90) for assets under management; and

(xxiv) portfolio at risk (PAR) (PAR 0, PAR 30, PAR 60 and PAR 90) for the on-book loan portfolio;

(h) as soon as practicable, and in any event within 5 (five) calendar days after the Issuer obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;

(i) as soon as practicable, and in any event within 5 (five) calendar days after the Issuer obtains or reasonably should have obtained actual knowledge thereof, any notices, orders or directions any court or tribunal in relation to any dispute (including in respect of any tax notice), litigation (including in respect of any violation of the securities law), investigation or other proceeding (including any insolvency proceedings) affecting the Issuer or its property or operations, which, if adversely determined, could result in a Material Adverse Effect;

(j) without prejudice to paragraph (i) above, as soon as practicable, and in any event within 5 (five) calendar days after the Issuer obtains or reasonably should have obtained actual

knowledge thereof, in respect of any litigation which could have a Material Adverse Effect on the assets of the Issuer, the Issuer's goodwill or reputation, and the financial position of the Issuer;

(k) as soon as practicable, and in any event within 5 (five) calendar days, any prepayment, or the receipt of notice of any Financial Indebtedness of the Issuer that would result in a negative mismatch (on a cumulative basis) in any of the buckets of the Issuer for a period of 1 (one) year in respect of the asset-liability statement of the Issuer;

(l) as soon as practicable, and in any event within 1 (one) calendar day after the Issuer obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default including any steps taken to cure such event;

(m) as soon as practicable, and in any event within 1 (one) calendar day after the Issuer obtains actual knowledge thereof in respect of any breach of the representations, warranties, covenants and/or undertakings of the Issuer prescribed in the Transaction Documents;

(n) as soon as practicable and in any event within the time period that is prescribed by the Debenture Trustee from time to time, the Issuer shall notify/provide the details of:

(i) the occurrence of any fact, matter or circumstance which would cause any of the representations and warranties of the Issuer under the Transaction Documents to become untrue or inaccurate or misleading in any material respect;

(ii) the information regarding the financial condition, business and operations of the Issuer as the Debenture Trustee may reasonably request in relation to the payments due to be made in respect of the Debentures;

(iii) any revision in the rating, or the assignment of a fresh rating provided by the Rating Agency in respect of the Issue;

(iv) the receipt by the Issuer of a banking license from the RBI and/or the approval from the RBI for acquisition of an existing bank, and shall provide a certified copy of such approval/license and such other documents as the Debenture Trustee and the Debenture Holders may require in this regard;

(v) the creditors/lenders of the Issuer accelerating the Issuer's payment obligations on the grounds of a material adverse effect in the financial, operational or regulatory conditions governing the Issuer, or on account of a breach of any representation, or breach of an information covenant, under the terms of any agreement(s) involving the amounts borrowed by the Issuer, or the extension of any credit or any other Financial Indebtedness under which the Issuer may be obligated as a borrower or a guarantor;

(vi) all orders, directions, notices of any court and/or tribunal initiated against the Issuer or the Issuer's property, or the parent entities or the ultimate owner of the Issuer (or any part thereof) which has a Material Adverse Effect;

(vii) a copy of all notices, resolutions and circulars relating to any new issue of debt securities at the same time as they are sent to shareholders/holders of such debt securities; and

(viii) a copy of all the notices, call letters, circulars, etc., of the meetings of debt security holders at the same time as they are sent to the holders of such debt securities or advertised in the media;

(o) without prejudice to Section 7.5(c) (*Dividend*) below, the Issuer shall inform the Debenture

Trustee before declaring or distributing any dividend, unless the Issuer has paid the amounts then due and payable on the Debentures under the DTD and the other Transaction Documents;

(p) as soon as practicable, and in any case within 7 (seven) days from the date of any change in the credit policy of the Issuer, inform the Debenture Holders in writing of such change;

(q) as soon as practicable, and in any case within 5 (five) days from any change in the capital structure of the Issuer which results in the shareholding of the Issuer changing by more than 10% (percent) from that subsisting as on the Effective Date (on a fully diluted basis), other than any change that affects the payment obligations of the Issuer in relation to the Debentures, which change shall be notified to the Debenture Trustee/Debenture Holders immediately upon the occurrence of such event/change;

(r) (if so required under Applicable Law) the Issuer shall furnish to the stock exchanges and the Debenture Trustee, within 5 (five) Business Days prior to the beginning of any financial quarter, the details of all non-convertible securities in respect of which any interest, dividend and/or principal obligations are payable during the such financial quarter;

(s) (if so required under Applicable Law) the Issuer shall furnish to the stock exchanges and the Debenture Trustee, within 7 (seven) Business Days from the end of each financial quarter (i) a certificate confirming the payment of the interest, dividend and/or principal obligations in respect of the for non-convertible securities which were due in that financial quarter, and (ii) the details of all unpaid interest, dividend and/or principal obligations in relation to non-convertible securities issued by it at the end of such financial quarter;

(t) (if so required under Applicable Law) the Issuer shall intimate the stock exchanges, the Depositories and the Debenture Trustee, the status of payments with respect to the Debentures within 1 (one) Business Day from the Due Date(s) of any payment, as set out in the DTD. While intimating the status of the payment to the Debenture Trustee, the Issuer shall also confirm that it has informed the status of the payment or otherwise to the Depositories;

(u) the Issuer shall provide to the Depositories and the Debenture Trustee on or prior to the 2nd (second) Business Day in the month of April of each Financial Year, an update on the status of payment of the Debentures;

(v) as soon as practicable, and in any event within 5 (five) Business Days after such default, notice of any default in the observance or performance of any agreement or condition relating to any Financial Indebtedness by the Issuer or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity in respect of the Issuer;

(w) as soon as practicable, and in any event within 5 (five) Business Days of receiving (A) any notice of any application for winding up or insolvency process or any statutory notice of winding up or insolvency process under the provisions of the Companies Act or any other Applicable Law (including the (Indian) Insolvency and Bankruptcy Code, 2016, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time), or (B) any other notice under any other statute relating to the commencement/initiation of winding up or insolvency process or any similar action, or any suit or other legal process in respect thereof proposed to be filed or initiated against the Issuer;

(x) the Issuer shall notify/intimate the Debenture Trustee in writing, of any proposed change in the nature, scope or the business or operations of the Issuer, or the entering into any agreement, or any arrangement by any person that may materially affects the assets and liabilities of the Issuer, at least 3 (three) Business Days prior to the date on which such action is proposed to be given effect;

(y) the Issuer shall provide a prior written intimation to the Debenture Trustee/Debenture Holders in respect of any transactions proposed to be entered into by it with any related party (as defined in the Companies Act) of the Issuer, other than any transactions with a related party (as defined in the Companies Act) of the Issuer that have been duly authorised pursuant to the requirements prescribed under the Companies Act;

(z) without prejudice to Section 7.5(d) (*Merger, Consolidation, etc.*), the Issuer shall, within 1 (one) calendar day from the proposal of any amalgamation, acquisition, de-merger, merger, or any scheme of reconstruction in respect of the Issuer, inform and provide the relevant details in respect of such proposal to the Debenture Trustee and/or the Debenture Holders;

(aa) without prejudice to paragraph (bb) below, as soon as practicable and in any event within 30 (thirty) calendar days of receipt of a request, such additional documents or information as the Debenture Trustee or the Debenture Holders, may reasonably request from time to time; and

(bb) as soon as practicable and in any event within the timelines prescribed by the Debenture Trustee (and Applicable Law), such other information, notifications, details, documents, reports, statements and certificates (including from chartered accountants, auditors and/or directors of the Issuer and copies of reports, balance sheets, profit and loss accounts) as may be required by the Debenture Trustee from time to time, to ensure compliance with the provisions of the Applicable Law, including but not limited to the Debenture Trustees Regulations and the Companies (Share Capital and Debentures) Rules, 2014.

7.4. **Covenants**

Each of the requirements prescribed and actions mentioned in this Section 7.4 (*Covenants*) are subject to Applicable Law and the prior approval of the RBI (if so required).

Until the Final Settlement Date, the Issuer hereby undertakes and covenants as follows:

(a) ***Use of Proceeds***

The Issuer shall use the proceeds of the Issue only for the Purpose and in accordance with the Transaction Documents.

(b) **Validity of Transaction Documents**

The Issuer shall ensure and procure that the Transaction Documents shall be validly executed and delivered and will continue in full force and effect and will constitute valid, enforceable and binding obligations of the Issuer.

(c) ***Notice of Winding up or other Legal Process***

The Issuer shall promptly, and where applicable, within the timelines prescribed in Section 7.3 (*Reporting Covenants*), inform the Debenture Trustee if it has received:

(i) any notice of any application for winding up or insolvency process or any statutory notice of winding up or insolvency process under the provisions of the Companies Act or any other Applicable Law (including the IBC, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and

Application to Adjudicating Authority) Rules, 2019); or

(ii) any other notice under any other statute relating to the commencement/initiation of winding up or insolvency process or otherwise of any suit or other legal process relating to the commencement/initiation of winding up or insolvency process against the Issuer.

(d) ***Loss or Damage by Uncovered Risks***

The Issuer shall promptly inform the Debenture Trustee and the Debenture Holders of any material loss or significant damage which the Issuer may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Issuer may not have insured its properties.

(e) ***Costs and Expenses***

The Issuer shall pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of the Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Issuer before they are incurred and shall not include any foreign travel costs.

(f) ***Payment of Rents, etc.***

The Issuer shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Issuer as and when such amounts are payable, and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with covenants and obligations which ought to be observed and permitted by the Issuer in respect of the Debentures.

(g) ***Preserve Corporate Status***

The Issuer shall:

(i) diligently preserve and maintain its corporate existence and status and all rights, contracts, privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business;

(ii) obtain, comply with (all terms) and maintain all its licenses, franchises, concessions and/or authorizations, consents, permissions, licenses, rules, regulations, orders and/or directions required from any legislative, executive, administrative or judicial body applicable to the Issuer or any of its Assets, including without limitation, the license to conduct business, as a non-banking financial company, and any other rights, licenses and franchises necessary for its obligations under the Debentures and the Transaction Documents and continue to be a validly existing organization in good standing and at all times act and proceed in relation to its affairs and business in compliance with Applicable Law. PROVIDED THAT the Issuer may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures and/or the interests of the Debentures Holders are not thereby materially impacted, prejudiced, endangered or impaired;

(iii) comply with all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any Governmental Authority;

(iv) not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the Outstanding Amounts might or would be hindered or delayed;

(v) conduct its business with diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel; and

(vi) promptly obtain all consents and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures.

(h) ***Pay Stamp Duty***

The Issuer shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Issuer may be required to pay according to the applicable state laws. In the event the Issuer fails to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee shall be at liberty (but shall not be bound) to pay such amounts and the Issuer shall reimburse the aforementioned amounts to the Debenture Trustee on demand.

(i) ***Furnish Information to Debenture Trustee***

The Issuer shall:

(i) provide to the Debenture Trustee or its nominee(s)/agent(s) such information/copies of relevant extracts as they may require on any matters relating to the business of the Issuer, or any part thereof, or to investigate the affairs of the Issuer;

(ii) allow the Debenture Trustee to make such examination and investigation as and when deemed necessary and shall furnish the Debenture Trustee with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;

(iii) provide to the Debenture Trustee or its nominee(s)/agent(s) such information/copies of relevant extracts as they may require for the purpose of filing any relevant forms with any Governmental Authority in relation to the Debentures;

(iv) within 45 (forty five) days of each Quarterly Date or within 7 (seven) days of any relevant meeting of the board of directors, whichever is earlier, furnish reports/quarterly reports to the Debenture Trustee (as may be required in accordance with Applicable Law) containing the following particulars:

(A) updated list of the names and addresses of the Debenture Holders along with the number of Debentures held by each Debenture Holder;

(B) details of any Outstanding Amounts and any Outstanding Principal Amounts due, but unpaid and reasons thereof;

(C) details of the interest due, but unpaid and reasons thereof;

(D) the number and nature of grievances received from the Debenture Holders, and (I) resolved by the Issuer, and (II) unresolved by the Issuer along with the reasons for the same; and

(E) such other information as may be agreed between the Parties from time

to time;

(v) inform and provide the Debenture Trustee with applicable documents in respect of the following:

(1) notice of any Event of Default or potential Event of Default specifying the nature of such event and any steps the Issuer is taking and proposes to take to remedy the same; and

(2) any and all information required to be provided to the Debenture Holders under Applicable Law and the listing agreement to be entered into between the Issuer and the BSE; and

(vi) ensure periodic review of the ratings obtained by the Issuer from the relevant credit rating agencies, and intimate the Debenture Trustee of any revision in any rating as per the listing agreement entered into with the stock exchange.

(j) ***Redressal of Grievances***

The Issuer shall promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Issuer further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance.

The Issuer shall also furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Issuer to redress such grievance. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Issuer call upon the Issuer to take appropriate steps to redress such grievance and the Issuer shall comply with the instructions the Debenture Trustee issued in this regard.

(k) ***Comply with Investor Education and Protection Fund Requirements***

The Issuer shall comply with the provisions of the Companies Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund ("**IEPF**"), if applicable to it. The Issuer hereby further agrees and undertakes that until the Final Settlement Date it shall abide by the regulations, rules or guidelines/listing requirements if any, issued from time to time by the Ministry of Corporate Affairs, RBI, SEBI or any other competent Governmental Authority.

(l) ***Corporate Governance; Fair Practices Code***

The Issuer shall:

(i) comply with any corporate governance requirements applicable to the Issuer (as may be prescribed by the RBI, SEBI, any stock exchange, or any Governmental Authority) and the fair practices code prescribed by the RBI;

(ii) maintain the highest standards of corporate governance in accordance with Applicable Law (including the NBFC Directions); and

(iii) shall, at all times until the Final Settlement Date, ensure that there is at least 1 (one) independent director on the board of directors of the Issuer.

(m) ***Further Assurances***

The Issuer shall:

(i) provide details of any litigation, arbitration or administrative proceedings that if determined adversely could have a Material Adverse Effect on the Issuer (including those that are required to be disclosed to the stock exchanges under the listing agreement(s) entered into with the stock exchanges);

(ii) comply with any monitoring and/or servicing requests from Debenture Holders/Debenture Trustee;

(iii) execute and/or do, at its own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form as the Debenture Trustee may, reasonably or pursuant to Applicable Law, require or consider necessary in relation to exercising any of the rights and authorities of the Debenture Trustee (including those set out under the Transaction Documents);

(iv) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under the DTD or to ensure the legality, validity, enforceability or admissibility in evidence in India of the DTD;

(v) procure that the Debentures are rated and continue to be rated until the Final Settlement Date;

(vi) comply with:

(A) all Applicable Law (including but not limited to the NBFC Directions, the Companies Act, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI Listed Debentures Circulars, the SEBI Debt Listing Regulations, the SEBI LODR Regulations, any environmental, social and taxation related laws and all directions issued by the RBI to non-banking financial companies), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time, and the provisions of the listing agreement(s) entered into/to be entered into by the Issuer with the BSE in relation to the Debentures;

(B) all requirements and regulations of the RBI in respect of, *inter alia*, the maintenance of the Capital Adequacy Ratio, norms in respect of recognition of non-performing assets, and provisioning requirements;

(C) the Debenture Trustees Regulations as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 of the Debenture Trustees Regulations thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;

(D) the provisions of the Companies Act in relation to the Issue;

(E) ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Issuer shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way requiring the Issuer to incur any additional costs, expenses or taxes and the Issuer shall avail of all the benefits available under any treaty applicable to the Issuer and/or the Debenture Holders;

(F) the financial terms and conditions prescribed in the Transaction

Documents;

(G) the corporate governance and fair practices code prescribed by the RBI and/or any other notification, circular, press release issued by the SEBI/RBI, from time to time;

(H) the terms of the listing agreement to be entered into between the Issuer and the BSE; and/or

(I) if so required, the requirements prescribed under Chapter XI (*Operational framework for transactions in defaulted debt securities post maturity date/ redemption date*) of the Listed NCDs Master Circular, and provide all details/intimations to the Debenture Trustee, the Depositories, and BSE (as the case may be) in accordance with the aforementioned requirements;

(vii) provide its cooperation and assistance in arranging meetings between the Debenture Holders and the members of the senior management of the Issuer (if so required by the Debenture Holders);

(viii) the Issuer agrees that its obligations under the Transaction Documents are absolute, irrevocable and unconditional, and the Issuer confirms the due and prompt observance, performance and full discharge of the covenants, agreements, obligations and liabilities in accordance with and subject to the terms and conditions contained under the Transaction Documents;

(ix) complete all necessary formalities including all filings with and notices to the relevant regulatory authorities as may be required, including but not limited to the SEBI, and the ROC and obtain all consents and approvals required for the completion of the Issue;

(x) promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a Material Adverse Effect, together with explanation of the reasons thereof;

(xi) perform all of its obligations under the Transaction Documents, and maintain in full force and effect each of the Transaction Documents;

(xii) promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Issuer, including but not limited to Taxes, and also such payments that are due and payable under or in respect of the Debentures or any documents executed in connection there with;

(xiii) provide to the Debenture Trustee any information, relating to the business, property, affairs of the Issuer, that materially impacts the interests of the Debenture Holders;

(xiv) at all times, act and proceed in relation to its affairs and business in compliance with Applicable Law;

(xv) provide such information to the Debenture Trustee/Debenture Holders as may be required to be provided under the listing agreement(s) that may be entered into between the Issuer and the BSE; and

(xvi) the Issuer has provided/shall provide all relevant information/details and populate all relevant fields as are required pursuant to the Listed NCDs Master Circular in respect of the International Securities Identification Number for the Debentures,

and shall provide all necessary assistance to the Depositories for the verification of such details/information (including at the time of activation of the ISIN).

(n) ***Filings; Information to the Debenture Trustee***

The Issuer shall:

(i) make all necessary filings required pursuant to the Act (including with the ROC) and the guidelines/regulations of the RBI;

(ii) without prejudice to (i) above, and to the extent applicable, co-operate with the Debenture Trustee and/or the Debenture Holders in connection with any assistance that may be required for the purpose of submitting information in relation to the Debentures and the Transaction Documents to any information utility in accordance with the IBC, and to confirm or authenticate all filings and information sought to be uploaded, and update or modify or rectify any errors in such financial information submitted;

(iii) provide to the Debenture Trustee such information as it may require for any filings, statements, reports that the Debenture Trustee is required to provide to any Governmental Authority under Applicable Law; and

(iv) within such timelines as may be prescribed by the Debenture Trustee, provide all relevant information required by the Debenture Trustee for the effective discharge of its duties and obligations under the Transaction Document, including but not limited to the copies of all reports, balance sheets and the profit and loss account of the Issuer.

(o) ***Internal Control***

The Issuer shall:

(i) maintain internal control for the purpose of preventing fraud on amounts lent by the Issuer; and

(ii) ensure that the proceeds of the Debentures are not used for money laundering or illegal purposes.

(p) ***Audit and Inspection***

The Issuer shall permit visits and inspection of books of records, documents and accounts to the Debenture Trustee and representatives of Debenture Holders as and when required by them.

(q) ***Books and Records***

The Issuer shall:

(i) maintain proper books of accounts and records in accordance with Applicable Law and make true and proper entries therein of all dealings and transactions of and in relation to the Debentures and the business of the Issuer, and keep such books of account and all other books, registers and other documents relating to the affairs of the Issuer at its registered office or, where permitted by Applicable Law, at other place or places where the books of account and documents of a similar nature may be kept;

(ii) provide access to relevant books of accounts, documents and records in relation

to this Issue and to enter into or upon and to view and inspect the state and condition of all the together with all records, registers of the Issuer as required by the Debenture Trustee and to take copies and extracts thereof; and

(iii) ensure that all entries relating to the business of the Issuer shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

(r) ***Access; Periodic Portfolio Monitoring***

The Issuer shall provide the Debenture Trustee and the Debenture Holders and any of their representatives, accountants, professional advisers and contractors with access to and/or permit them to, at the cost of the Issuer, upon providing the Issuer a reasonable notice:

(i) check management of the funds made available through subscription to the Debentures;

(ii) examine, inspect and take copies/extracts from the books and records, documents and accounts maintained by the Issuer;

(iii) visit and inspect the premises of the Issuer;

(iv) portfolio data in the format prescribed by the Debenture Holders from time to time;

(v) monitor Company's collection standards, management, governance, internal systems, origination and credit appraisal standards, documentation and processes, data integrity and customer protection; and

(vi) meet and discuss the affairs, finances and accounts of the Issuer with the senior management employees of the Issuer, and be advised as to the same, by the relevant officers.

(s) ***Insurances***

The Issuer shall maintain insurances on and in relation to its business and assets with insurance companies against those risks and to the extent as is usual for companies carrying on the same or substantially similar business, and any other insurances as may be required by Applicable Law, and ensure that all premiums are paid on time and other obligations of the Issuer under the insurance policies are duly complied with,

(t) ***Execution of Transaction Documents***

In the event of any delay in the execution of any Transaction Document, the Issuer will, at the option of the Debenture Holders, either:

(i) if so required by the Debenture Holders, refund the Application Money together with interest (including interest accrued) at the Interest Rate/discharge the Obligations; and/or

(ii) pay to the Debenture Holders additional interest at the rate of 2% (two percent) per annum on the Outstanding Principal Amounts in addition to the Interest Rate until the relevant Transaction Document is duly executed or the Obligations are discharged (whichever is earlier).

(u) ***Other Filings***

To the extent required under Applicable Law, the Issuer shall file with the BSE for dissemination, within 1 (one) month from September 30 and March 31 of each Financial Year, a half-yearly communication (counter signed by the Debenture Trustee), containing, *inter alia*, the following information:

(i) the credit rating;

(ii) previous Due Date for the payment of interest/principal under whether the same has been paid or not; and

(iii) the next Due Date for the payment of interest/principal.

(v) ***Downgrade of Rating***

The Issuer shall ensure and procure that, until the Final Settlement Date, the rating of the Issuer subsisting as on the Deemed Date of Allotment, is not downgraded by the Rating Agency by more than 1 (one) notch, by way of a single or multiple steps.

(w) ***Key Person***

The Issuer shall ensure and procure that, until the Final Settlement Date, Mr. Gobinda Chandra Pattanaik continues to be responsible for conducting the day-to-day business operations of the Issuer, as are being conducted as on the Effective Date.

(x) ***Listing and Monitoring Requirements***

The Issuer shall comply with all covenants, undertakings and requirements set out in Section 7.7 (*Listing and Monitoring Requirements*).

7.5. **Other Undertakings**

Each of the requirements prescribed and actions mentioned in this Section 7.5 (*Other Undertakings*) are subject to Applicable Law and the prior approval of the RBI (if so required).

The Issuer shall not take any action in relation to the items set out in this Section 7.5 (*Other Undertakings*) without the prior written consent of the Debenture Trustee. The Debenture Trustee shall provide its prior written approval/dissent within 15 (fifteen) Business Days after receiving a request to provide its approval. PROVIDED THAT such request must be accompanied by all relevant information substantiating the request to enable the Debenture Holders to make a reasoned decision. The Debenture Trustee shall take the consent of the Majority Debenture Holders prior to any such approval/dissent.

(a) ***Change of Business/Constitutional Documents***

(i) change the general nature and conduct of its business from that which is permitted as a non-banking financial company - micro finance institution registered with the RBI, other than any conversion into a banking company in accordance with the directions of the RBI; or

(ii) any changes to its Constitutional Documents in any material way that would prejudicially affect the interests of the Debenture Holders;

(b) ***Change in Financial Year***

change its Financial Year end from March 31 of each year to any other date unless such change is required pursuant to Applicable Law;

(c) ***Dividend***

declare or pay any dividend or make any cash distributions in its share capital, or pay any other consideration to its shareholders (other than dividends or distributions payable on shares of the Issuer), during any Financial Year unless:

(i) the proposed payment or distribution is made out of the positive retained earnings of the Issuer (excluding any amount resulting from the revaluation of any of the Issuer's assets) earned from the current Financial Year for which such dividend or distributions were declared;

(ii) no Event of Default or potential Event of Default exists or is continuing; and/or

(iii) the Issuer is not in breach of any of the financial covenants set out under Section 7.2 (*Financial Covenants*), and shall continue to be in compliance with its obligations under Section 7.2 (*Financial Covenants*) following the making/distribution of such dividend;

(d) ***Merger, Consolidation, etc.***

(i) undertake or permit any merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction; or

(ii) acquire any company, business or undertaking, where the acquisition cost, whether paid by cash or otherwise, when aggregated with the aggregate acquisition cost of any other companies, business or undertaking acquired by the Issuer, during that Financial Year exceeds 10% (ten percent) of the equity of the Issuer;

(e) ***Joint Ventures***

(i) dispose of, acquire or incorporate any associate company (as defined in the Companies Act), any subsidiary (as defined in the Companies Act), and/or any joint venture;

(ii) acquire (or agree to acquire) any shares, stocks, securities or other interests in any joint venture; or

(iii) transfer any assets, or lend to or guarantee, or indemnify or give any security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture);

(f) ***Loans; Guarantees and Investments***

(i) extend a loan to any single individual or entity aggregating to more than 15% (fifteen percent) of its Tangible Net Worth of the Issuer; or

(ii) undertake to guarantee the liabilities of any individual or entity in the ordinary course of business (unless such entity is a wholly-owned subsidiary of the Issuer);

(g) ***Arms' Length and other Transactions***

(i) enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies) (as defined in the Companies Act), and/or subsidiary(ies) (as defined in the Companies Act) except on proper commercial terms negotiated on an arm's length basis;

(ii) enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Issuer's income or profits are, or might be, shared with any other person; or

(iii) enter into any management contract or similar arrangement whereby the Issuer's business or operations are managed by any other person;

(h) ***Disposal of Assets***

sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets of the Issuer, other than in ordinary course of business including any securitization/portfolio sale of assets undertaken by the Issuer in its ordinary course of business;

(i) ***Compromise with Creditors***

enter into a material compromise or arrangement or settlement with any of its creditors (secured and/or unsecured) that would prejudicially affect the interests of the Debenture Holders;

(j) ***Anti-money laundering***

permit the proceeds of the Debentures to be used to fund:

(i) any form of violent political activity, terrorists or terrorist organisations, any money laundering process or scheme to disguise illegally obtained funds, or any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering; or

(ii) any activity on the Exclusion List;

(k) ***Related Party Transactions***

until the Final Settlement Date, enter into any transaction(s) in the nature of loans or advances to a related party (as defined in the Companies Act) where the aggregate outstanding amounts owed to the Issuer under all such transactions exceeds 5% (five percent) of the Issuer's Net Worth. It is hereby clarified that the Debenture Trustee/Debenture Holders shall have access to any additional information that they may deem necessary to monitor and evaluate the above until the Final Settlement Date;

(l) ***Business***

undertake any new major businesses except in relation to financial services or diversify its business outside the financial services sector;

(m) ***Change in Shareholding***

(i) permit any action or event that would lead to a change in the shareholding in the Issuer by more than 25% (twenty five percent) from that subsisting as of the Effective Date.

It is hereby clarified that, subject to Applicable Law and the prior approval of the RBI (if so required), if the consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) for any change in control/shareholding requested by the Issuer under this paragraph (m) (*Change in Shareholding*) is withheld, the Issuer shall, no later than 45 (forty five) calendar days of receiving such written instructions from the Debenture Trustee, redeem the Debentures together with a prepayment premium of 2% (two percent) on the

Outstanding Principal Amounts to the Debenture Holders. PROVIDED THAT any action arising out of or pursuant to this provision will be taken in accordance with the applicable RBI regulations;

(ii) without prejudice to (i) above, change the capital structure of the Issuer in a manner that adversely effects the payment obligations of the Issuer in respect of the Debentures;

(iii) permit any change in the position held and/or the responsibilities discharged by Mr. Gobinda Chandra Pattanaik from that subsisting as on the Effective Date; or

(iv) appoint any person as a director and/or key managerial personnel (as defined under the Companies Act) of the Issuer that is classified as a wilful defaulter by the RBI, or any other Governmental Authority;

(n) ***Repayment of loans***

following the occurrence of an Event of Default, repay any unsecured loans availed by the Issuer, and/or refund any inter-corporate deposits accepted by the Issuer from any of its promoters (as defined in the Companies Act), shareholders, directors, friends or any of their relatives or any other associates (other than by way of any equity conversion); or

(o) ***Change in Statutory Auditor***

change its statutory auditor unless such change is required pursuant to Applicable Law.

7.6. **Events of Default and Remedies**

7.6.1. **Consequences and Remedies**

If one or more events specified in Section 7.6.2 (*Events of Default*) occur(s), the Debenture Trustee may, in its discretion, on behalf of any Debenture Holder (acting on the instructions of such Debenture Holder), subject to Applicable Law and with the prior approval of the RBI (if so required), initiate actions as may be contemplated in the Transaction Documents including the following:

(a) accelerate the redemption of Debentures and declare all or any of the Debentures and/or Obligations to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon the Debentures shall become immediately due and payable;

(b) require the Issuer to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest and other costs, charges and expenses incurred under or in connection with the DTD and the other Transaction Documents;

(c) appoint a nominee director in accordance with the Transaction Documents;

(d) appoint any independent agency to inspect and examine the working of the Issuer and give a report to the Debenture Holders/the Debenture Trustee. The Issuer shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;

(e) take any actions in respect of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular in accordance with the provisions of the DTD;

(f) take all such other action expressly permitted under the DTD or in the other Transaction Documents or permitted under the Applicable Law; and

(g) exercise such other rights as the Debenture Trustee and/or the Debenture Holders have under the Transaction Documents and/or may deem fit under Applicable Law to protect the interests of the Debenture Holders.

7.6.2. **Events of Default**

(a) ***Payment Default***

The Issuer does not pay on the Due Date any amount payable pursuant to the DTD and the Debentures at the place and in the currency in which it is expressed to be payable, unless the failure to pay is caused by an administrative or technical error and the payment is made within 7 (seven) calendar days of the Due Date.

(b) ***Cessation of Business***

The Issuer ceases to carry on its business or any substantial part thereof or gives notice of its intention to do so.

(c) ***Insolvency / Inability to Pay Debts***

(i) The Issuer is unable or admits in writing its inability to pay its debts as they fall due/mature, or suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

(ii) Any resolution is passed resolving or to consider resolving that the Issuer be wound up voluntarily, or any order for winding up of the Issuer is made by any competent court or tribunal, other than for the purposes of any amalgamation or reconstruction of the Issuer entered into with the prior approval of the Debenture Trustee in accordance with the provisions of the DTD.

(iii) The Issuer commits any act or undertakes any action which may result in the insolvency/liquidation/bankruptcy (as the case may be) of the Issuer or proceedings for taking the Issuer into insolvency/liquidation/bankruptcy (as the case may be) have been admitted by any competent court or any protection from its creditors is declared or imposed in respect of any indebtedness of the Issuer.

(iv) The Issuer being determined as insolvent under the Insolvency and Bankruptcy Code, 2016 read with any other rules and regulations framed thereunder from time to time).

(v) A moratorium in respect of the Issuer or the Financial Indebtedness of the Issuer or any other protection from the creditors/holders of Financial Indebtedness of the Issuer is declared.

(d) ***Liquidation or Dissolution of the Issuer / Appointment of Receiver or Liquidator***

Any corporate action, legal proceedings or other procedure or step is taken by any person (whether a financial creditor or an operational creditor or otherwise) or any Governmental Authority in relation to:

(i) the suspension of payments, a moratorium of any Financial Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer;

(ii) a composition, compromise, assignment or arrangement with any creditor of the Issuer otherwise than in accordance with the terms of the DTD;

(iii) a liquidator, receiver, provisional liquidator, administrative receiver, administrator, compulsory manager, resolution professional, trustee, supervisor or other similar officer in respect of the Issuer or any of its assets or any part of the undertaking of the Issuer being appointed or is allowed to be appointed;

(iv) a petition for reorganization arrangement, adjustment, winding up, liquidation or composition of debts of the Issuer is filed by the Issuer (voluntary or otherwise) or any other person, or such a petition has been admitted, and such proceedings are not contested by the Issuer for staying, quashing and/or dismissed within 15 (fifteen) calendar days of filing;

(v) the Issuer, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the Stressed Assets Framework);

(vi) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 read together with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time, or under any other Applicable Law, in respect of the Issuer (including the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution), in relation to an insolvency resolution process);

(vii) enforcement of any security over any Assets of the Issuer or any analogous procedure or step is taken in any jurisdiction; or

(viii) any other event occurs or proceeding instituted under any Applicable Law that would have an effect analogous to any of the events listed in paragraph (i) to (vii) above.

(e) ***Misrepresentation***

Any representation or warranty made by the Issuer in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Issuer shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(f) ***Material Adverse Effect***

The occurrence of a Material Adverse Effect, in the sole determination of the Debenture Trustee (acting on the instructions on the Majority Debenture Holders), where such Material Adverse Effect, to the extent capable of remedy (as determined by the Debenture Trustee (acting on the instructions of the Debenture Holders)), not cured within a period of 30 (thirty) Business Days.

(g) ***Cross Default***

(i) The Issuer defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created, other than any default that is due to a technical error which has been confirmed by the relevant lender/debenture trustee in relation to such Financial Indebtedness.

(ii) The Issuer defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or

agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity.

(iii) Due to any default or an event of default (howsoever described), any Financial Indebtedness of the Issuer is declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment (whether or not such right shall have been waived), prior to the stated maturity thereof.

(h) ***Creditors' Process and Expropriation***

(i) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Assets of the Issuer having an aggregate value of 5% (five percent) of the Total Assets of the Issuer, and is not discharged within 30 (thirty) calendar days or as otherwise provided in any order of any competent court or tribunal relating to the aforementioned actions.

(ii) All or a material part of the undertaking, assets, rights or revenues of the Issuer are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of all or substantial part of the business or operations of the Issuer (including operations, properties and other assets), or shall have taken any action for the dissolution of the Issuer, or any action that would prevent the Issuer, its members, or its officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Governmental Authority.

(i) ***Judgment Defaults***

One or more judgments or decrees entered against the Issuer involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (five percent) of the Total Assets of the Issuer provided such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal within a period of 30 (thirty) calendar days.

(j) ***Transaction Documents***

The DTD or any other Transaction Document (in whole or in part), is terminated or ceases to be effective or ceases to be in full force or no longer constitutes valid, binding and enforceable obligations of the Issuer.

(k) ***Unlawfulness***

It is or becomes unlawful or illegal for the Issuer to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Issuer under any Transaction Document are not or cease to be valid, binding or enforceable.

(l) ***Repudiation***

The Issuer repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(m) ***Delisting of Debentures***

The Debentures cease to be listed, or the listing of the Debentures is suspended on or prior to the Final Settlement Date (other than with the prior consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders)).

(n) ***Default in Listing***

The Issuer fails to list the Debentures on the wholesale debt market segment of the BSE within the Listing Period.

(o) ***Promoter related defaults***

(i) The promoters (as defined in the Companies Act) of the Issuer and/or the directors of the Issuer are accused of, charged with, arrested or convicted for a criminal offence, or of any act involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the promoters (as defined in the Companies Act) and/or any director, including any accusations, charges and/or convictions of any offence relating to bribery.

(ii) Any act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the funds of the Issuer or by the promoters (as defined in the Companies Act) of the Issuer or revenues of the Issuer or any other act having a similar effect being committed by the management or an officer/employee of the Issuer.

(p) ***Breach of Financial Covenants***

Any breach of any of the financial covenants set out in Section 7.2 (*Financial Covenants*) which is, to the extent capable of remedy (as determined by the Debenture Trustee (acting on the instructions of the Debenture Holders)), not cured within such time period as may be prescribed by the Debenture Trustee (acting on the instructions of the Debenture Holders) in its sole discretion.

(q) ***Breach of Reporting Covenants***

Any breach of any of the reporting covenants set out in Section 7.3 (*Reporting Covenants*) which is, to the extent capable of remedy (as determined by the Debenture Trustee (acting on the instructions of the Debenture Holders)), not cured within such time period as may be prescribed by the Debenture Trustee (acting on the instructions of the Debenture Holders) in its sole discretion.

(r) ***Breach of Other Covenants***

Any breach of any of the covenants set out in Section 7.4 (*Covenants*) which is, to the extent capable of remedy (as determined by the Debenture Trustee (acting on the instructions of the Debenture Holders)), not cured within such time period as may be prescribed by the Debenture Trustee (acting on the instructions of the Debenture Holders) in its sole discretion.

(s) ***Breach of Other Undertakings***

Any breach of any of the undertakings set out in Section 7.5 (*Other Undertakings*) which is, to the extent capable of remedy (as determined by the Debenture Trustee (acting on the instructions of the Debenture Holders)), not cured within such time period as may be prescribed by the Debenture Trustee (acting on the instructions of the Debenture Holders) in its sole discretion.

(t) ***Breach of other provisions***

(i) Any breach of any covenant or undertaking of the Issuer in the Transaction Documents (other than paragraphs (a) to (s) above); or

(ii) any breach of any covenant or undertaking of the Issuer in paragraphs (b) to (s) abovse for which no specific cure/grace period has been provided in paragraph (b) to (s) above,

where such breach is, to the extent capable of remedy (as determined by the Debenture Trustee (acting on the instructions of the Debenture Holders)), not remedied within a period of 30 (thirty) calendar days of (A) the day that the Issuer has obtained actual knowledge in respect of such breach/failure, or (B) the Debenture Trustee has notified the Issuer of such breach/failure (whichever is earlier).

7.6.3. **Notice on the Occurrence of an Event of Default**

(a) If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default, has occurred, the Issuer shall, forthwith give notice thereof to the Debenture Holders and the Debenture Trustee in writing specifying the nature of such event or Event of Default.

(b) In addition to the foregoing, in accordance with Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, the Debenture Trustee shall send a notice to the Debenture Holders within 3 (three) days of the occurrence of an Event of Default, in accordance with the mode of delivery of notice mentioned therein, convening a meeting within 30 (thirty) days of the occurrence of an Event of Default. PROVIDED THAT if the Event of Default is cured or rectified within the intervening period between the date of the aforementioned notice from the Debenture Trustee to the date the aforementioned meeting is convened, no such meeting of the Debenture Holders shall be required. The Debenture Trustee shall maintain the details of the providing and receipt of such notice in accordance with Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular.

7.6.4. **Additional obligations of the Debenture Trustee**

In respect of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, the entering into, and the performance of any obligations under any inter-creditor agreement (pursuant to the Stressed Assets Framework) or any resolution plan shall be subject to the terms of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular (including without limitation, the resolution plan being finalised within the time period prescribed in Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, and exiting of the inter-creditor agreement on the occurrence of the matters prescribed under Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular).

7.7. **Listing and Monitoring Requirements**

(a) ***Monitoring***

The Issuer will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary continuous and periodic due diligence and monitor the security cover (if any) in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the SEBI Debenture Trustees Master Circular, the Issuer undertakes and agrees to provide all relevant documents/information, as applicable, to enable the Debenture Trustee to submit the following reports/certifications to BSE in accordance with the SEBI Debenture Trustees Master Circular:

(i) (to the extent applicable) a security cover certificate on a quarterly basis, within (i) 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant calendar year), and (ii) 90 (ninety) days from March 31 of the relevant calendar year or such other timelines as may be prescribed under Applicable Law, in the format prescribed in the SEBI Debenture Trustees Master Circular;

(ii) (to the extent applicable) a statement of the value of the pledged securities on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;

(iii) (to the extent applicable) a statement of the value of the debt service reserve account or any other form of security offered on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;

(iv) (to the extent applicable) a net worth certificate of the guarantor who has provided a personal guarantee in respect of the Debentures on a half yearly basis, within 75 (seventy five) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law;

(v) (to the extent applicable) the financials/value of guarantor prepared on the basis of audited financial statement etc. of the guarantor who has provided a corporate guarantee in respect of the Debentures on an annual basis, within 75 (seventy five) days from the end of each Financial Year or within such other timelines as may be prescribed under Applicable Law; and

(vi) (to the extent applicable) the valuation report and title search report for the immovable/movable assets, as applicable, once in 3 (three) years, within 75 (seventy five) days from the end of the Financial Year or such other timelines as may be prescribed under Applicable Law.

(b) ***Recovery Expense Fund***

(i) The Issuer hereby undertakes and confirms that it shall, within the time period prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular, establish, maintain and utilize the Recovery Expense Fund in such manner/mode as is prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular, to enable the Debenture Trustee to take prompt action in relation to the enforcement/legal proceedings under the Transaction Documents.

(ii) The Issuer shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time.

(iii) The Issuer shall ensure that any bank guarantees provided in respect of the Recovery Expense Fund remain valid for a period of 6 (six) months following the maturity date of the Debentures. The Issuer shall keep the bank guarantees in force and renew the bank guarantees at least 7 (seven) working days before its expiry, failing which the designated stock exchange may invoke such bank guarantee.

(iv) On the occurrence of any Event of Default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement/legal proceedings and shall inform

the designated stock exchange of such occurrence and the obtaining of any consent in respect thereof (if any). The amount lying in the Recovery Expense Fund may be released to the Debenture Trustee within such time period and such manner as may be prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund towards enforcement/legal proceedings under the Transaction Documents.

(v) The amounts in the Recovery Expense Fund shall be refunded to the Issuer on repayment/redemption of the Debentures, following which a "no objection certificate" shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall ensure that there is no default on any other listed debt securities of the Issuer before issuing such "no objection certificate".

(c) ***Requirements under the SEBI LODR Regulations***

The Issuer hereby further agrees, declares and covenants with the Debenture Trustee that the Issuer shall comply with the relevant provisions of the SEBI LODR Regulations applicable to listed entities which have listed their non-convertible securities, including (to the extent applicable), the provisions of Chapter II (*Principles governing disclosures and obligations of listed entity*), Chapter III (*Common obligations of listed entities*), Chapter IV (*Obligations of a listed entity which has listed its specified securities and non-convertible debt securities*), and Chapter V (*Obligations of listed entity which has listed its non-convertible securities*) of the SEBI LODR Regulations.

(d) ***Due Diligence***

(i) The Issuer acknowledges, understands, and confirms that:

(A) the Debenture Trustee shall carry out due diligence on continuous basis to ensure compliance by the Issuer, with the provisions of the Companies Act, the SEBI LODR Regulations, the Debt Listing Regulations, the SEBI Listed Debentures Circulars, the Debenture Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the Transaction Documents, and any other regulations issued by SEBI pertaining to the Issue;

(B) for the purposes of carrying out the due diligence as required in terms of the SEBI Listed Debentures Circulars, the Debenture Trustee, either through itself or its agents, advisors, consultants, shall have the power to examine the books of account of the Issuer and to have the Issuer's assets inspected by its officers and/or external auditors, valuers, consultants, lawyers, technical experts, management consultants appointed by the Debenture Trustee; and

(C) the Debenture Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Company and the trust property (as set out in the DTD) to the extent necessary for discharging its obligations. The Issuer shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Issuer. In the event, any fees, costs expenses are borne by the Debenture Trustee, the above shall be reimbursed forthwith by the Issuer upon request.

(ii) The Issuer shall submit documents/ information as the Debenture Trustee may require to conduct continuous and periodical due diligence and monitoring of the assets on which security interest/charge is created (if any), which shall, *inter alia*, include:

(A) periodical status/performance reports from the Issuer within 7 (seven) days of the relevant board meeting of the Issuer or within 45 (forty five) days of the respective quarter, whichever is earlier;

(B) details with respect to defaults, if any, with regard to payment of interest or redemption of Debentures;

(C) details with respect to the implementation of the conditions regarding creation of the security (to the extent applicable) for the Debentures, debenture redemption reserve and Recovery Expense Fund;

(D) (to the extent applicable) details with respect to the assets of the Issuer and of the guarantors to ensure that they are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the Debenture Holders;

(E) reports on the utilization of funds raised by the issue of Debentures;

(F) details with respect to conversion or redemption of the Debentures;

(G) (to the extent applicable) details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the Debenture Holders and payment of amounts upon redemption of Debentures to the Debenture Holders due to them within the stipulated time period in accordance with the Applicable Law;

(H) (to the extent applicable) reports from the lead bank regarding the progress of the project relating to the proceeds of the Issue;

(I) details regarding monitoring of utilisation of funds raised in the issue of the Debentures;

(J) (to the extent applicable) certificate from the statutory auditors of the Issuer (A) in respect of utilisation of funds during the implementation period of the project relating to the proceeds of the Issue, and (B) in the case of Debentures issued for financing working capital, at the end of each accounting year; and

(K) such other documents or information as may be required by the Debenture Trustee in accordance with the Applicable Law.

(iii) Without prejudice to any other provision of the DTD and the other Transaction Documents, the Issuer shall:

(A) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the necessary due diligence and monitor the security cover (if any) on a quarterly basis in the manner as may be specified by SEBI from time to time;

(B) to the extent applicable, submit a certificate from the statutory auditor

on a half-yearly basis, regarding the maintenance of security cover (if any) in accordance with the terms of the Debt Disclosure Documents and the other Transaction Documents including compliance with the covenants of the Debt Disclosure Documents and the other Transaction Documents in the manner as may be specified by SEBI from time to time;

(C) submit the following reports/certification (to the extent applicable) to the Debenture Trustee within the timelines mentioned below:

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/CERTIFICATIONS BY DEBENTURE TRUSTEE
(To the extent applicable) Security cover certificate	Quarterly basis within 60 (sixty) days from each Quarterly Date or such other timelines as prescribed under Applicable Law or as may be mutually agreed between the Parties.	Quarterly basis within (A) 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant calendar year), and (B) 90 (ninety) days from March 31 of the relevant calendar year or such other timelines as may be prescribed under Applicable Law.
(To the extent applicable) A statement of value of pledged securities	Quarterly basis within 45 (forty five) days from each Quarterly Date or such other timelines as prescribed under Applicable Law or as may be mutually agreed between the Parties.	Quarterly basis within (A) 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant calendar year), and (B) 90 (ninety) days from March 31 of the relevant calendar year or such other timelines as may be prescribed under Applicable Law.
(To the extent applicable) A statement of value for Debt Service Reserve Account or any other form of security offered	Quarterly basis within 45 (forty five) days from each Quarterly Date or such other timelines as prescribed under Applicable Law or as may be mutually agreed between the Parties.	Quarterly basis within (A) 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant calendar year), and (B) 90 (ninety) days from March 31 of the relevant calendar year or such other timelines as may be prescribed under Applicable Law.
(To the extent applicable) Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within such timelines as prescribed under Applicable Law or as may be mutually agreed between the Parties.	Half yearly basis within 75 (seventy five) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law.
(To the extent applicable) Financials/value of guarantor prepared on basis of audited financial statement etc. of the guarantor (secured by way of corporate guarantee)	Annual basis within such timelines as prescribed under Applicable Law or as may be mutually agreed between the Parties.	Annual basis within 75 (seventy five) days from the end of each Financial Year or such other timelines as may be prescribed under Applicable Law.
(To the extent applicable) Valuation report and title	Within such timelines as prescribed under	Once in 3 (three) years, within 75 (seventy five) days from

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/CERTIFICATIONS BY DEBENTURE TRUSTEE
search report for the immovable/movable assets, as applicable	Applicable Law or as may be mutually agreed between the Parties.	the end of the Financial Year or such other timelines as may be prescribed under Applicable Law.

(D) comply with all requirements applicable to it under the SEBI Debenture Trustees Master Circular, and provide all documents/information as may be required in accordance with the SEBI Debenture Trustees Master Circular.

(e) ***Forensic Audit***

In case of initiation of forensic audit (by whatever name called) in respect of the Issuer, the Issuer shall provide following information and make requisite disclosures to the stock exchanges:

(i) the details of initiation of forensic audit along-with name of entity initiating the audit and reasons for such forensic audit, if available; and

(ii) the final forensic audit report (other than for forensic audit initiated by regulatory/enforcement agencies) on receipt by the Issuer along with comments of the management of the Issuer, if any.

(f) ***Others***

(i) The Issuer shall ensure due compliance and adherence to the SEBI Listed Debentures Circulars in letter and spirit.

(ii) To the extent applicable and required in terms of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, the Debenture Trustee shall execute an "inter creditor agreement" in the manner prescribed under Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular.

(iii) To the extent required/applicable, the Issuer shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Issuer, and (ii) all covenants of the issue (including side letters, event of default provisions/clauses etc.).

(iv) The Issuer shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Issuer or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.

(v) The Issuer and the Debenture Trustee hereby agree and covenant to comply with the requirements prescribed under the SEBI Debenture Trustees Master Circular in respect of the Debentures and the transactions contemplated in the Transaction Documents.

SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

Please refer the application procedure set out in Section 8 of the General Information Document. Certain additional details are set out below.

8.1 Issue Procedure

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the Applicant's bank, type of account and account number must be duly completed by the Applicant. This is required for the Applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The Applicant should transfer payments required to be made in any relation by EFT/RTGS, to the bank account as per the details mentioned in the Application Form.

The subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Requirements by placing bids on the EBP Platform during the Issue period. The Issuer will make the bidding announcement on the EBP Platform at least 1 (one) Business Day before initiating the bidding process in accordance with the EBP Requirements. In case the Eligible Investors are not registered on the EBP Platform, they will have to register themselves as an "investor" on the EBP Platform (as a one-time exercise) and also complete the mandatory "know your customer" verification process. The Eligible Investors should also refer to the operational guidelines of the relevant EBP in this respect. The disclosures required pursuant to the EBP Requirements are set out herein below:

Details of size of issue including green shoe option, if any and a range within which green shoe may be retained (if applicable)	10,000 (ten thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having a face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 100,00,00,000 (Indian Rupees One Hundred Crore) inclusive of a green shoe option of 5,000 (five thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore). **Green Shoe Option:** 5,000 (five thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore) **Anchor Portion**: INR 15,00,00,000 (Indian Rupees Fifteen Crore), being 30% (thirty percent) of the base issue size (i.e., INR 50,00,00,000 (Indian Rupees Fifty Crore))) is the anchor-portion of this Issue, and is available for subscription only to the "anchor" identified below.
Interest Rate Parameter	Fixed coupon (being, 12% (twelve percent) per annum, payable monthly (fixed)).
Bid opening and closing date	Bid opening date: April 22, 2024 Bid closing date: April 22, 2024
Minimum Bid Lot	INR 1,00,00,000 (Indian Rupees One Crore) (being 100 (one hundred)

	Debentures) and in multiples of 1 (one) Debenture thereafter.
Manner of bidding in the Issue	Open Bidding
Manner of allotment in the Issue	Uniform Yield Allotment
Manner of settlement in the Issue	Pay-in of funds through ICCL. The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below.
Settlement Cycle	T+1, where "T" refers to the date of bidding. Settlement of the Issue will be on April 23, 2024.
Pay-in date	April 23, 2024 (i.e., T+1, where "T" refers to the date of bidding)
Anchor Portion Details (if any)	(a) **Name of the Anchor Investor**: Phillip Services India Private Limited. The anchor has also been identified/selected as eligible participant(s) by the Issuer and may also participate in the non-anchor portion of this Issue. Please note that there will be no bidding for the anchor portion of this Issue. (b) **Total Amount of the Anchor Portion (not exceeding 30% of Base Issue size))**: INR 15,00,00,000 (Indian Rupees Fifteen Crore), being 30% (thirty percent) of base issue size (i.e., INR 50,00,00,000 (Indian Rupees Fifty Crore)). (c) **Quantum for each Anchor Investor (Rs.)**: INR 15,00,00,000 (Indian Rupees Fifteen Crore), being 30% (thirty percent) of base issue size (i.e., INR 50,00,00,000 (Indian Rupees Fifty Crore))

Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this Key Information Document along with the PPOA have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below:

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED

Name of Bank	ICICI Bank Ltd.
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	YES BANK
IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

The pay-in of the Application Money by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details of which are as set out below:

Beneficiary Name	Annapurna Finance Private Limited
Bank Account No.	028405010760
SWIFT Code	ICICINBBCTS
IFSC Code	ICIC0000284
Bank Name	ICICI Bank
Branch Address	Nayapalli Branch, Bhubaneswar Odisha -751015

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Requirements and other Applicable Law.

8.2 Eligible Investors should refer to the Operational Guidelines

The details of the Issue shall be entered on the EBP Platform by the Issuer in accordance with the EBP Requirements and the operational guidelines of the relevant EBP. The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the EBP Platform.

8.3 Application Procedure

The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule, and the procedure will be subject to the EBP Requirements. Where an Eligible Investor (as defined below) is participating/bidding on the EBP Platform through an arranger or a custodian, such Eligible Investor must follow, and must ensure that the arranger or a custodian representing it, follows, the procedure and the bidding threshold requirements prescribed under the EBP Requirements.

Potential Investors may also be invited to subscribe by way of the Application Form prescribed in this Key Information Document during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons.

8.4 Fictitious Applications

All fictitious applications will be rejected. Each Eligible Investor shall provide a confirmation to the EBP that it is not using any software, algorithm, "Bots" or other automation tools, which would give unfair access for placing bids on the EBP Platform.

8.5 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. The allotment and settlement amount for the bidders shall be determined in accordance with the EBP Requirements and the operational guidelines issued by the relevant EBP. The bids for the purposes allotment and settlement shall be arranged on a "price time priority" basis in accordance with the EBP Requirements. If two or more bids made by Eligible Investors have the same coupon/ price/spread and time, then allotment shall be done on a "pro rata" basis. The investors will be required to remit the funds in the account of the ICCL as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

If so required by the Issuer, within 1 (one) Business Day of completion of the allotment, to enable the Issuer to comply with the requirements applicable to it under the EBP Requirements, successful Applicants shall provide the following details (in the form specified below) to the Issuer:

Details of Investors to whom allotment has been made			
Name	**QIB/ Non-QIB**	**Category i.e. Scheduled Commercial Banks, MF, Insurance Company, Pension Fund, Provident Fund, FPI, PFI, Corporate, Others**	**Amount invested (in Rs. Crore)**

8.6 Payment Instructions

The Application Form should be submitted directly. The entire amount of INR 1,00,000 (Indian Rupees One Lakh) per Debenture is payable along with the making of an application. Applicants can remit the application amount on the Pay-in Date in the account of ICCL mentioned under Section 8.1 above.

8.7 Eligible Investors

As prescribed in the EBP Requirements, "Qualified Institutional Buyers" or "QIBs" (as defined in the EBP Requirements) and non-QIBs authorized by an issuer to participate on an issuer on the EBP Platform are eligible participants (i.e., bidders) on an EBP Platform to participate in a particular issue on the EBP Platform. In furtherance of the above, to the extent applicable, the following categories of Investors ("**Eligible Investors**"), when specifically approached, and identified upfront by the Issuer, shall be eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them and by completing the participation/nodding requirements prescribed for the EBP Platform and/or by submitting all the relevant documents along with the Application Form:

(a) Mutual Funds
(b) NBFCs
(c) Provident Funds and Pension Funds
(d) Corporates
(e) Banks
(f) Foreign Institutional Investors (FIIs)
(g) Qualified Foreign Investors (QFIs)
(h) Foreign Portfolio Investors (FPIs)
(i) Insurance Companies
(j) Any other person eligible to invest in the Debentures.

potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

By participating/bidding in the EBP Platform, each Eligible Investor represents and confirms that it has completed all enrollment and "know-your-customer" verification and other requirements prescribed under the EBP Requirements in the manner prescribed in the EBP Requirements. Where an Eligible Investor (as defined below) is participating/bidding on the EBP Platform through an arranger or a custodian, such Eligible

Investor must follow, and must ensure that the arranger or a custodian representing it, follows, the procedure and the bidding threshold requirements prescribed under the EBP Requirements.

Investors, who are registered on the EBP Platform and are eligible to make bids for the Debentures of the Issuer and to whom allocation is to be made by Issuer pursuant to selection under the electronic book mechanism for issuance of securities on private placement basis in terms of the EBP Requirements and the Electronic Book Providers shall be considered as "identified persons" for the purposes of Section 42(2) of the Companies Act, 2013, to whom the Issuer shall make private placement of the Debentures and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Debentures and only such "identified persons" shall be entitled to subscribe to the Debentures.

Additionally, those arrangers/brokers/intermediaries etc. (as per the defined limits under the EBP Requirements) specifically mapped by the Issuer on the EBP Platform are also eligible to bid/apply/invest for this Issue.

All Eligible Investors are required to check and comply with Applicable Law(s) including the relevant rules / regulations / guidelines applicable to them for investing in this Issue of Debentures. The Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, nor is the Issuer required to check or confirm the above.

Hosting of this Debt Disclosure Documents on the website of the BSE/EBP should not be construed as an offer or an invitation to offer to subscribe to the Debentures and the Debt Disclosure Documents has been hosted only as this is stipulated under the SEBI Debt Listing Regulations read with the EBP Requirements. Eligible Investors should check their eligibility before making any investment.

All Eligible Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

8.8 Post-Allocation Disclosures by the EBP

Upon final allocation by the Issuer, the Issuer shall disclose the relevant details (such as Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc.), in accordance with the EBP Requirements and the operational guidelines of the relevant EBP. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

8.9 Mode of Transfer/Transmission of Debentures

Please refer Section 8.1 of the General Information Document for mode of transfer/transmission of Debentures.

8.10 Debentures held in Dematerialised Form

Please refer Section 8.2 of the General Information Document for Debentures held in dematerialised form.

8.11 Debenture Trustee for the Debenture Holder(s)

Please refer Section 8.3 of the General Information Document for Debenture Trustee for the Debenture Holder(s).

8.12 Sharing of Information

Please refer Section 8.4 of the General Information Document for sharing of information.

8.13 **Debenture Holder not a Shareholder**

Please refer Section 8.5 of the General Information Document for Debenture Holder not a shareholder.

8.14 **Modification of Debentures**

Please refer Section 8.6 of the General Information Document for modification of Debentures.

8.15 **Right to accept or reject Applications**

Please refer Section 8.7 of the General Information Document for right to accept or reject Debentures.

8.16 **Notices**

Please refer Section 8.8 of the General Information Document for notices.

8.17 **Procedure for Applying for Dematerialised Facility**

Please refer Section 8.17 of the General Information Document for procedure for applying for dematerialized facility.

8.18 **Depository Arrangements**

Please refer Section 8.18 of the General Information Document for depository arrangements.

8.19 **Market Lot**

Please refer Section 8.19 of the General Information Document for market lot.

8.20 **List of Beneficiaries**

Please refer Section 8.20 of the General Information Document for list of beneficiaries.

8.21 **Application under Power of Attorney**

Please refer Section 8.21 of the General Information Document for application under power of attorney.

8.22 **Procedure for application by Mutual Funds and Multiple Applications**

Please refer Section 8.22 of the General Information Document for procedure for applications by mutual funds and multiple applications.

8.23 **Documents to be provided by Investors**

Please refer Section 8.23 of the General Information Document for documents provided by investors.

8.24 **Applications to be accompanied with Bank Account Details**

Please refer Section 8.24 of the General Information Document for applications to be accompanied with bank account details.

8.25 **Succession**

Please refer Section 8.25 of the General Information Document for succession.

8.26 **Mode of Payment**

Please refer Section 8.26 of the General Information Document for mode of payment.

8.27 **Effect of Holidays**

Please refer Section 5.34 above.

8.28 **Tax Deductions**

(a) All payments to be made by the Issuer to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Issuer is required to make a Tax Deduction pursuant to Applicable Law.

(b) The Issuer shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.

(c) If the Issuer is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time period prescribed under Applicable Law and in the minimum amount required by Applicable Law.

(d) Within the earlier of (i) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (ii) 60 (sixty) days of each Due Date, the Issuer shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

8.29 **Letters of Allotment**

Please refer Section 8.29 of the General Information Document for letters of allotment.

8.30 **Record Date**

Please refer Section 5.34 above.

8.31 **Refunds**

Please refer Section 8.32 of the General Information Document for refunds.

8.32 **Interest on Application Money**

Please refer Section 5.34 above.

8.33 **PAN Number**

Please refer Section 8.34 of the General Information Document for PAN number.

8.34 **Payment on Redemption**

Please refer Section 8.35 of the General Information Document.

SECTION 9: UNDERTAKINGS

Please refer Section 9 of the General Information Document for the undertakings by the Issuer, and attestation by the directors. Please refer below for the undertaking on security:

9.1 UNDERTAKING ON SECURITY

Not applicable. The Debentures are unsecured and subordinated debt instruments.

SECTION 10: SPECIFIC DISCLOSURES REQUIRED FROM NBFCs

**The information under this Section 10 has been provided in accordance with the audited financial statements for the financial year ended March 31, 2023 as the audited financial statements of the Issuer for the Financial Year ended March 31, 2024 are not available as of the date of this KID. The relevant details will be submitted by the Issuer to BSE within the time period prescribed under the LODR Regulations.

While information under this Section 10 is required to be provided on the basis of the audited financial statements of the Issuer, the Issuer has also, wherever available, provided information/details on the basis of its unaudited financial statements for the financial quarter ended December 31, 2023.

A.	**Details with regard to the lending done by the Issuer out of the issue proceeds of debt securities in last three years, including details regarding the following**
(a)	**Lending Policy: Should contain overview of origination, risk management, monitoring and collections:** **Customer Origination and application**: Please refer to the lending policy set out in Annexure XII. **Risk Management** Please refer to the lending policy set out in Annexure XII **Fraud**: Please refer to the lending policy set out in Annexure XII **Lifecycle risk**: Please refer to the lending policy set out in Annexure XII **Business cycle risk**: Please refer to the lending policy set out in Annexure XII Given the fact that Company provides unsecured loans, the product offering is designed to minimize potential default. The in-built features of the product mitigate the default risk due to: • **Amount**: Small ticket size of loans gives very little incentive to the borrower to default on the loan, reducing the probability of default. Bank statement or transaction data, past repayment history and a host of other social and business parameters help to evaluate the credit or character of the client. • **Tenor**: The longer the loan tenor, the higher is the probability of occurrence of a business cycle or life cycle event which may negatively impact the borrower's repayment capacity. Offering short duration loans helps the Company to hedge this risk. • **Automated Credit Analysis**: Capacity or ability to repay is assessed from the borrower's cash flows and transaction data. All the financial ratios or other metrics that conventional banks use from an income perspective, the company use that from turnover or revenue perspective. **Monitoring and Collections**: **Collections – Physical coverage** The Company has adequately appointed collection executives at requisite locations. **Strong Collections Processes** Borrowers are sent reminders via email, SMS and are sent calls prior to the due EMI date. On the date of EMI payment, they are informed via call before the NACH / ECS process is initiated or his/her PDCs are presented for payment. If the borrowers fail to keep sufficient balance in their accounts for the EMI repayment the collections team reaches out to them via calls on the 1st, 2nd and 3rd day of default. This is followed up with a visit by the

field team for all cases whose delay day for more than 3 days to collect the due & late payment amount.

When default days' cross over 30, soft legal notices are sent to the borrowers. Hard legal notices are furnished for defaults over 61 days. Defaulters over 91 days receive a Loan Recall Notice and for cases over 105 default days, the Company processes for legal recovery through legal remedies like Sec 138 / Civil Suit / DRT etc.

Furthermore, the Company prefers the arbitration method to incorporate arbitration clause in the agreement to appoint a sole arbitrator for the default cases where the delay past dues crosses more than 61 or 91 days taking individual strength.

(b) Classification of Loans given to associate, or entities/persons related to Board, Senior management, promoters, etc.:

Not Applicable

(c) Classification of loans according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.:

Please refer to paragraph (J) below of this table below.

(d) **Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time.**

Particulars	31 March 2023 (Rs. In Cr)	31 December 2023 (Rs. In Cr)
Total Advances to twenty largest borrowers	5.42	3.16
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	0.06%	0.03%

(e) Details of loans, overdue and classified as non-performing in accordance with RBI stipulations:

Please refer to paragraph (K) of this table below.

B. In order to allow investors to better assess the debt securities issued by the NBFC/ HFC, the following disclosures shall also be made by such issuers in their offer documents:

(a) A portfolio summary with regard to industries/ sectors to which borrowings have been made:

Please refer to paragraph (J) in this table below including sub-paragraph (c) therein.

(b) NPA exposures of the Issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the Issuer:

Please refer to paragraph (K) of this table below.

(c) Quantum and percentage of secured vis-à-vis unsecured borrowings made; and

Particulars	Outstanding Balance as 31st March 2023 (In Cr)	%	Outstanding Balance as Dec-23 (In Cr)	%
Secured Borrowings	6,013.03	92.03%	5,663.71	87.25%

Unsecured Borrowings	520.66	7.97%	827.54	12.75%
Total	**6,533.69**	**100%**	**6,491.25**	**100%**

C. Details of change in shareholding

(a) Any change in promoters' holdings in NBFC during the last financial year beyond the threshold, as prescribed by RBI:

NIL

D. Disclosure of Assets Under Management

(a) Segment wise breakup:

Please refer to paragraph (J) in this table below.

(b) Type of Loans

Please refer to paragraph (J) in this table below.

E. Details of borrowers

(a) Geographical location wise

Please refer to sub-paragraph (e) of paragraph (J) in this table below.

F. Details of Gross NPA

(a) Segment wise:

Please refer to sub-paragraph (c) of paragraph (K) in this table below.

G. Details of Assets and Liabilities

(a) Residual maturity profile wise into several bucket:

Please refer to paragraph (L) in this table below.

H. Additional details of loans made by housing finance company.

Given that the Issuer is not a housing finance company, this is not applicable.

I. Disclosure of latest ALM statements to stock exchange

Not Applicable

J. Classification of loans/ advances given according to

(a) Type of Loans: Details of types of loans

Sl. No.	Types of loans	Mar 22	Mar 23	Dec 23
1	Secured	576.75	904.56	946.13
2	Unsecured	5,977.37	7844.31	8,593.18

	Total assets under management (AUM)^^	6,553.42	8,748.87	9,539.31

**Information required at borrower level (and not by loan account as customer may have multiple loan accounts)*
^^Issuer is also required to disclose off balance sheet items

(b) Denomination of loans outstanding by loan-to-value:

Details of LTV -

Sl. No.	LTV (at the time of origination)	Percentage of AUM(Mar-23)	Percentage of AUM(Dec-23)
1	Upto 40%	51.04%	48.98%
2	41-60%	35.62%	36.49%
3	61-80%	11.74%	14.16%
4	81-90%	0.93%	0.37%
5	>90%	0.67%	0.01%
	Total	100%	100%

(c) Sector Exposure

Details of sectoral exposure

Sl. No.	Segment-wise break-up of AUM	Mar 22	Mar 23	Dec-23
1	**Retail**			
A	Mortgages (home loans and loans against property)	0.19%	2.49%	2.59%
B	Gold loans	N.A.	N.A.	N.A.
C	Vehicle finance	N.A.	N.A.	N.A.
D	MFI	83.89%	86.03%	86.57%
E	MSME	11.61%	11.11%	10.76%
F	Capital market funding (loans against shares, margin funding)	N.A.	N.A.	N.A.
G	Others	0.01%	0.37%	0.08%
2	**Wholesale**			
A	Infrastructure	N.A.	N.A.	N.A.
B	Real estate (including builder loans)	N.A.	N.A.	N.A.
C	Promoter funding	N.A.	N.A.	N.A.
D	Any other sector (as applicable)	N.A.	N.A.	N.A.
E	Others	4.31%	-	-
	Total	100%	100%	100%

(d) Denomination of loans outstanding by ticket size *:

Details of outstanding loans category wise

S. No.	Ticket size (at the time of origination)	March 22	March 23	Dec-23
1.	Up to INR 2 lakh	87.70%	86.33%	86.08%
2.	INR 2-5 Lakh	5.37%	6.47%	6.49%
3.	INR 5-10 Lakh	2.33%	3.12%	3.15%
4.	INR 10-25 Lakh	0.30%	0.66%	0.78%
5.	INR 25-50 Lakh	0.00%	0.00%	0.00%
6.	INR 50 Lakh - 1 crore	0.00%	0.00%	0.00%
7.	INR 1-5 crore	0.00%	0.00%	0.00%
8.	INR 5-25 crore	0.00%	0.00%	0.00%
9.	INR 25-100 crore	0.00%	0.00%	0.00%
10.	> INR 100 crore	0.00%	0.00%	0.00%
11.	Inorganic	4.31%	3.42%	3.50%
	Total	100.00%	100.00%	100.00%

** Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);*

(e) Geographical classification of borrowers:

Top 5 states borrower wise

Sl. No.	Top 5 states	Percentage of AUM Mar-22	Percentage of AUM Mar-23	Percentage of AUM Dec-23
1	Odisha	26.28%	19.53%	18.28%
2	Bihar	11.98%	15.85%	18.18%
3	Madhya Pradesh	15.74%	15.11%	15.16%
4	Rajasthan	5.90%	8.13 %	8.07%
5	Maharashtra	8.04%	5.46 %	5.10%
	Total	**67.93%**	**64.08%**	**64.79%**

K. Details of loans, overdue and classified as non-performing in accordance with RBI stipulations

(a) Movement of Gross NPA

Movement of gross NPA*	Mar-22	Mar-23	Dec-23
Opening gross NPA	315.67	532.75	224.97
- Additions during the year	209.47	476.60	62.52
- Reductions during the year*	-	(750.94)	54.76
Closing balance of gross NPA	525.14	258.41	232.73

*Total reduction during the year includes Sale to Arc of 300 Cr & Write-off of 451.64 Cr

**Please indicate the gross NPA recognition policy (Day's Past Due)*

GNPA reflects Portfolio at risk>90 days

(b) Movement of provisions for NPA

Movement of provisions for NPA	Mar-22	Mar-23	Dec-23
Opening balance	183.04	372.38	162.04
- Provisions made during the year	189.34	398.77	137.98
- Write-off/ write-back of excess provisions	-	(609.11)	(139.70)
Closing balance	372.38	162.04	160.32

(c) Segment wise gross NPA

Sl. No.	Segment-wise gross NPA	Gross NPA (%)- Mar 22	Gross NPA (%)- Mar 23	Gross NPA (%)- Dec 23
1	**Retail**			
A	Mortgages (home loans and loans against property)	0.12%	0.10%	0.11%
B	Gold loans	N.A.	N.A.	N.A.
C	Vehicle finance	N.A.	N.A.	N.A.
D	MFI	7.53%	2.77%	2.41%
E	MSME	0.34%	0.44%	0.52%
F	Capital market funding (loans against shares, margin funding)	N.A.	N.A.	N.A.
G	Others	0.03%	0.02%	0.00%
2	**Wholesale**			
A	Infrastructure	N.A.	N.A.	N.A.
B	Real estate (including builder loans)	N.A.	N.A.	N.A.
C	Promoter funding	N.A.	N.A.	N.A.
D	Any other sector (as applicable)	N.A.	N.A.	N.A.
E	Others	N.A.	N.A.	N.A.
	Total	**8.01%**	**3.33%**	**3.04%**

L. Residual maturity profile of assets and liabilities (in line with the RBI format):

Residual maturity profile of assets and liabilities

Category	Up to 30 / 31 days	>1 months – 2 months	>2 months – 3 months	>3 months – 6 months	>6 months – 1 year	>1 years – 3 years	>3 years – 5 years	> 5 years	Total
Deposit	-	-	-	-	-	-	-	-	-

Advances	356.05	369.55	383.16	1,140.47	2,327.50	2,446.23	110.33	119.16	7,252.45
Investments	44.46	18.46	51.11	185.59	20.78	19.24	-	-	339.64
Borrowings	316.05	314.68	298.35	864.11	1,599.89	2,456.31	357.94	283.92	6,491.25
FCA*	-	-	-	-	-	-	-	-	-
FCL*	-	-	-	-	-	-	-	-	-

**Investment includes unpledged FDs.*
**FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities.*

M. Details of borrowings granted by issuer

(a) Portfolio Summary of borrowings made by issuer:

Borrowing Profile as of December'23				
Name Of the Bank / FIs	**Sanction Amount (INR Cr)**	**Disbursement Amount (INR Cr)**	**Closing Balance (INR Cr)**	**%age exposure**
Term Loans:				
Axis Bank	500.00	400.00	275.00	4.24%
Bajaj Finserv	50.00	50.00	43.75	0.67%
Bandhan Bank	400.00	400.00	135.71	2.09%
Bank of Baroda	100.00	100.00	91.67	1.41%
Bank of Maharashtra	200.00	90.00	44.68	0.69%
BNP Paribas	100.00	100.00	37.50	0.58%
Credit Agricole TL-2	35.00	35.00	30.63	0.47%
Credit Saison	85.00	85.00	46.88	0.72%
Cholamandalama TL-1	15.00	15.00	7.35	0.11%
DBS TL-3	200.00	100.00	83.33	1.28%
DCB Bank	55.00	55.00	28.74	0.44%
Doha Bank	60.00	60.00	33.75	0.52%
Equitas Small Finance Bank	75.00	75.00	37.50	0.58%
Federal Bank	250.00	250.00	161.35	2.49%
HDFC Bank	50.00	25.00	25.00	0.39%
HSBC Bank (Hongkong and Shanghai Banking Corporation)	535.00	385.00	213.81	3.29%
IDBI Bank	225.00	185.00	87.08	1.34%
ICICI Bank	700.00	700.00	419.21	6.46%
IDFC First Bank	475.00	475.00	229.46	3.53%
Indian Bank	175.00	140.00	94.52	1.46%
Indian overseas bank-5	50.00	50.00	29.17	0.45%
J M Financials TL 1	200.00	200.00	151.31	2.33%
Karnataka Bank	40.00	40.00	34.95	0.54%
Kookmin Bank	40.00	40.00	27.50	0.42%
Kotak Mahindra Bank	675.00	598.00	249.78	3.85%
Mahindra & Mahindra	100.00	100.00	29.30	0.45%
MAS Financial Services	125.00	125.00	55.83	0.86%
MUDRA	200.00	100.00	45.45	0.70%
MANAPPURAM FINANCE	40.00	40.00	19.03	0.29%
NABARD	680.00	680.00	300.41	4.63%
Nabkisan Finance Limited	85.00	85.00	50.29	0.77%

Nabsamruddhi	34.50	34.50	29.42	0.45%
Odisha Gramya Bank	250.00	250.00	242.35	3.73%
Piramal Capital and Housing Finance Limited	120.00	120.00	61.90	0.95%
RBL Bank	310.00	309.00	101.13	1.56%
SBI	400.00	400.00	265.62	4.09%
SBM (State Bank of Mauritius)	115.00	80.00	40.83	0.63%
SIDBI	300.00	300.00	250.00	3.85%
Standard Chartered Bank	326.00	326.00	267.88	4.13%
Tata Capital TL-1	50.00	50.00	20.37	0.31%
UCO Bank	200.00	200.00	151.80	2.34%
Union Bank of India	50.00	50.00	36.36	0.56%
Woori Bank	105.00	105.00	41.85	0.64%
YES Bank	275.00	150.00	66.67	1.03%
ECB:				
Blue orchard(ECB)	89.48	89.48	89.48	1.38%
Finfund (ECB)	117.30	117.30	29.33	0.45%
Frankfurt School Financial Services (ECB)	82.62	82.62	82.62	1.27%
Microvest 2 (ECB)	82.40	82.40	82.40	1.27%
OeEB (ECB) (Senior Secured)	126.90	126.90	95.18	1.47%
Proparco (ECB)	113.37	113.37	48.59	0.75%
ResponsAbility (ECB)	167.14	167.14	167.14	2.57%
NCD:				
NCD-Asian Development Bank	69.50	69.50	13.90	0.21%
NCD-CDC	60.00	60.00	51.00	0.79%
NCD-Global Access Fund LP	52.40	52.40	52.40	0.81%
NCD-Symboitics	352.86	352.86	352.86	5.44%
NCD-Blue Orchard	123.00	123.00	123.00	1.89%
NCD-Triodos	84.00	84.00	84.00	1.29%
NCD- KARVY (Sub-Debt)	80.00	80.00	65.00	1.00%
NCD-Phillip Services India Pvt Ltd (Sub Debt)	220.00	220.00	220.00	3.39%
NCD Triple Jump	57.00	57.00	57.00	0.88%
NCD- IFMR Capital/ Northern Arc	95.00	95.00	57.50	0.89%
NCD-Northern Arc- II Sundaram	50.00	50.00	43.75	0.67%
NCD- ResponsAbility	65.00	65.00	65.00	1.00%
NCD- Vivriti Capital (Sub-Debt)	15.00	15.00	15.00	0.23%
TOTAL	**11,158.47**	**10,260.47**	**6,491.25**	**100%**

(b) Quantum and percentage of secured vs. unsecured borrowings.

Type of Borrowings	Outstanding as of March 31, 2023 (INR) (in Crore)	%	Outstanding Balance as Dec-23 (In Cr)	%
Secured Borrowings	6,013.03	92.03%	5,663.71	87.25%

	Unsecured Borrowings	520.66	7.97%	827.54	12.75%	
	Total	**6,533.69**	**100%**	**6,491.25**	**100%**	

SECTION 11: DECLARATION BY THE DIRECTORS

A. The Issuer has complied with the provisions of the Companies Act, 2013 and the rules made hereunder.

B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government.

C. The monies received under the offer shall be used only for the purposes and objects indicated in this Key Information Document.

D. The Issuer has complied with, and nothing in the Key Information Document is contrary to, the provisions of Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, and the rules and regulations made thereunder.

Investment in non-convertible securities involve a degree of risk 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 Section 3 of this Key Information Document. 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.

I am authorized by the board of directors of the Issuer *vide* resolution number 9 dated November 08, 2023 of the board of directors of the Issuer read with the resolution dated April 15, 2024 of the executive committee of the board of directors of the Issuer, to sign this Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Key Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Key Information Document.

The Issuer declares that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Key Information Document is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this Key Information Document is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in this Key Information Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

For ANNAPURNA FINANCE PRIVATE LIMITED

For Annapurna Finance Pvt. Ltd.

Director

Name: Dibyajyoti Pattanaik
Title: Director
Place: Bhubaneswar, India
Date: April 18, 2024

ANNEXURE I: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE RATING AGENCY

ATTACHED SEPARATELY

ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE AND REGISTRAR

Debenture Trustee:

Attached Separately

Registrar:

Attached Separately

ANNEXURE III: APPLICATION FORM

ANNAPURNA FINANCE PRIVATE LIMITED
A private limited company incorporated under the Companies Act, 1956
Date of Incorporation: April 30, 1986
Registered Office: Plot No 1215/1401, Khandagiri Bari, Near Jaydev Vatika, Khandagiri, Bhubaneswar, Odisha, 751030, India
Telephone No.: 0674-2386580
Website: www.annapurnafinance.in

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									

ISSUE OF 10,000 (TEN THOUSAND) RATED, LISTED, SUBORDINATED, UNSECURED, REDEEMABLE, TAXABLE, TRANSFERABLE, FULLY PAID-UP, NON-CONVERTIBLE DEBENTURES DENOMINATED IN INDIAN RUPEES ("INR"), HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH) EACH AND AN AGGREGATE FACE VALUE OF INR 100,00,00,000 (INDIAN RUPEES ONE HUNDRED CRORE) INCLUSIVE OF A GREEN SHOE OPTION OF 5,000 (FIVE THOUSAND) RATED, LISTED, SUBORDINATED, UNSECURED, REDEEMABLE, TAXABLE, TRANSFERABLE, FULLY PAID-UP, NON-CONVERTIBLE DEBENTURES DENOMINATED IN INR, HAVING FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH) EACH AND AN AGGREGATE FACE VALUE OF INR 50,00,00,000 (INDIAN RUPEES FIFTY CRORE) ("DEBENTURES") ON A PRIVATE PLACEMENT BASIS (THE "ISSUE").

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: _____In words: _____only
Amount INR _____/-_In words
Rupees:_____only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS
No. _____ Drawn on_____

Funds transferred to the account specified in "Instructions" below on _____

Total Amount Enclosed
(In Figures) INR _____/- (In words) _____Only

APPLICANT'S NAME IN FULL (CAPITALS)	**SPECIMEN SIGNATURE**

APPLICANT'S ADDRESS

ADDRESS					
STREET					
CITY					
PIN		**PHONE**		**FAX**	

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT ____

WE ARE ( ) COMPANY ( ) OTHERS (Please specify) _____

We have read and understood the terms and conditions of the issue of Debentures including the risk factors described in the general information document dated July 26, 2023, the enclosed key information document and the private placement offer cum application letter of the same date, each issued by the Issuer (collectively, the "**Debt Disclosure Documents**") and have considered these in making our decision to apply. We bind ourselves to the terms and conditions of the Debt Disclosure Documents and wish to apply for allotment of the Debentures. We request you to please place our name(s) on the register of holders.

Name of the Authorised Signatory(ies)	Designation	Signature

_____
Applicant's Signature

We the undersigned, are agreeable to holding the Debentures of the Issuer in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	**NSDL ( ) CDSL ( )**
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account: (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

FOR OFFICE USE ONLY DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Debt Disclosure Documents is provided by the Issuer. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: (i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, (ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, (iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Issuer shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

_____
Applicant's Signature

FOR OFFICE USE ONLY
DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

----------(TEAR HERE)----------

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) **SERIAL NO.**									

Received from _____

Address_____
_____
Cheque/Draft/UTR # _____ Drawn on _____ for INR _____ on account of application of _____ Debenture

INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.

2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.

3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account of ICCL by way of an electronic transfer, in accordance with the terms of the EBP Requirements:

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED

Name of Bank	ICICI Bank Ltd.
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	YES BANK
IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

The Issuer undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than:
(a) for adjustment against allotment of securities; or
(b) for the repayment of monies where the Issuer is unable to allot securities.

4. Outstation Cheques, Cash, Money Orders, Postal Orders and Stock Invest shall not be accepted.

5. Receipt of applicants will be acknowledged by the Issuer in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.

6. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.

7. The application would be accepted as per the terms of the Debentures outlined in the transaction documents for the private placement.

ANNEXURE IV: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Name of the Issuer	Annapurna Finance Private Limited
Face Value (per security)	INR 1,00,000 (Indian Rupees One Lakh)
Issue Date / Date of Allotment	April 23, 2024
Date of Redemption	January 24, 2030
Tenure	5 (five) years, 9 (nine) months and 1 (one) day from the Deemed Date of Allotment
Coupon Rate	12% (twelve percent) per annum, payable monthly (fixed)
Frequency of the Coupon Payment with specified dates	Monthly. Please refer below.
Day count convention	Actual/Actual

1. **INTEREST PAYMENT SCHEDULE**

CASH FLOWS	RECORD DATE	DUE DATE	DATE OF PAYMENT	NO. OF DAYS IN COUPON PERIOD	COUPON AMOUNT PER DEBENTURE (in INR)
1st Coupon	14-05-2024	24-05-2024	24-05-2024	31	1,016.39
2nd Coupon	14-06-2024	24-06-2024	24-06-2024	31	1,016.39
3rd Coupon	15-07-2024	24-07-2024	24-07-2024	30	983.61
4th Coupon	14-08-2024	24-08-2024	26-08-2024	31	1,016.39
5th Coupon	16-09-2024	24-09-2024	24-09-2024	31	1,016.39
6th Coupon	14-10-2024	24-10-2024	24-10-2024	30	983.61
7th Coupon	14-11-2024	24-11-2024	25-11-2024	31	1,016.39
8th Coupon	16-12-2024	24-12-2024	24-12-2024	30	983.61
9th Coupon	14-01-2025	24-01-2025	24-01-2025	31	1,019.18
10th Coupon	14-02-2025	24-02-2025	24-02-2025	31	1,019.18
11th Coupon	14-03-2025	24-03-2025	24-03-2025	28	920.55
12th Coupon	14-04-2025	24-04-2025	24-04-2025	31	1,019.18
13th Coupon	14-05-2025	24-05-2025	26-05-2025	30	986.30
14th Coupon	16-06-2025	24-06-2025	24-06-2025	31	1,019.18
15th Coupon	14-07-2025	24-07-2025	24-07-2025	30	986.30
16th Coupon	14-08-2025	24-08-2025	25-08-2025	31	1,019.18
17th Coupon	15-09-2025	24-09-2025	24-09-2025	31	1,019.18
18th Coupon	14-10-2025	24-10-2025	24-10-2025	30	986.30
19th Coupon	14-11-2025	24-11-2025	24-11-2025	31	1,019.18
20th Coupon	15-12-2025	24-12-2025	24-12-2025	30	986.30
21st Coupon	14-01-2026	24-01-2026	26-01-2026	31	1,019.18
22nd Coupon	16-02-2026	24-02-2026	24-02-2026	31	1,019.18
23rd Coupon	16-03-2026	24-03-2026	24-03-2026	28	920.55
24th Coupon	14-04-2026	24-04-2026	24-04-2026	31	1,019.18
25th Coupon	14-05-2026	24-05-2026	25-05-2026	30	986.30
26th Coupon	15-06-2026	24-06-2026	24-06-2026	31	1,019.18
27th Coupon	14-07-2026	24-07-2026	24-07-2026	30	986.30
28th Coupon	14-08-2026	24-08-2026	24-08-2026	31	1,019.18
29th Coupon	14-09-2026	24-09-2026	24-09-2026	31	1,019.18
30th Coupon	14-10-2026	24-10-2026	26-10-2026	30	986.30
31st Coupon	16-11-2026	24-11-2026	24-11-2026	31	1,019.18
32nd Coupon	14-12-2026	24-12-2026	24-12-2026	30	986.30
33rd Coupon	14-01-2027	24-01-2027	25-01-2027	31	1,019.18
34th Coupon	15-02-2027	24-02-2027	24-02-2027	31	1,019.18
35th Coupon	15-03-2027	24-03-2027	24-03-2027	28	920.55
36th Coupon	14-04-2027	24-04-2027	26-04-2027	31	1,019.18

CASH FLOWS	RECORD DATE	DUE DATE	DATE OF PAYMENT	NO. OF DAYS IN COUPON PERIOD	COUPON AMOUNT PER DEBENTURE (in INR)
37th Coupon	14-05-2027	24-05-2027	24-05-2027	30	986.30
38th Coupon	14-06-2027	24-06-2027	24-06-2027	31	1,019.18
39th Coupon	14-07-2027	24-07-2027	26-07-2027	30	986.30
40th Coupon	16-08-2027	24-08-2027	24-08-2027	31	1,019.18
41st Coupon	14-09-2027	24-09-2027	24-09-2027	31	1,019.18
42nd Coupon	14-10-2027	24-10-2027	25-10-2027	30	986.30
43rd Coupon	15-11-2027	24-11-2027	24-11-2027	31	1,019.18
44th Coupon	14-12-2027	24-12-2027	24-12-2027	30	986.30
45th Coupon	14-01-2028	24-01-2028	24-01-2028	31	1,016.39
46th Coupon	14-02-2028	24-02-2028	24-02-2028	31	1,016.39
47th Coupon	14-03-2028	24-03-2028	24-03-2028	29	950.82
48th Coupon	14-04-2028	24-04-2028	24-04-2028	31	1,016.39
49th Coupon	15-05-2028	24-05-2028	24-05-2028	30	983.61
50th Coupon	14-06-2028	24-06-2028	26-06-2028	31	1,016.39
51st Coupon	14-07-2028	24-07-2028	24-07-2028	30	983.61
52nd Coupon	14-08-2028	24-08-2028	24-08-2028	31	1,016.39
53rd Coupon	14-09-2028	24-09-2028	25-09-2028	31	1,016.39
54th Coupon	16-10-2028	24-10-2028	24-10-2028	30	983.61
55th Coupon	14-11-2028	24-11-2028	24-11-2028	31	1,016.39
56th Coupon	14-12-2028	24-12-2028	25-12-2028	30	983.61
57th Coupon	15-01-2029	24-01-2029	24-01-2029	31	1,019.18
58th Coupon	14-02-2029	24-02-2029	26-02-2029	31	1,019.18
59th Coupon	14-03-2029	24-03-2029	26-03-2029	28	920.55
60th Coupon	16-04-2029	24-04-2029	24-04-2029	31	1,019.18
61st Coupon	14-05-2029	24-05-2029	24-05-2029	30	986.30
62nd Coupon	14-06-2029	24-06-2029	25-06-2029	31	1,019.18
63rd Coupon	16-07-2029	24-07-2029	24-07-2029	30	986.30
64th Coupon	14-08-2029	24-08-2029	24-08-2029	31	1,019.18
65th Coupon	14-09-2029	24-09-2029	24-09-2029	31	1,019.18
66th Coupon	15-10-2029	24-10-2029	24-10-2029	30	986.30
67th Coupon	14-11-2029	24-11-2029	26-11-2029	31	1,019.18
68th Coupon	14-12-2029	24-12-2029	24-12-2029	30	986.30
69th Coupon	14-01-2030	24-01-2030	24-01-2030	31	1,019.18

2. **REDEMPTION SCHEDULE**

CASH FLOWS	RECORD DATE	DUE DATE	DATE OF PAYMENT	NO. OF DAYS IN THE PERIOD	PRINCIPAL AMOUNT PER DEBENTURE (in INR)
Principal	14-01-2030	24-01-2030	24-01-2030	2,102	1,00,000.00

ANNEXURE V: DUE DILIGENCE CERTIFICATES

Attached Separately

ANNEXURE VI: DISCLOSURES PURSUANT TO THE SEBI DEBENTURE TRUSTEES MASTER CIRCULAR

(a) **Details of assets, movable property and immovable property on which charge is proposed to be created**

Not applicable as the Debentures are unsecured and subordinated debt instruments.

(b) **Title deeds (original/ certified true copy by issuers/ certified true copy by existing charge holders, as available) or title reports issued by a legal counsel/ advocates, copies of the relevant agreements/ Memorandum of Understanding**

Not applicable as the Debentures are unsecured and subordinated debt instruments.

(c) **Copy of evidence of registration with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) etc**

Not applicable as the Debentures are unsecured and subordinated debt instruments.

(d) **For unencumbered assets, an undertaking that the assets on which charge is proposed to be created are free from any encumbrances**

Not applicable as the Debentures are unsecured and subordinated debt instruments.

(e) **For encumbered assets, on which charge is proposed to be created, the following consents along-with their validity as on date of their submission:**

(i) **Details of existing charge over the assets along with details of charge holders, value/ amount, copy of evidence of registration with Sub-registrar, Registrar of Companies, CERSAI, Information Utility (IU) registered with Insolvency and Bankruptcy Board of India (IBBI) etc. as applicable:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(ii) **Consent/ No-objection certificate (NOC) from existing charge holders for further creation of charge on the assets or relevant transaction documents wherein existing charge holders have given conditional consent/ permission to the Issuer to create further charge on the assets, along-with terms of such conditional consent/ permission, if any:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(iii) **Consent/ NOC from existing unsecured lenders, in case, negative lien is created by Issuer in favour of unsecured lenders:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(f) **In case of personal guarantee or any other document/ letter with similar intent is offered as security or a part of security:**

(i) **Details of guarantor viz. relationship with the Issuer:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(ii) **Net worth statement (not older than 6 months from the date of debenture trustee agreement) certified by a chartered accountant of the guarantor:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(iii) **List of assets of the guarantor including undertakings/ consent/ NOC as per para 2.1(b) and 2.1(c) of Chapter II of the SEBI Debenture Trustees Master Circular**: Not applicable as the Debentures are unsecured and subordinated debt instruments.

(iv) **Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(v) **List of previously entered agreements for providing guarantee to any other person along with an undertaking that there are no agreements other than those provided in the list, if any:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(g) **In case of corporate guarantee or any other document/ letter with similar intent is offered as security or a part of security:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(i) **Details of guarantor viz. holding/ subsidiary/ associate company etc**: Not applicable as the Debentures are unsecured and subordinated debt instruments.

(ii) **Audited financial statements (not older than 6 months from the date of debenture trustee agreement) of guarantor including details of all contingent liabilities**: Not applicable as the Debentures are unsecured and subordinated debt instruments.

(iii) **List of assets of the guarantor along-with undertakings/consent/NOC as per para 2.1(b) and 2.1(c) of Chapter II of the SEBI Debenture Trustees Master Circular**: Not applicable as the Debentures are unsecured and subordinated debt instruments.

(iv) **Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(v) **Impact on the security in case of restructuring activity of the guarantor:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(vi) **Undertaking by the guarantor that the guarantee shall be disclosed as "contingent liability" in the "notes to accounts" of financial statement of the guarantor:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(vii) **Copy of Board resolution of the guarantor for the guarantee provided in respect of the debt securities of the Issuer:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(viii) **List of previously entered agreements for providing guarantee to any other person along with an undertaking that there are no agreements other than those provided in the list, if any**: Not applicable as the Debentures are unsecured and subordinated debt instruments.

(h) **In case of any other contractual comforts/ credit enhancements provided for or on behalf of the issuer, it shall be required to be legal, valid and enforceable at all times, as affirmed by the issuer. In all other respects, it shall be dealt with as specified above with respect to guarantees**: Not applicable as the Debentures are unsecured debt instruments.

(i) **In case securities (equity shares etc.) are being offered as security then a holding statement from the depository participant along-with an undertaking that these securities shall be pledged in favour of debenture trustee(s) in the depository system:** Not applicable as the Debentures are unsecured and subordinated debt instruments.

(j) **Details of any other form of security being offered viz. Debt Service Reserve Account etc.**: Not applicable as the Debentures are unsecured and subordinated debt instruments.

(k) **Any other information, documents or records required by debenture trustee with regard to creation of security and perfection of security**: Not applicable as the Debentures are unsecured and subordinated debt instruments.

(l) **Declaration**: Not applicable as the Debentures are unsecured and subordinated debt instruments.

(m) **Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s)**: Please refer the consent letter of the Debenture Trustee for terms and conditions of the appointment of the Debenture Trustee and fee of the Debenture Trustee.

(n) **Details of security to be created**: Not applicable as the Debentures are unsecured and subordinated debt instruments.

(o) **Process of due diligence carried out by the debenture trustee under the SEBI Debenture Trustees Master Circular**: The Debenture Trustee has carried out due diligence in accordance with the manner prescribed in the SEBI Debenture Trustees Master Circular. The due diligence broadly includes the following:

(i) A chartered accountant appointed by the Debenture Trustee will be conducting an independent due diligence as per scope provided by the Debenture Trustee and the information provided by the Issuer in respect of the security being provided by the Issuer in respect of the Debentures.

(ii) The chartered accountant will verify and ensure that the assets provided by the Issuer for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders.

(iii) Periodical due diligence will be carried out by the Debenture Trustee in accordance with the SEBI (Debenture Trustees) Regulations, 1993 and the relevant circulars issued by SEBI from time to time (including the SEBI Debenture Trustees Master Circular) as per the nature of security provided by the Issuer in respect of the Debentures.

(iv) The Debenture Trustee will issue such necessary certificate(s) in relation to the due diligence carried out by it and such certificate(s) will be available on Stock Exchanges from time to time for information of the Debenture Holders.

(p) **Due diligence certificates as per the format specified in the SEBI Debenture Trustees Master Circular and the Debt Listing Regulations**: Enclosed as Annexure V. The due diligence certificates will be submitted to BSE along with the Key Information Document.

ANNEXURE VII: BOARD RESOLUTION AND COMMITTEE RESOLUTION

Attached Separately

ANNEXURE VIII: SHAREHOLDERS' RESOLUTIONS

Attached Separately

ANNEXURE IX: LIMITED REVIEW FINANCIAL STATEMENTS

The limited review financial statements as of December 31, 2023 are attached separately.

ANNEXURE X: SHAREHOLDING PATTERN

Attached Separately

ANNEXURE XI: FORM NO. PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Attached separately.

ANNEXURE XII: LENDING POLICY

Attached Separately

ANNEXURE XIII: BORROWING POLICY

Attached Separately

TERM SHEET

ANNAPURNA FINANCE PRIVATE LIMITED

All capitalised terms used but not defined herein shall have the meaning assigned to such term in the Placement Memorandum.

This Term Sheet is dated April 9, 2024

Security Name	12.00% AFPL 2030
Issuer / Company	Annapurna Finance Private Limited
Debenture Trustee	Catalyst Trusteeship Limited
Name of Instrument	Rated, Unsecured, Listed, Fully Paid up, Redeemable, Taxable, Subordinated, Tier II Non - Convertible Debentures
Seniority (Senior or Subordinated)	Subordinated
Eligible Investors	The following categories of Investors, when specifically approached, and identified upfront by the Issuer, shall be eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form: a) Companies and Bodies Corporate; b) Mutual funds, Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors registered with the Securities and Exchange Board of India; c) Foreign Portfolio Investors other than individuals, corporate bodies and family offices; d) Public financial institutions; e) Insurance companies registered with the Insurance Regulatory and Development Authority of India; f) Provident, Pension, Gratuity and Superannuation Fund Trusts; g) Housing Finance Companies registered with the National Housing Bank (NHB)/ RBI; h) Trusts (including public charitable trusts), Association of Persons, Societies registered under the applicable laws in India; i) Resident Individual Investors and Hindu Undivided Families (excluding minors and NRIs); j) Partnership Firms and Limited Liability Partnership Firms; k) NBFCs registered with RBI; and l) Any other person/ entity those are eligible to invest in bonds/ debentures as per the concerned guidelines and regulations and permitted under Applicable Laws. Any other person eligible to invest in the Debentures subject the relevant prevalent guidelines and as permitted under Applicable Laws. All Eligible Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	The NCDs issued under this document are proposed to be listed on the WDM and Capital Markets segment of the BSE.
Depository	NSDL & CDSL

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Registrar and transfer agent	NSDL Database Management Limited ("Registrar")
Rating Agency	Care Ratings Limited ("Rating Agency")
Legal Counsel	Pheonix Legal
Guarantor(s)	Not Applicable
Credit Enhancer(s)	Not Applicable
Other obligor(s)	Other obligor(s)
DETAILS OF THE INSTRUMENT	
Type of instrument	Non-Convertible debentures
Nature of instrument	Rated, Unsecured, Listed, Fully Paid up, Redeemable, Taxable, Subordinated, Tier II Non - Convertible Debentures
Ranking	Subordinated
Security Requirements	Unsecured
ISSUE DETAILS	
Mode of Issue	Private Placement
Objects of the Issue	100% of the proceeds from the Debentures shall be solely used for the purpose of meeting the business requirements of the Company.
Utilisation of Issue proceeds	The funds raised by the issue of Debentures shall be utilized by the Company for the following purposes: (a) for general corporate purposes of the Company; (b) for utilization in the ordinary course of business of the Company (including repayment/re-financing of any existing financial indebtedness of the Company); and (c) for deployment in the business of the Company, and the growth of the asset book of the Company. The Issuer hereby agrees, confirms and undertakes that the proceeds shall not be utilized for: a. Real Estate Business, Capital Market Investments and Purchase of Land b. Extending loans or making any inter-corporate deposits to/in subsidiary/associate Company(ies) c. Any speculative/other purposes specifically restricted by RBI and other regulatory/bodies and updated from time to time d. Bill Discounting e. Repayment of any Loans from Directors/ Promoters *In this context, the expression, "Real Estate Business" shall have the same meaning as assigned to it in the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended from time to time.
Form of issue	Debentures will be issued in dematerialized form.
Total Issue Size	INR 100,00,00,000/- (Indian Rupees Hundred Crores only)
Issue size	INR. 50,00,00,000/- (Indian Rupees Fifty Crores only)
Option to retain oversubscription (amount)	INR. 50,00,00,000/- (Indian Rupees Fifty Crores only)
Tenor	5 years 9 months 1 day
Face value	INR. 1,00,000/- (Indian Rupees One lakh only)
Anchor portion Details	Yes. Phillip Services India Private Limited will be identified as the anchor investor in the KID and on BSE BOND during the bid set-up. Accordingly, Phillip Services India Private Limited, being the anchor investor, shall be entitled for an allotment of INR 15,00,00,000 /- (Indian Rupees Fifteen Crores

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	only) which is 30% (Thirty percent) of the base Issue size of INR 50,00,00,000 (Indian Rupees Fifty Crores only)
Coupon on Application Money	Coupon shall be payable on all application monies received at the Coupon Rate of 12.00% (Twelve percent) per annum payable monthly
Issue price	Debentures will be issued at par.
Issue Timing	Issue Opening Date: April 22, 2024 Issue Closing Date: April 22 , 2024 Bid Opening Date: April 22 , 2024 Bid Closing Date: April 22, 2024 Pay in Date: April 23,2024 Redemption Date: January 24, 2030 Deemed Date of Allotment: April 23, 2024
Discount at which the security is issued and the effective yield as a result of such discount	NA
Record Date	means the date that falls on 14th day of each month prior to any due date on which any Payments are to be made to the Debenture Holder(s), provided such date is a working day. In case such date is not working day then succeeding date will be considered as record date for determination of the persons entitled to receive redemption of principal, Coupon, and other Payments, if any, as the case may be, in respect of the Debentures shall be made.
Issuance mode of the Instrument	Dematerialised form
Trading Mode of the Instrument	Dematerialised form
Settlement mode of the Instrument	Dematerialised form
Bidding Type	Open
Minimum Bid Lot	INR 1,00,00,000/- (Indian Rupees One Croreonly)
Manner of Settlement	India Clearing Corporation Limited
Manner of Allotment	Uniform – yield
Settlement cycle	T+1 day, where "T" refers to the date of bidding
REDEMPTION	
Redemption Amount	Each Debenture shall be redeemed at par.
Scheduled Redemption	Debentures shall be redeemed on a pro rata basis as set out in Schedule I (Redemption Schedule) hereto and shall be fully redeemed by the Redemption Date.
Tenor	5 years 9 months and 1 day from the Deemed Date of Allotment or any prior date wherein the Debentures are redeemed pursuant to acceleration or Event of Default
Redemption Date	January 24, 2030
COUPON PAYMENT	
Coupon Type	Fixed
Coupon Rate	12.00% (Twelve percent) per annum payable at such frequency as set out below against the heading 'Coupon Payment Frequency' and on such dates as set out below against the heading 'Coupon Payment Dates'.
Coupon Payment Frequency	Monthly
Coupon Payment Dates	As set out in Schedule I
Step up Coupon Rate	In case of downgrade or assignment of any new rating, which is lower than the external credit rating of the NCDs, the Coupon Rate for the balance period would increase by 0.25% p.a. for each notch downgrade in rating and the same will be with effect from the rating downgrade date.

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	In case, rating from multiple rating agencies is available, the lowest rating available for long term borrowings shall be considered for calculation for the purpose of this clause.
Current Rating/Rating Agencies	"CARE A-/Positive" by the Rating Agency
Default Interest Rate	• In case of default in payment of interest and / or principal redemption on the due dates, additional interest @ 2% p.a. over the Coupon Rate will be payable by the Issuer for the defaulting period • In case of default by the Issuer in the performance of any of the covenants, except the reporting covenants and other terms and conditions of this Issuance, , additional interest @ 2% p.a. over the Coupon Rate will be payable by the Issuer for the defaulting period
CONVENTIONS	
Day Count Basis	Actual/Actual
Business Day	Shall mean any day of the week excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) on which banks and money market are functioning and open for business in Mumbai and Bhubaneswar India and "Business Days" shall be construed accordingly.
Business Day Convention	(a) Any day of the week (excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) in Mumbai and Bhubaneswar, India shall be a Business Day for the purpose of this Deed. (b) In case any Coupon Payment Date or the Due Date(s) or the due date for the performance of any event, falls on a day which is not a Business Day, the immediately succeeding Business Day shall be Due Date(s) for the Coupon payment or the performance of the event. (c) If the Maturity Date (also being the last Coupon Payment Date), in respect of the Debentures falls on a day which is not a Business Day, all outstanding amounts under the Transaction Documents to be paid on the Maturity Date (including the accrued Coupon), shall be made on the immediately preceding Business Day.
SECURITY CREATION	
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 to the debenture holder over and above the coupon rate as specified in the Trust Deed cum Hypothecation Agreement and disclosed in the Offer Document/ Information Memorandum	The Debentures will be unsecured
Pledge	None.
Mortgage	None.
OTHER COVENANTS AND UNDERTAKINGS	
Affirmative Covenants.	The Company shall, and shall procure and ensure that each of its subsidiaries shall:

	(a) Notice of winding up or other legal process Promptly inform the Debenture Trustee if it has noticed any application winding up having been made or any statutory notice of winding up under the provisions of applicable Act or any notice any other statute relating to winding up or otherwise or any suit or other legal process intended to be filed or initiated against the Company; **(b) Loss or damage by uncovered risks** promptly inform the Debenture Trustee of any material loss or significant damage which the Company may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest, or typhoon, etc. against which the Company may not have insured its properties; **(c) Costs and expenses** pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders including traveling and other allowances and such taxes duties, costs, charges and expenses in connection with or relating to the Debentures subject such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign costs; **(c) Payment of Rents, etc.** punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with covenants and obligations which ought to be observed and permitted by the Company under this Debt. (e) **Preserve corporate status; authorisations** (i) Diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, licenses, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed; and (ii) Conduct its business with diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel; (iii) Promptly obtain all consents and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures;

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	(a) **Pay stamp duty** pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the applicable state laws and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand; (b) **Furnish information to trustee** give to the Debenture Trustee or its nominee(s)/ agent(s) such information/copies of relevant extracts as they shall require as to matters relating to the business of the Company any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation; (h) **Grievance** promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance. (i) Specific Information to be provided to the Debenture Trustee Inform and provide the Debenture Trustee with applicable documents in respect or the following: (a) notice of any Event of Default or potential Event of Default, each as listed in Debenture Trust Deed; (b) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating as per the listing agreement entered into with the stock exchange; (c) details of any material litigation, arbitration or administrative proceedings, etc. as required to be disclosed to the stack exchange under the listing agreement entered into with the stock exchange; (d) details of any other material litigation, arbitration or arbitrative proceedings, etc.; (e) any and all information required to be to provided to the Debenture Holders under the listing agreement that may be entered into between the company and the (BSE) (f) the declaration or distribution of equity dividend ; (j) Comply with Investor Education and Protection Fund requirements comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund (IFPF), if applicable to it. The Company hereby further agrees and undertakes that during the currency of this Deed it shall abide by the guidelines/listing requirements, if any, issued time to time by the SEBI/RBI;

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	(k) Further assurances (i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Law require or consider necessary in relation to enforcing or exercising- any of the rights and authorities of' Debenture Trustee; (ii) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions the Debenture Trustee issued in this regard; (iii) obtain, comply with the terms of and do all that is necessary to maintain in force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under this Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of this Deed; (iv) comply with; (A) all Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related Laws), as applicable in respect of the Debentures and obtain such regulatory approval as may be required from time to time, including but not limited, in relation to the following (i) The Debt Listing Regulation, as may be in force from time to time during the tenor of the Debentures; (ii) the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations and (iii) the provisions of the listing agreement to be entered into by the Company with the BSE in relation to the Debentures (B) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures (C) the provisions of the Act in relation to the issue of the Debentures; (D) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and (E) The Company shall ensure that, at time of making any payment interest, the Company shall do so in manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail the benefits available under any treaty applicable to the Company and/or the Debenture Holders. **(l) Books of Account** Maintain proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation the business ei the Company and keep such books of account and all other books, registers and other

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	documents relating to the affairs of the Company at its registered office or, where permitted by Law, at other place or places where the books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint. **(m) Material Adverse Effect** The Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof; **(n) Insurance** the Company shall maintain insurances on and in relation to its business and assets with insurance companies against those risks and to the extent as is usual for companies carrying on the same or substantially similar business and any other insurances as may be required by Law and ensure that all premiums are paid on time and other obligations of the Company under the insurance policies are duly complied with; **(o) Corporate Governance** (i) The Company shall maintain the highest standards of corporate governance in accordance with the NBFC Master Directions; (ii) shall at all times until the redemption of all outstanding Debentures, ensure that there is at least (One) independent director, and (iii) The Company shall at all times comply with the NBFC Master Directions; (iv) Maintain internal control for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes. **(p) General** (i) the Company shall perform all of its obligations under the terms of the Transaction Documents and maintain in full force and effect each of the Transaction Documents; (ii) the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with; (iii) the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders; (iv) The Company shall at all times act and proceed in relation to its affairs and business in compliance with the Law; and (v) if there is any proposal by the Company to make changes as listed below or there is occurrence of any of the event listed below, intimation of the information to the Debenture Trustee be as soon as available and in any event within 15 calendar days **(q) Access**

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	shall permit the Debenture Trustee and/or accountants or other professional advisers and contractors appointed by the Debenture Trustee access at all reasonable times and on reasonable notice of the Company to: (i) check management of the funds made available through subscription to the Debentures; (ii) inspect and take copies and extracts from the books, accounts and records of the Company; (iii) visit and inspect the premises of the Company; (iv) monitor Company's collection standards, management, governance, internal systems, origination and credit appraisal standards, documentation and processes, data integrity and customer protection; and (v) meet and discuss with senior management employees of the Company
Negative Undertakings	Without the prior written permission of the Debenture Trustee, the Issuer shall not take any action in relation to the items set out in the debenture trust deed. The Debenture Trustee shall give its prior written approval/dissent within 15 (Fifteen) Business Days after having received a request to give its approval provided such request is accompanied by the relevant information substantiating the request for the Debenture Holders to make a conscious decision. The Debenture Trustee shall take the consent of the Majority Debenture Holders prior to any such approval/dissent. (a) **EQUITY DIVIDEND, DISTRIBUTION ETC.** Declare or pay any dividend, make a cash distribution or pay any other consideration to its shareholders (other than dividends or cash distributions payable in shares of the Issuer) during any financial year unless: (i) the proposed payment or distribution is made from positive retained earnings of the Issuer (excluding any amount resulting from the revaluation of any of the Issuer's assets) earned from the current financial year for which such dividend or distributions were declared; (ii) so long as no Event of Default or potential Event of Default exists or is continuing; and (iii) after giving effect to any such action, the Issuer is in compliance with the financial covenants (b) **CHANGE OF BUSINESS** Change the general nature and conduct of its business from that which is permitted under the directions issued by the RBI with respect to 'Non-Banking Financial Company'- Micro Finance Institution (Other than any conversion into a banking company in accordance with the directions of the RBI) (c) **CONSTITUTIONAL DOCUMENTS** Change its articles of incorporation or organizational documents in any material way which would prejudicially affect the interests of the Debenture Holder(s). (d) **MERGER, CONSOLIDATION, ETC.** Undertake or permit any merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction. (e) **Associates, Subsidiaries, and Joint Ventures**

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	Dispose of, acquire or incorporate any associates (as defined in the Act), subsidiary (as defined in the Act) or joint ventures. (f) **Acquisition** Acquire, without the prior written consent of the Majority Debenture Holders, any company. Business or undertaking if the amount of the acquisition cost, whether paid by cash or otherwise, when aggregated with the aggregate acquisition cost of any other companies, business or undertaking acquired by it during that financial year exceeds 10% (ten percent) of the Equity (g) **Joint Venture** Without the prior written consent of the Majority Debenture Holders; 1. Acquire (or agree to acquire) any shares, stocks, securities or other interests in any joint venture; or 2. transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture) (h) **Loans and Guarantees** The Company shall not; 1. Extend a loan to any single individual or entity amounting to greater than 15% (Fifteen percent) of its Tangible Net Worth; or 2. Undertake to guarantee the liabilities of any individual or entity in the ordinary course of business (unless the entity is a wholly owned subsidiary of the Company) (i) **Arm's length basis; No profit-sharing arrangements** The Company shall not, without the prior written consent of Majority Debenture Holders; 1. Enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis; 2. Enter into or establish any partnership, profit sharing, royalty agreement or other similar arrangement whereby the Company's income or profits are, or might be, shared with any other person; or 3. Enter into any management contract or similar arrangement whereby its business or operations are managed by any other person. 4. The Company shall not repay any unsecured loans and inter-corporate deposits availed by the Company from any of its Promoter, shareholders, directors, friends or any of their relatives or any other associates (except by way of equity conversion) in the occurrence of Event of Default (j) **Change in Ownership** Change in ownership of more than 25% of the shares of the Company. If the written consent of the Debenture Trustee / the Majority Debenture Holders, is withheld for the proposed change of control, the Issuer, upon the instructions of the

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	Debenture Trustee shall redeem the Debentures forthwith within 45 (Forty-Five) calendar days of receiving such written instructions from the Debenture Trustee. **(k) Disposal of Assets** Sell, transfer, or otherwise dispose of in any manner whatsoever any material assets of the Issuer, other than in ordinary course of business including any securitization / portfolio sale of assets undertaken by the Issuer in its ordinary course of business. (l) **Material compromise or Settlement** Enter into material compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders. (m) **Anti-money laundering** Permit any of the Debenture proceeds to be used to fund: 1. Any form of violent political activity, terrorists or terrorist organisations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering; or 2. Permit any of the Debenture proceeds to be used to fund any activity on the Exclusion List (n) **Change of Financial Year** Change or alter the financial year-end of the Company from 31st of March (or such other date as may be approved by Debenture Holders) to any other day. (o) **Related Party Transactions** Without prior written intimation to the Debenture Holders, the Company shall not enter into or perform any transaction with a related party other than as prescribed under the Companies Act. Without the prior written consent of the Debenture Holders, the Company shall not enter into any transaction(s) in the nature of loans or advances to a related party(s) where by the overall outstanding amount owed to the Company under all such transaction exceeds 5% of its net worth. The Company shall be compliant at all the times during the tenor of the facility so long as any Debentures are outstanding. The Debenture Holders will have access to any additional information that it deems necessary to monitor and evaluate the mentioned covenant so long as any Debentures are outstanding for the duration of the loan. (p) Change the statutory auditor of the Company, unless required by Applicable Law. (q) Appoint the director or key managerial person of the Company who are classified as a wilful defaulter by RBI or any other Governmental Authority/ statutory authority/ regulatory authority. (r) Change the capital structure of the Company in a manner that shall effect the payment obligations of the Company in relation to the Debentures.

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	(s) There shall be no change in the position and responsibilities held by Mr. Gobinda Chandra Pattnaik in the Company after the Effective Date and Mr. Gobinda Chandra Pattnaik shall continue to be responsible for conducting the day-to-day business operations of the Company as on the Effective Date. (t) Until the Final Settlement Date, rating of the Company shall not be downgraded by the Rating Agency by more than one notch (in single or multiple steps) from the rating on the Deemed Date of Allotment.
Events of Default (including manner of voting)	(i) **PAYMENT DEFAULT** The Issuer does not pay on the due date any amount payable pursuant to the Debenture Trust Deed at the place at which and in the currency in which it is expressed to be payable, unless its failure to pay is caused by administrative or technical error and payment is made within 7 (Seven) calendar days of its due date. (ii) **BREACH OF TERMS OF THE DEBENTURE TRUST DEED AND/OR THE TRANSACTION DOCUMENTS** Except for the event contained in paragraph (i) (Payment Default) above, the Issuer defaults in the performance of any of its representations, obligations and covenants provided in terms of the Debenture Trust Deed and/or Transaction Documents and such default has continued for a period of 30 (Thirty) calendar days from the earlier of the date when (a) the Issuer has obtained actual knowledge thereof or (b) the Debenture Trustee has notified the Issuer of such failure. (iii) **CESSATION OF BUSINESS** The Issuer ceases to carry on its business or any substantial part thereof or gives notice of its intention to do so. (iv) **WINDING UP** An order has been made by a judicial authority or a special / effective resolution is passed by the members of the Issuer for winding up of the Issuer. (v) **INSOLVENCY / INABILITY TO PAY DEBTS** The Issuer admits in writing its inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness or any corporate action, legal proceedings or other procedure or step or action is taken by any person (whether a financial creditor or an operational creditor or otherwise) or authority including a Governmental Authority (including but not limited to, the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution), in relation to an insolvency resolution process under the provisions of IBC or a moratorium is agreed or declared in respect of or affecting all the debts of the Issuer.

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(vi) **MISREPRESENTATION**

Any representation or warranty made by the Issuer in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/ Debenture Holder(s) by the Issuer shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(vii) **MATERIAL ADVERSE CHANGE**

There shall have occurred a change in the business, operations, property, assets, liabilities, condition (financial or otherwise) or prospects of the Issuer since the date hereof that has resulted in a Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified for a period of 30 (Thirty) Business days.

(viii) **CROSS DEFAULT**

If the Issuer, in regards to any Financial Indebtedness (A) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created or (B) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or (C) due to any default or an event of default, any Indebtedness of the Issuer shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, (whether or not such right shall have been waived) prior to the stated maturity thereof.

(ix) **LIQUIDATION OR DISSOLUTION OF THE ISSUER / APPOINTMENT OF RECEIVER OR LIQUIDATOR**

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer;

(b) a composition, compromise, assignment or arrangement with any creditor of the Issuer;

(c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Issuer;

(d) enforcement of any security over any assets of the Issuer or any analogous procedure or step is taken in any jurisdiction; or

(e) any other event occurs or proceeding is instituted that under any Applicable Law would have an effect analogous to any of the events listed in (a), (b), (c) and (d) above.

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	(x) **CREDITORS' PROCESS** Any expropriation, attachment, sequestration, distress or execution affects any Assets of the Issuer having an aggregate value of 5% (Five Percent) of the Total Assets of the Issuer and is not discharged within 30 (Thirty) calendar days or as given in the said order. (xi) **JUDGMENT DEFAULTS** One or more judgments or decrees shall be entered against the Issuer involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (Five Percent) of the Total Assets of the Issuer and such judgments or decrees either shall be final and non-appealable or shall not be vacated, discharged or stayed pending appeal for any period of 30 (Thirty) calendar days. (xii) **TRANSACTION DOCUMENTS** The Debenture Trust Deed or any other Transaction Document in whole or in part, becomes invalid or ceases to be a legally valid, binding and enforceable obligation of the Issuer. (xiii) **UNLAWFULNESS** It is or becomes unlawful for the Issuer to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Issuer under any Transaction Document are not or cease to be valid, binding or enforceable. (xiv) **REPUDIATION** The Issuer repudiates any of the Transaction Documents or evidences an intention to repudiate any of the Transaction Documents. (xv)**EXPROPRIATION, NATIONALIZATION ETC.** Any Governmental Authority condemns, nationalizes, seizes, expropriates or otherwise assumes custody or control of all or any substantial part of the business, operations, property or other assets (including assets forming part of the Security) of the Issuer or of its share capital, or takes any action for the dissolution of the Issuer or any action that would prevent the Issuer or its officers from carrying on all or a substantial part of its business or operations. (xvi) **DELISTING OF DEBENTURES** The listing of the Debentures ceases or is suspended at any point of time prior to the Maturity Date, except if the Debentures are delisted in accordance with the consent of the Majority Debenture Holders. (xvii) **DEFAULT IN LISTING** The Issuer fails to list the Debentures on the Wholesale Debt Market (WDM)

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	segment of the BSE within a period of 3 (three) Business Days from the date of closure of the issue for the Debentures. (xviii) Breach of the following Covenants • Affirmative Covenants • Negative Undertakings • Financials Covenants • Reporting Covenants and Other Terms & Conditions of Transaction Documents, provided the same are cured within 30 days as agreed (xix) Any directors and/ or the promoters of the Company being convicted of criminal offence or of any act of moral turpitude, dishonesty or which otherwise impinges on the integrity of the director and/ or the promoter, including any charges and/or convictions of any offence relating to bribery; (xx) Fraud, embezzlement, misstatement, misappropriation or siphoning off the Company/ Promoter funds or revenues by any of its officer or employee or management; Other conditions as mentioned in detail in the Transaction Document
Consequence of Event of Defaults	If one or more of the events specified in Debenture Trust Deed occur(s), then subject to applicable Law and upon the Debenture Trustee may, in its discretion, that is, without requiring any consent or confirmation of the Company on behalf of any debenture holder, initiate the following course of action: (a) require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with this Deed and other Transaction Documents, subject to prior approval of the RBI, if so required; (b) declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable subject to prior approval of the RBI, if so required; (c) appoint any independent agency to inspect and examine the working of the company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses; (d) exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders
Provisions related to Cross Default	In the event the Company defaults in any payment of any Financial Indebtedness of the Company beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created, other than due to a technical error which has been confirmed by the lender/ debenture trustee. Upon happening of such an event, the said event shall be deemed to be an Event of Default under the Transaction Documents.

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	For the purpose of this issuance, "Financial Indebtedness" means any indebtedness for or in respect of: (i) monies borrowed and debit balances at banks or other financial institutions; (ii) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent; (iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument; (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with accounting standards, be treated as a finance or capital lease; (v) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (vii) any derivative transaction entered into in connection with protection against, or benefit from, fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); (viii) any counter-indemnity obligation in respect of a guarantee, indemnity bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (ix) any amount raised by the issue of redeemable shares; (x) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind the entering into of such agreement is to raise finance or (ii) the agreement is in respect of the supply of assets or services and payment is due more than six months after the date of supply; (xi) any arrangement pursuant to which an asset sold by the Issuer may be reacquired by it (whether following the exercise of an option or otherwise); (xii) any agreement or deed entered by the Company providing the other party there to exercises any put option; (xiii) any financial covenant or payment obligation under any agreement executed by the Company; and (xiv) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (xiii) above.
Representations and Warranties	Such representations and warranties as are standard for transactions of this nature. To be more particularly set out in the debenture trust deed.
All covenants and undertakings (including side letters, accelerated payments clause)	As set out in the Debenture Trust Deed and any other Transaction Documents.
Role and Responsibilities of Debenture Trustee	As mentioned in the Debenture Trust Deed
Reporting Covenants	(a) The Company shall, within 45 (forty five) calendar days after the end of each quarter of the Company or any other lesser time specified in the Applicable Law, provide the management information system required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holder(s). Such information will include information detailing: (i) Information on financials, operations, portfolio & asset quality (collection efficiency and portfolio at risk data), funding data, of the Company; (ii) Details of the shareholding pattern/ structure and the composition of the board of directors of the Company; (iii) Financial covenant compliance certificate issued by chief financial officer of the Company;

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	(iv) Asset profile of the Company (including, without limitation, its borrowers' details, geographical distribution, portfolio split under various delinquent buckets and provisioning against these assets); (v) The debt profile of the Company (including, without limitation, the non - convertible debentures issued by the Company) with detailed terms of borrowings availed by the Company; (vi) Asset liability management ("ALM") statement of the Company for such quarters; (vii) Liquidity position of the Company at the end of such quarter; (viii) Certified copy of the filings/ returns filed by the Company with the RBI for and during such quarter; (ix) Static pool data and bucket flow analysis; (x) Details of the Coupon and principal payments to be made, but unpaid and reasons for the non-payment thereof in relation to the Debentures; (xi) Certificate from the chief financial officer of the Company certifying no changes in the joint liability group loan disbursement policy; and (xii) Any other information as may be required by the Debenture Trustee and the Debenture Holder in relation to the Debentures. (b) The Company shall, within 90 (Ninety) calendar days after the end of each Financial Year of the Company or any other lesser time specified in the applicable Law, provide the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holder(s). Such reporting will include information detailing: (i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed Financial Year, prepared in accordance with Indian generally accepted accounting principles/ Indian accounting standards (IND AS) including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof; (ii) a certificate of the chief financial officer or a Director of the Company confirming that his or her review has not disclosed the existence of any Potential Event of Default (as defined in the Debenture Trust Deed) or any Event of Default; and (iii) all annual information submitted to the RBI. (c) The Company shall, as soon as practicable, and in any event within 5 (five) calendar days upon the occurrence of the following event(s): (i) change in the shareholding structure of the Company by more than 10%; (ii) change in the Key managerial Person of the Company. (iii) after the Company obtains knowledge thereof or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could be expected to result in a Material Adverse Effect; (iv) after the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute (including tax notice), litigation (including any violation of the securities law), investigation or other proceeding (including any insolvency proceedings or litigations relating to securities laws) affecting the Company or its property or operations; (v) any litigation which would have a Material Adverse Effect on the secured assets of the Company, the Company's goodwill or reputation, and the financial position of the Company; (vi) any prepayment or notice of any prepayment of any Financial Indebtedness of the Company, that would lead to a negative mismatch on cumulative basis in any of the buckets till one year of the ALM of the Company;

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	(vii) any alteration or amendment of constitutional documents of the Company which have a material adverse effect on the debenture holder, other than alteration of Memorandum due to increase of Authorised Capital; (viii) resignation of the statutory auditor of the Company along with its resignation letter; (ix) any change in the Company's joint liability group lending policy; (x) such other information, as may be required by the Debenture Trustee. (d) The Company shall, as soon as practicable, and in any event within 1 (One) calendar days upon the occurrence of the following event(s): (i) the Company shall notify the Debenture Trustee promptly in writing, of any event which constitutes an Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same; (ii) Inform the Debenture Trustee of any breach of representation, warranties or covenants or undertakings as specified in this Transaction Documents. (e) The Company shall, while submitting quarterly/ annual financial results to the BSE disclose inter alia the following line items (as applicable to a NBFC) along with the financial results and the same shall be communicated to the Debenture Holder(s) on a quarterly/ annual basis: (i) Debt-equity ratio of the Company; (ii) Debt–service coverage ratio; (iii) interest service coverage ratio; outstanding redeemable preference shares (quantity and value); (iv) capital redemption reserve/ debenture redemption reserve (if applicable); (v) net worth; (vi) net profit after tax; (vii) earnings per share; (viii) current ratio; (ix) long term debt to working capital; (x) bad debts to account receivable ratio; (xi) current liability ratio; (xii) total debts to total assets; (xiii) debtors turnover; (xiv) inventory turnover; (xv) operating margin (%); (xvi) net profit margin (%); and (xvii) any other sector specific equivalent ratios, as applicable. (xviii) pre provisioning operating profit; (xix) provision for the non-performing loans; (xx) asset under management; (xxi) on-book loan portfolio; (xxii) Portfolio At Risk ("PAR") (PAR 0, PAR 30, PAR 60 and PAR 90) for asset under management; and (xxiii) PAR (PAR 0, PAR 30, PAR 60 and PAR 90) for on-book loan portfolio. (f) The Company shall notify the Debenture Trustee in writing, of any notice of an application or petition for insolvency and/or for winding up having been made or receipt of any statutory notice of insolvency and/or winding up under the provisions of the Act and IBC or any other notice under any other law or otherwise of any suit or legal process intended to be filed against the Company by any person including the RBI. (g) The Company shall notify the Debenture Trustee in writing, if it becomes aware of any fact, matter or circumstance which would cause any of the

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	representations and warranties under any of the Transaction Documents to become untrue or inaccurate or misleading in any material respect. (h) The Company shall provide to the Debenture Trustee such further information regarding the financial condition, business and operations of the Company as the Debenture Trustee may reasonably request in relation to the payments due to be made on the Debentures. (i) The Company shall notify the Debenture Trustee promptly of any revision in the rating or assignment of fresh rating provided by the Rating Agency in the Issue. (j) The Company shall notify the Debenture Trustee and the Debenture Holder(s) in writing upon receipt by the Company of a banking license from RBI and/ or the approval from RBI for acquisition of an existing bank and shall provide a certified copy of such approval/ license and such other documents as the Debenture Trustee and the Debenture Holder(s) may require in this regard. (k) The Company shall inform the Debenture Trustee before declaring or distributing any dividend, unless the Company has paid the amounts then due and payable on the Debentures under the Debenture Trust Deed and Transaction Documents. (l) The Company shall inform the Debenture Trustee of one or more of the other creditors of the Company accelerating its payment obligations on the grounds of (a) a material adverse effect in the financial, operational or regulatory conditions governing the Company or (b) on account of a breach of representation or breach of an information covenant) under the terms of any other agreement involving borrowed money or the extension of credit or any other indebtedness under which the Company may be obligated as a borrower or guarantor. (m) The Company shall inform the Debenture Trustee promptly about all orders, directions, notices of court/tribunal initiated against the Company or Company's property or its parent entities or ultimate owner of the Company (or any part thereof) which has a Material Adverse Effect. (n) The Company shall submit to the Debenture Trustee and to the Debenture Holder(s) within 15 (Fifteen) calendar days after the end of the half year of the Company a certificate signed by the authorised signatory of the Company certifying the debt profile of the Company (including, without limitation, the guarantee obligations of the Company) in a format acceptable to the Debenture Trustee. (o) The Company shall within 7 (Seven) days from the end of each month submit to the Debenture Holder(s), the monthly management information system, in the manner as agreed in the Debenture Trust Deed. (p) The Company shall within 7 (Seven) days from the date of any change in its credit policy inform the Debenture Holder(s) in writing about such change. (q) The Company shall provide all information/ documents required to be submitted to the Debenture Trustee, to enable it to carry out the due diligence in terms of SEBI circular dated November 3, 2020 and bearing number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/218 and necessary reports / certificates to the stock exchanges / SEBI and make the necessary disclosures on its website, in terms of the SEBI circular dated November 12, 2020 and bearing number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230, as amended, replaced or modified from time to time. (r) The Company shall notify to the Debenture Trustee and Debenture Holder(s) within 5 (Five) calendar days any change in capital structure of the Company more than 10% other than change that shall affect the payment

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	obligations of the Company in relation to the Debenture which shall be notified immediately on the occurrence of the event. (s) The Company shall furnish to the stock exchange and the Debenture Trustee, within 5 (Five) Working Days prior to the beginning of the quarter provide details for all the non-convertible securities for which interest/ dividend/ principal obligations shall be payable during the quarter. (t) The Company shall furnish to the stock exchange and the Debenture Trustee, within 7 (Seven) Working Days from the end of the quarter provide (a) a certificate confirming the payment of interest/ dividend/ principal obligations for non-convertible securities which were due in that quarter and (b) the details of all unpaid interest/ dividend/ principal obligations in relation to non -convertible securities at the end of the quarter. (u) The Company shall intimate the stock exchange, the Depository and the Debenture Trustee, the status of payments with respect to the Debentures within 1 (One) Working Day, from the due date of payment, as set out in this Deed. While intimating the status of the payment to the Debenture Trustee, the Company shall also intimate to the Debenture Trustee that it has informed the status of the payment or otherwise to the Depositories. (v) The Company shall inform the Depository and Debenture Trustee latest by the second Working Day of April of each Financial Year on the update d status of payment of the Debentures. (w) In case of any developments that impact the status of default of the Debentures (including restructuring of Debentures, National Company Law Tribunal/ National Company Law Appellate Tribunal proceedings relating to insolvency/ bankruptcy, repayment, etc.), the Issuer/ Debenture Trustee shall intimate the Depositories within 1 (One) Working Day of such development. (x) The Company shall fill all the requisite fields as provided in Annex - XIV-A of the operational circular issued under the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, in the centralized database at the time of allotment of International Securities Identification Number ("ISIN "). Depositories shall verify the information as provided by Company at the time of activation of the ISIN. (y) In case of receipt of intimation or subsequent intimation to the Depositories regarding full payment of Redemption Amount or any developments that impacts the status of default of the concerned Debentures (including restructuring of Debentures, proceedings under IBC, its repayment, etc.) from the Company or from Debenture Trustee, transactions shall be restricted in such Debentures by the Depositories immediately. The process explained above shall be followed either till full payment on these Debentures is made by the Company or the Company has been liquidated and money has been realised after completion of recovery proceedings. (z) The Company shall provide duly audited annual accounts, unaudited semi -annual accounts (certified by management) and unaudited quarterly accounts (certified by management) within the timelines specified in the Debenture Trust Deed. (aa) The Company shall within 1 (one) calendar day from the occurrence of the event inform the Debenture Trustee promptly of any amalgamation, acquisition, de-merger, merger, or reconstruction scheme proposed by the Company. (bb) The Company shall provide/ cause to be provided information in respect of the following promptly which information can be forwarded in electronic form or fax:

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	(i) a copy of the statutory auditors' and Directors' annual report, balance sheet and profit & loss account and of all periodical and special reports at the same time as they are issued. In the event of any changes to the annual report, the revised copy along with the details and explanation for the changes, not later than 5 Working Days; (ii) a copy of all notices, resolutions and circulars relating to new issue of debt securities at the same time as they are sent to shareholders/ holders of debt securities; and (iii) a copy of all the notices, call letters, circulars, etc. of the meetings of debt security holders at the same time as they are sent to the holders of debt securities or advertised in the media. (cc) The Company shall notify the Debenture Trustee in writing, of any propos ed change in the nature or scope or the business or operations of the Company or the entering into any agreement or arrangement by any person that may materially affect the assets and liabilities of the Company, at least 3 (Three) Business Days prior to the date on which such action is proposed to be given effect.
Financial Covenants	(a) The Company shall ensure that on the last day of each calendar quarter, (unless specified otherwise) until the Final Settlement Date: a. The total debt to equity ratio, capital adequacy ratio, minimum net worth of the Company shall be maintained as per the limits specified in the RBI guidelines; b. The earnings of the Company, being the net income of the Company (excluding extraordinary income) after tax shall remain at the levels as required under the applicable RBI regulations. (b) The Company shall ensure that until the Final Settlement Date the following financial ratios are maintained: a. CRAR shall at all times be maintained more than 15% (fifteen percent); b. The NNPA shall at all times be maintained below 3% (Three percent); c. GNPA shall at all times be maintained less than 5% (Five percent); d. Total debt to Equity shall at all times not exceed 5.5 (Five point five) times; and (c) The covenants set out above, shall be tested both on a quarterly and on an annual basis on the basis of the audited (or limited review) financial statements of the Company, with the first quarterly testing being for the quarter ending on June30, 2024. (d) Within 45 (Forty-Five) calendar days from the end of each quarter, the Company shall submit a certificate signed by the chief financial officer or an authorised signatory of the Company confirming the Company's compliance with the Financial Covenants set out herein. And as set out in greater detail in the Debenture Trust Deed
Transaction Documents	Debenture Trust Deed, Disclosure Documents, Resolutions, any undertaking s issued by the Company, the letters issued by the Rating Agency and the Registrar and all other documents in relation to the issuance of the Debentures. Listing Agreement with BSE; Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form Rating Agreement with the aforesaid rating agency(ies) as regards to this Issue (a) the debt disclosure document to be issued by the Issuer in terms of sub-regulation (1) of Regulation 21 (Disclosures in respect of Private Placements of

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	Debt Securities) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (if applicable); and (b) private placement offer letter to be issued by the Issuer in terms of section 42 (Offer or invitation for subscription of securities on private placement) of the Companies Act, 2013. Resolutions means collectively, (a) special resolution of the shareholders of the Company under Section 180(1)(a) of the Companies Act, 2013; if applicable (b) special resolution of the shareholders of the Company under Section 180(1)(c) of the Companies Act, 2013; if applicable (c) board resolution of the board of directors of the Company under Section 42 and other applicable provisions of the Companies Act, 2013 and Rules thereunder; (d) special resolution of the shareholders of the Company under the applicable provisions of the Companies Act, 2013 and Rule 14(2) and other applicable provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014.
Transaction Costs	The Issuer shall bear all transaction related costs incurred by the Debenture Holders with respect to legal counsel, valuers and auditors / consultants. Such costs include: 1. Trustee fees 2. Listing fees 3. Rating fees 4. Valuation fees, if any 5. Any other reasonable transaction related expense incurred by the Debenture Holders 6. Stamping and registration in relation to all Transaction Documents.
Condition Precedent to Disbursement	Customary to facilities of this nature, including but not limited to: • Compliance with all the regulatory guidelines. • A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee • All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the NCDs, and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed; • Execution of the Debenture Trustee Agreement and Debenture Trust Deed, in a form and manner satisfactory to the Debenture Trustee shall have taken place; • Rating of the Debentures being completed and the rating agency ICRA Ratings have provided a minimum rating of 'A-' for the Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee; • Due execution of the Depository Agreements by, inter-alia, the Depository and the Issuer; • Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Issuer;

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	• The Company shall have submitted to the Debenture Holders / Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements; • Execution of transaction documents in form and manner mutually acceptable to Investor & Issuer.
Condition Subsequent to Disbursement	The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Document: (a) The Issuer shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies and obtaining all necessary approvals including filing Form PAS 5 along with the Information Memorandum and Form PAS 3 along with requisite fee within prescribed timelines; (b) File Form PAS 5 along with the Information Memorandum with SEBI; (c) Receive final listing approval from BSE within 3 calendar days from Deemed Date of Allotment; (d) Credit of demat account(s) of the allottee(s) by number of NCDs allotted within 2 business days from the Deemed Date of Allotment; (e) Shareholders resolutions approving the issuance of NCD and current borrowing limit obtained within the timelines stipulated as per Companies Act 2013 / Ministry of Corporate Affairs notification G.S.R. 424(E) dated 30 June 2014. Any others as required by the Debenture Trustee in the Transaction Documents.
Creation of Recovery Expense Fund (If Applicable)	Details and purpose of the recovery expense fund The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" ("SEBI REF Circular") issued by SEBI REF Circular, in accordance with and within the timelines prescribed in the SEBI REF Circular. The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents. The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents. On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI REF Circular for utilisation of the Recovery Expense Fund.
Indemnification	The Issuer will indemnify and hold harmless the Debenture Holders from and against any claim, liability, demand, loss, damage, judgment or other obligation or right of action which may arise as a result of breach of this Term Sheet by the Issuer or its Promoters.
Confidentiality	The terms and conditions described in this Term Sheet, including its existence, shall be confidential information and shall not be disclosed to any third party except to each Party's advisors and counsel. Provided however that if any of the Parties is required by law to disclose information regarding this Term sheet or to file this Term sheet with any regulatory body, it shall, at a reasonable time after making any such disclosure or filing, informing the other parties.
Risk Factors	Kindly refer to Section 3.
Kindly refer to Section 3.	Indian Law with jurisdiction of the courts and tribunals of Mumbai.

For Annapurna Finance Pvt. Ltd.

Kashi Nath Sahoo

Authorised Signatory

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ANNEXURE TO THE SUMMARY TERM SHEET

Illustration of the Cash Flow:

The scenario analysis (Tabular and graphical data) is provided for illustrative purposes only and does not represent actual termination or unwind prices, nor does it present all possible outcomes or describe all factors that may affect the value of your investment

ILLUSTRATION OF BOND CASH FLOWS	
Company	Annapurna Finance Private Limited
Face Value (per security)	Rs. 1,00,000/- (Rupees One Lakh only)
Deemed Date of Allotment	April 23,2024
Redemption Date / Maturity Date	January 24, 2030
Redemption amount	Rs. 1,00,000/- (Rupees One Lakh only) per debenture
Coupon Rate	12.00% per annum payable monthly
Frequency of the Coupon Payment with specified dates	Monthly
Day Count Convention	Actual / Actual

CASH FLOW CHART

CASH FLOWS	RECORD DATE	DUE DATE	DATE OF PAYMENT	NO. OF DAYS IN COUPON PERIOD	COUPON AMOUNT (IN RUPEES) PER DEBENTURE
1st Coupon	14-05-2024	24-05-2024	24-05-2024	31	1,016.39
2nd Coupon	14-06-2024	24-06-2024	24-06-2024	31	1,016.39
3rd Coupon	15-07-2024	24-07-2024	24-07-2024	30	983.61
4th Coupon	14-08-2024	24-08-2024	26-08-2024	31	1,016.39
5th Coupon	16-09-2024	24-09-2024	24-09-2024	31	1,016.39
6th Coupon	14-10-2024	24-10-2024	24-10-2024	30	983.61
7th Coupon	14-11-2024	24-11-2024	25-11-2024	31	1,016.39
8th Coupon	16-12-2024	24-12-2024	24-12-2024	30	983.61
9th Coupon	14-01-2025	24-01-2025	24-01-2025	31	1,019.18
10th Coupon	14-02-2025	24-02-2025	24-02-2025	31	1,019.18
11th Coupon	14-03-2025	24-03-2025	24-03-2025	28	920.55
12th Coupon	14-04-2025	24-04-2025	24-04-2025	31	1,019.18
13th Coupon	14-05-2025	24-05-2025	26-05-2025	30	986.30
14th Coupon	16-06-2025	24-06-2025	24-06-2025	31	1,019.18
15th Coupon	14-07-2025	24-07-2025	24-07-2025	30	986.30
16th Coupon	14-08-2025	24-08-2025	25-08-2025	31	1,019.18
17th Coupon	15-09-2025	24-09-2025	24-09-2025	31	1,019.18
18th Coupon	14-10-2025	24-10-2025	24-10-2025	30	986.30
19th Coupon	14-11-2025	24-11-2025	24-11-2025	31	1,019.18
20th Coupon	15-12-2025	24-12-2025	24-12-2025	30	986.30
21st Coupon	14-01-2026	24-01-2026	26-01-2026	31	1,019.18
22nd Coupon	16-02-2026	24-02-2026	24-02-2026	31	1,019.18
23rd Coupon	16-03-2026	24-03-2026	24-03-2026	28	920.55
24th Coupon	14-04-2026	24-04-2026	24-04-2026	31	1,019.18

ANNAPURNA FINANCE PVT. LTD. INDIA

25th Coupon	14-05-2026	24-05-2026	25-05-2026	30	986.30
26th Coupon	15-06-2026	24-06-2026	24-06-2026	31	1,019.18
27th Coupon	14-07-2026	24-07-2026	24-07-2026	30	986.30
28th Coupon	14-08-2026	24-08-2026	24-08-2026	31	1,019.18
29th Coupon	14-09-2026	24-09-2026	24-09-2026	31	1,019.18
30th Coupon	14-10-2026	24-10-2026	26-10-2026	30	986.30
31st Coupon	16-11-2026	24-11-2026	24-11-2026	31	1,019.18
32nd Coupon	14-12-2026	24-12-2026	24-12-2026	30	986.30
33rd Coupon	14-01-2027	24-01-2027	25-01-2027	31	1,019.18
34th Coupon	15-02-2027	24-02-2027	24-02-2027	31	1,019.18
35th Coupon	15-03-2027	24-03-2027	24-03-2027	28	920.55
36th Coupon	14-04-2027	24-04-2027	26-04-2027	31	1,019.18
37th Coupon	14-05-2027	24-05-2027	24-05-2027	30	986.30
38th Coupon	14-06-2027	24-06-2027	24-06-2027	31	1,019.18
39th Coupon	14-07-2027	24-07-2027	26-07-2027	30	986.30
40th Coupon	16-08-2027	24-08-2027	24-08-2027	31	1,019.18
41st Coupon	14-09-2027	24-09-2027	24-09-2027	31	1,019.18
42nd Coupon	14-10-2027	24-10-2027	25-10-2027	30	986.30
43rd Coupon	15-11-2027	24-11-2027	24-11-2027	31	1,019.18
44th Coupon	14-12-2027	24-12-2027	24-12-2027	30	986.30
45th Coupon	14-01-2028	24-01-2028	24-01-2028	31	1,016.39
46th Coupon	14-02-2028	24-02-2028	24-02-2028	31	1,016.39
47th Coupon	14-03-2028	24-03-2028	24-03-2028	29	950.82
48th Coupon	14-04-2028	24-04-2028	24-04-2028	31	1,016.39
49th Coupon	15-05-2028	24-05-2028	24-05-2028	30	983.61
50th Coupon	14-06-2028	24-06-2028	26-06-2028	31	1,016.39
51st Coupon	14-07-2028	24-07-2028	24-07-2028	30	983.61
52nd Coupon	14-08-2028	24-08-2028	24-08-2028	31	1,016.39
53rd Coupon	14-09-2028	24-09-2028	25-09-2028	31	1,016.39
54th Coupon	16-10-2028	24-10-2028	24-10-2028	30	983.61
55th Coupon	14-11-2028	24-11-2028	24-11-2028	31	1,016.39
56th Coupon	14-12-2028	24-12-2028	25-12-2028	30	983.61
57th Coupon	15-01-2029	24-01-2029	24-01-2029	31	1,019.18
58th Coupon	14-02-2029	24-02-2029	26-02-2029	31	1,019.18
59th Coupon	14-03-2029	24-03-2029	26-03-2029	28	920.55
60th Coupon	16-04-2029	24-04-2029	24-04-2029	31	1,019.18
61st Coupon	14-05-2029	24-05-2029	24-05-2029	30	986.30
62nd Coupon	14-06-2029	24-06-2029	25-06-2029	31	1,019.18
63rd Coupon	16-07-2029	24-07-2029	24-07-2029	30	986.30
64th Coupon	14-08-2029	24-08-2029	24-08-2029	31	1,019.18
65th Coupon	14-09-2029	24-09-2029	24-09-2029	31	1,019.18
66th Coupon	15-10-2029	24-10-2029	24-10-2029	30	986.30
67th Coupon	14-11-2029	24-11-2029	26-11-2029	31	1,019.18
68th Coupon	14-12-2029	24-12-2029	24-12-2029	30	986.30
69th Coupon	14-01-2030	24-01-2030	24-01-2030	31	1,019.18
Principal	14-01-2030	24-01-2030	24-01-2030	2,102	1,00,000.00

ANNAPURNA FINANCE PVT. LTD. INDIA

BSE
EXPERIENCE THE NEW

DCS/COMP/MJ/IP-PPDI/182/23-24

July 25, 2023

Annapurna Finance Private Limited
Plot No 1215/1401, Khandagiri Bari,
Near Jaydev Vatika, Khandagiri,
Bhubaneswar, Odisha, 751030

Dear Sir/Madam

Re: Private Placement Issue of Issue of rated, listed, taxable, redeemable, secured/unsecured, transferable, non-convertible debentures on a private placement basis in one or more series/tranches (the "issue")(AFPL/GID/2023-24/01).

We acknowledge receipt of your application on the online portal on July 24, 2023 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can

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be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the shelf placement memorandum and General information Documents which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Rupal Khandelwal

Rupal Khandelwal
Deputy General Manager

Akshay Arolkar
Deputy Manager

CareEdge RATINGS

No. CARE/NRO/RL/2024-25/1048

Shri Satyajit Das
Chief Financial Officer
Annapurna Finance Private Limited
1215/1401 Khandagiri Bari, infront of Jayadev Vatika,

Bhubaneswar
Odisha 751030

April 16, 2024

Confidential

Dear Sir,

Credit rating for proposed Subordinate Non-convertible Debentures

Please refer to your request for rating of proposed long-term Subordinate Non-convertible Debenture (NCD) issue aggregating to Rs.100 crore of your Company. The proposed NCDs would have tenure of 5 Years and 9 months..

2. The following ratings have been assigned by our Rating Committee:

Sr. No.	Instrument	Amount (₹ crore)	Rating[1]	Rating Action
1.	Non Convertible Debentures	100.00	CARE A-; Positive (Single A Minus; Outlook: Positive)	Assigned

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 mmm dd, yyyy April 16, 2024).

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:

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. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as **Annexure 2**. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by April 17, 2024, we will proceed on the basis that you have no any comments to offer.

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.

13. If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE Ratings Ltd.

Thanking you,

Yours faithfully,

CARE Ratings Limited

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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.

PRESS RELEASE

ANNAPURNA FINANCE PRIVATE LIMITED

April 18, 2024

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	2,011.99	CARE A-; Positive	Reaffirmed
Long-term Instruments	34.00	CARE A-; Positive	Reaffirmed
Long-term instruments	39.60	CARE A-; Positive	Reaffirmed
Long-term instruments	15.00	CARE A-; Positive	Reaffirmed
Long-term instruments	71.25	CARE A-; Positive	Reaffirmed
Non-convertible debentures	100.00	CARE A-; Positive	Assigned
Non-convertible debentures	15.00	CARE A-; Positive	Reaffirmed
Non-convertible debentures	18.75	CARE A-; Positive	Reaffirmed
Non-convertible debentures	40.00	CARE A-; Positive	Reaffirmed
Non-convertible debentures	3.25	CARE A-; Positive	Reaffirmed
Non-convertible debentures	30.00	CARE A-; Positive	Reaffirmed
Non-convertible debentures	50.40	CARE A-; Positive	Reaffirmed
Non-convertible debentures	50.00	CARE A-; Positive	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of ratings assigned to long-term instruments and bank facilities of Annapurna Finance Private Limited (AFPL) continues to draw comfort from growing scale of operations with asset under management (AUM) rising to ₹9,540 crore as on December 31, 2023 along with moderate albeit improving asset quality, with net stress assets to net advances of 2.29% as on December 31, 2023 (net stress assets includes net non-performing assets of ₹ 71.40 crore, net security receipt of ₹ 91.56 crore as on December 2023), owing to write-offs and sale of delinquent portfolio to asset reconstruction company (ARC). Ratings also consider the long track record of promoters in the microfinance industry, diversified resource profile, and comfortable capitalisation metrics.

However, these rating strengths are partially offset with the geographical concentration of AFPL's loan portfolio, rising delinquencies from Punjab, inherent risks in the micro finance industry, including unsecured lending, leading to higher risk profile.

CARE Ratings Limited (CARE Ratings) takes note of recent challenges faced by the micro finance industry (MFI) in the state of Punjab and Haryana due to some local issues, the collection efficiency and delinquencies have been adversely impacted. However, APFL holds 3.7% and 2.6% share towards Punjab and Haryana. Going forward, the performance of these states remains key monitorable.

CARE Ratings notes that AFPL has applied for the banking license with Reserve Bank of India (RBI) in November 2022 which is under process.

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Rating sensitivities: Factors likely to lead to rating actions

Positive factors – Factors that could, individually or collectively, lead to positive rating action/upgrade:

- Improving profitability profile with return on total asset (RoTA) of more than 3% on a sustained basis.
- Sizable scale-up of operations whilst ensuring lower geographical concentration.

Negative factors - Factors that could, individually or collectively, lead to negative rating action/downgrade:

- Weakening of capitalisation profile with assets under management (AUM) to net worth rising beyond 6x on sustained basis.
- Significantly deteriorating asset quality profile impacting profitability.

Analytical approach: Standalone

Outlook: Positive

The positive outlook signifies CARE Ratings' expectation that the company will continue to grow its business operations as envisaged in a calibrated manner with the maintaining of the asset quality metrics and healthy profitability. CARE Ratings expects continuous support from investors in future as well. However, the outlook may be revised back to stable in case of moderation in profitability matrix and asset quality.

Detailed description of the key rating drivers:

Key strengths

Improving scale of operations

As on December 31, 2023, AFPL was able to report loan book growth with its AUM increasing by 12% (annualised) to ₹9,540 crore from ₹8,749 crore as on March 31, 2023. Currently, the company has a presence in 21 states through a network of 1,335 branches as on December 31, 2023, and caters to almost 2.6 million borrowers. The company's focus is the microfinance segment, which amounted to dominant 86% of AUM as on December 31, 2023, though reduced from 99% of AUM as on March 31, 2018. The micro, small & medium enterprises (MSME) segment has gradually increased from 1% of AUM as on March 31, 2018, to 14% of AUM as on March 31, 2023, however, this has declined to 13% as on December 31, 2023, to adhere to the minimum qualifying asset criteria.

CARE Ratings notes that AFPL reported breach of minimum qualifying asset criteria as on March 31, 2023 with ratio of 67.61%, however to adhere to it, the company has reduced its non-MFI book and as on December 31, 2023, the ratio improved to 77.24%, which is above the minimum limit of 75%.

Going forward, the company's ability to grow its book while maintaining asset quality remains key monitorable.

Diversified resource profile

The resource profile of AFPL remains diversified, having banking relationships with more than 60 lenders and distributed across various instruments, majority of which is concentrated towards term loans from banks/financial institutions (72%), followed by secured and unsecured non-convertible debentures (11%), external commercial borrowings (9%) and other borrowings including sub-debt (7%). In 9MFY24, the company has raised ₹ 4651.95 crore in the form of term loans, external commercial borrowings (ECBs), Sub-Debts and non-convertible debentures (NCDs) at the interest rate ranging from 8% to 12.40%.

Experienced management profile with continuous support from investors

AFPL's locus of operations is Odisha and is promoted by Gobinda Chandra Pattanaik (Managing Director) and Dibyajyoti Pattanaik (Director). The promoters have more than two decades of experience in micro-financing activity and the affairs of the company are being managed by them along with a professional team. AFPL has a track record of over a decade and has gradually developed a strong presence in the state. Apart from the promoter support, the company is backed by other strong institutional investors such as Nuveen Global Impact Fund, Oman India Joint Investment Fund, Asian Development Bank, Belgian Investment Company for Developing Countries and Oikocredit etc. Till FY23 (refers to the period April 1 to March 31), AFPL has received capital infusion of ₹1,385 crore in the form of equity, compulsory convertible preference shares (CCPS) and compulsory convertible debentures (CCD). In FY22, the company received capital infusion of ₹409 crore in the form of CCD and CCPS, and in FY23, the company further received infusion of ₹117 crore in the form of CCPS. CARE Ratings notes that all the compulsory convertible Preference Shares have been converted into equity as on January 31, 2024.

CARE Ratings notes that the company is planning for secondary sale wherein some of the existing shareholders will take partial exit.

CARE Ratings will continue to monitor the ability of the company to raise capital and maintain healthy gearing levels, going forward.

Moderate asset quality, though improving

With the gradual improvement in collections, significant write-offs and the sale to an asset reconstruction company (ARC), the asset quality of the company has improved, with the gross stress assets (which includes gross non-performing assets [GNPA] and security receipts) reducing from 9.80%as on March 31, 2022, to 7.4% as on December 31, 2023. The company carries sufficient provisions against its stress assets. After adjusting the provision, the net stress assets to net advance ratio has reduced to 2.29% as on December 31, 2023 as compared to 3.45% as on March 31, 2023.

CARE Ratings note that delinquencies have increased in certain states, like Punjab & Haryana, as overall MFI industry is facing some event-based challenges in these states. Going forward, asset quality of the company remains key monitorable.

Key weaknesses

Geographical concentration of operations

Given the locus of operations of the company being in Odisha, the portfolio continues to be majorly driven from Odisha with 20% of its portfolio as on March 31, 2023 (25% as on March 31, 2022) which has further reduced to 18% of AUM as on December 31, 2023. The company had 50% of its AUM concentrated in top three states, namely, Odisha, Madhya Pradesh, and Bihar as on March 31, 2023, and 52% of its AUM as on December 31, 2023. Recently, the company has entered into new state, Telangana to expanding reduce the geographical concentration. However, having more than half of portfolio concentrated in only three states exposes AFPL to the event-based risks associated in these regions.

Moderate profitability, though improving

After reporting subdued profitability in FY22 and FY23, AFPL was able to improve its overall profitability, reporting a return on total assets (RoTA) of 2.72% in 9MFY24. The improving RoTA is backed by increase in lending rates owing to removal of interest rate cap by the RBI which has resulted into improvement in net interest margins (NIMs) to 9.14% as compared with 6.10% in FY23 as well as sizable DA transaction of 3.7% (DA Income as a % of average total assets) as on December 31, 2023. The operating expenses to average assets ratio has increased from 6.36% in FY23 and 7.11% in 9MFY24 owing to branch expansion and hiring of additional workforce. However, credit cost has declined in 9MFY24 to 3.15% from 4.62% in FY23, leading to improvement in the overall RoTA to 2.72% from 0.42% in FY23 and 0.27% in FY22.

Going forward, CARE Ratings expects profitability to remain at similar levels considering credit cost may rise marginally due to rising delinquencies in Punjab & Haryana.

Susceptibility of business on account of event-based risks

The company's business operations are highly susceptible to event-based risks such as socio-political disruptions, regulatory risks, and natural calamities. Besides, due to the unsecured nature of the portfolio, there is no recourse available to the company, in case of default by the borrower. Going forward, CARE Ratings will continue to monitor AFPL's ability to withstand such economic shocks while maintaining the asset quality and profitability metrics.

Liquidity: Adequate

The company has comfortable liquidity profile, given high amount of liquidity surplus in the form of cash and bank balances. The liquidity profile is further augmented by periodic equity infusions. As per asset liability mismatch (ALM) statement as on December 31, 2023, there are no negative cumulative mismatches for any time bucket. It has cash and bank balance of ₹520 crore (including unpledged fixed deposits) as on December 31, 2023.

Applicable criteria

Policy on default recognition
Financial Ratios - Financial Sector
Rating Outlook and Credit Watch
Non Banking Financial Companies

About the company and industry

Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Financial services	Financial services	Finance	Microfinance institutions

AFPL (erstwhile, Annapurna Microfinance Private Limited [AMPL]) was initially promoted in 1990 as a society by the name of People's Forum (PF) by Gobinda Chandra Pattanaik in Odisha. It started operation in the Khurda district of Odisha with the objective to form and promote self-help groups (SHGs) and socio-economic development. In November 2009, PF acquired Gwalior Finance and Leasing Company Private Limited, a non-banking finance company (NBFC) registered in Varanasi, Uttar Pradesh, and transferred its microfinance loan portfolio to the NBFC. The name of the NBFC was changed to AMPL in February 2010 and then to its present name in January 2018. AFPL is engaged in micro finance lending to women borrowers under joint-liability group (JLG) as well as individual loans, housing loans and MSME loans.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	9MFY24 (UA)
Total operating income	1,152.77	1,569.57	1,498.38
PAT	17.13	32.72	175.72
Interest coverage (times)	1.06	1.09	1.40
Total assets*	7,130.95	8,545.35	8,688.21
Net NPA (%)	2.86	1.35	1.00
ROTA (%)	0.27	0.42	2.72

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'
*total assets are net of deferred tax assets and intangible assets

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non-convertible debentures	INE515Q07533	09-07-2021	11.20%	09-07-2026	40.00	CARE A-; Positive
Debentures-Non-convertible debentures	INE515Q07525	12-07-2021	11.20%	12-07-2026	37.00	CARE A-; Positive
Debentures-Non-convertible debentures	INE515Q07566	05-07-2022	11.35%	07-07-2028	50.00	CARE A-; Positive
Debentures-Non-convertible debentures	INE515Q08168	22-12-2021	11.50%	24-12-2027	30.00	CARE A-; Positive
Debt-Subordinate debt	INE515Q08101	23-03-2020	13.00%	13-04-2027	39.60	CARE A-; Positive
Debt-Non-convertible debenture/Subordinate debt	INE515Q08135	12-01-2021	12.29%	18-02-2028	71.25	CARE A-; Positive
Debt-Subordinate debt	INE515Q08127	31-03-2020	12.21%	30-04-2025	34.00	CARE A-; Positive
Debt-Subordinate debt	INE515Q08119	27-03-2020	14.50%	15-05-2026	15.00	CARE A-; Positive
Debentures-Non-convertible debentures	INE515Q07616	22-09-2023	1.50%	5-09-2025	50.00	CARE A-; Positive
Debentures-Non-convertible debentures	Proposed				0.40	CARE A-; Positive
Debt-Subordinate debt	Proposed				100.00	CARE A-; Positive
Fund-based - LT-Term loan		-	-	24-03-2026	2,011.99	CARE A-; Positive

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 2024-2025	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
1	Fund-based - LT-Term Loan	LT	2011.99	CARE A-; Positive	-	1)CARE A-; Positive (13-Sep-23) 2)CARE A-; Stable (31-May-23) 3)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)
2	Debt-Subordinate Debt	LT	34.00	CARE A-; Positive	-	1)CARE A-; Positive (13-Sep-23) 2)CARE A-; Stable (31-May-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)

						3)CARE A-; Stable (07-Apr-23)		
3	Debt-Subordinate Debt	LT	39.60	CARE A-; Positive	-	1)CARE A-; Positive (13-Sep-23) 2)CARE A-; Stable (31-May-23) 3)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)
4	Debt-Subordinate Debt	LT	15.00	CARE A-; Positive	-	1)CARE A-; Positive (13-Sep-23) 2)CARE A-; Stable (31-May-23) 3)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)
5	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (13-Sep-23) 2)CARE A-; Stable (31-May-23) 3)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)
6	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (31-May-23) 2)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)
7	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)
8	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (13-Sep-23) 2)CARE A-; Stable (31-May-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)

						3)CARE A-; Stable (07-Apr-23)		
9	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (13-Sep-23) 2)CARE A-; Stable (31-May-23) 3)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)
10	Debentures-Non Convertible Debentures	LT	15.00	CARE A-; Positive	-	1)CARE A-; Positive (13-Sep-23) 2)CARE A-; Stable (31-May-23) 3)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)
11	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)
12	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)
13	Debentures-Non Convertible Debentures	LT	18.75	CARE A-; Positive	-	1)CARE A-; Positive (13-Sep-23) 2)CARE A-; Stable (31-May-23) 3)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21) 2)CARE A-; Stable (29-Jun-21)
14	Debt-Non-convertible Debenture/Subordinate Debt	LT	71.25	CARE A-; Positive	-	1)CARE A-; Positive (13-Sep-23) 2)CARE A-; Stable (31-May-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21)

						3)CARE A-; Stable (07-Apr-23)		
15	Debentures-Non Convertible Debentures	LT	40.00	CARE A-; Positive	-	1)CARE A-; Positive (13-Sep-23) 2)CARE A-; Stable (31-May-23) 3)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21) 2)CARE A-; Stable (29-Jun-21)
16	Debentures-Non Convertible Debentures	LT	3.25	CARE A-; Positive	-	1)CARE A-; Positive (13-Sep-23) 2)CARE A-; Stable (31-May-23) 3)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21) 2)CARE A-; Stable (29-Jun-21)
17	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (30-Sep-21) 2)CARE A-; Stable (29-Jun-21)
18	Debentures-Non Convertible Debentures	LT	30.00	CARE A-; Positive	-	1)CARE A-; Positive (13-Sep-23) 2)CARE A-; Stable (31-May-23) 3)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	1)CARE A-; Stable (16-Dec-21)
19	Debentures-Non Convertible Debentures	LT	50.40	CARE A-; Positive	-	1)CARE A-; Positive (13-Sep-23) 2)CARE A-; Stable (31-May-23) 3)CARE A-; Stable (07-Apr-23)	1)CARE A-; Stable (29-Dec-22) 2)CARE A-; Stable (06-Jul-22)	-

20	Debentures-Non Convertible Debentures	LT	50.00	CARE A-; Positive	-	1)CARE A-; Positive (20-Sep-23)	-	-
21	Debentures-Non Convertible Debentures	LT	100.00	CARE A-; Positive				

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple
2	Debt-Non-convertible Debenture/Subordinate Debt	Complex
3	Debt-Subordinate Debt	Complex
4	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view the lender-wise details of bank facilities please click here

Note on the 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.

Contact us

Media Contact	**Analytical Contacts**
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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.

For the detailed Rationale Report and subscription information, please visit www.careedge.in

No. CARE/NRO/RL/2024-25/1046

Shri Satyajit Das
Chief Financial Officer
Annapurna Finance Private Limited
1215/1401 Khandagiri Bari, infront of Jayadev Vatika,
Bhubaneswar
Odisha 751030

April 16, 2024

Confidential

Dear Sir,

Credit rating for Non-Convertible Debenture issue

On the basis of recent developments including operational and financial performance of your Company for FY23 (Audited) and 9MFY24 (Unaudited), our Rating Committee has reviewed the following ratings:

Sr. No.	Instrument	Amount (₹ crore)	Rating[1]	Rating Action
1.	Non Convertible Debentures	15.00	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed
2.	Non Convertible Debentures	18.75	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed
3.	Non Convertible Debentures	40.00	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed
4.	Non Convertible Debentures	3.25	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed
5.	Non Convertible Debentures	30.00	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed
6.	Non Convertible Debentures	50.40	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed
7.	Non Convertible Debentures	50.00	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed

[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

Sr. No.	Instrument	Amount (₹ crore)	Rating[1]	Rating Action
8.	Non-convertible Debenture/Subordinate Debt	71.25	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed
9.	Subordinate Debt	34.00	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed
10.	Subordinate Debt	39.60	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed
11.	Subordinate Debt	15.00	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed

2. The NCDs are repayable as per Annexure-1.

3. 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

4. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as **Annexure 2**. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by April 17, 2024, we will proceed on the basis that you have no any comments to offer.

5. 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.

6. 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.

7. 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.

8. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.

9. CARE Ratings Ltd. 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,

Prabhjyot Kaur
Lead Analyst
prabhjyot.kaur@careedge.in

Neha Kadiyan
Associate Director
neha.kadiyan@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-1

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non-convertible debentures	INE515Q07533	09-07-2021	11.20%	09-07-2026	40.00	CARE A-; Positive
Debentures-Non-convertible debentures	INE515Q07525	12-07-2021	11.20%	12-07-2026	37.00	CARE A-; Positive
Debentures-Non-convertible debentures	INE515Q07566	05-07-2022	11.35%	07-07-2028	50.00	CARE A-; Positive
Debentures-Non-convertible debentures	INE515Q08168	22-12-2021	11.50%	24-12-2027	30.00	CARE A-; Positive
Debt-Subordinate debt	INE515Q08101	23-03-2020	13.00%	13-04-2027	39.60	CARE A-; Positive
Debt-Non-convertible debenture/Subordinate debt	INE515Q08135	12-01-2021	12.29%	18-02-2028	71.25	CARE A-; Positive
Debt-Subordinate debt	INE515Q08127	31-03-2020	12.21%	30-04-2025	34.00	CARE A-; Positive
Debt-Subordinate debt	INE515Q08119	27-03-2020	14.50%	15-05-2026	15.00	CARE A-; Positive
Debentures-Non-convertible debentures	INE515Q07616	22-09-2023	11.50%	25-09-2025	50.00	CARE A-; Positive
Debentures-Non-convertible debentures	Proposed				0.40	CARE A-; Positive

ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE AND REGISTRAR

CATALYST
Believe in yourself... Trust us!

CL/DEB/24-25/32 **Date: 09-Apr-2024**

To,
Annapurna Finance Private Limited,
1215/1401, Khandagiri Bari,
Khandagiri, Bhubaneshwar,
Odisha, India 751030.

Dear Sir/ Madam,

Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Unsecured, Non-Convertible Debentures of ₹ 50 Crores with green shoe option of 50 Crores aggregating to 100 Crores.

We refer to your letter dated 09.04.2024, requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.
Thanking you.

Yours faithfully,

Name: Dinesh Tanawade

Designation: Manager

Annexure A

Fee Structure for transaction CL/DEB/24-25/32

PERTICULARS	AMOUNT
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 60,000
Annually Trusteeship Fees (Amount/Percentage)	₹ 60,000

Annually Fees are payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable the taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

For Catalyst Trusteeship Limited

Name: Dinesh Tanawade

Designation: Manager

We accept the above terms.

For Annapurna Finance Private Limited

Kashi Nath Sahoo

Name: Kashi Nath Sahoo

Designation: Asst. Company Secretary

NSDL Database Management Limited

Date: April 09, 2024

To,
Mr. Subrata Pradhan
Company Secretary
M/S ANNAPURNA FINANCE PRIVATE LIMITED
Plot No. 1215/1401, Khandagiri Bari,
Infront of Jayadev Vatika, PS/PO- Khandagiri
Bhubaneswar Khordha -751030

Dear Sir,

With reference to our discussion we are happy to act as Register & Transfer Agents for proposed Rated, Unsecured, Listed, Fully Paid up, Redeemable, Taxable, Subordinated, Tier II Non - Convertible Debentures upto INR 100,00,00,000 (Indian Rupees Hundred Crores only)

We hereby give our consent to include our name in the Disclosure Document for the proposed Rated, Unsecured, Listed, Fully Paid up, Redeemable, Taxable, Subordinated, Tier II Non - Convertible Debentures amounting upto INR 100,00,00,000 (Indian Rupees Hundred Crores only)

Our SEBI registration is INR000004181.

Thanking you

Yours faithfully

For NSDL Database Management Ltd.

MAKSOOD ZAHIR KHAN
Digitally signed by MAKSOOD ZAHIR KHAN
Date: 2024.04.09 14:30:07 +05'30'

Maksood Khan
Asst. Vice President

CATALYST
Believe in yourself... Trust us!

CTL/24-25/06785 ***(Annexure II A)***

DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM
(Applicable for Secured and Unsecured Issuances)

To,
The Manager,
BSE Limited
Phiroze Jeejeebhoy
Towers Dalal Street,
Mumbai- 400001.

Dear Sir / Madam,

SUB.: ISSUE OF UPTO 10,000 (TEN THOUSAND) RATED, LISTED, SUBORDINATED, UNSECURED, REDEEMABLE, TAXABLE, TRANSFERABLE, FULLY PAID-UP, NON-CONVERTIBLE DEBENTURES DENOMINATED IN INDIAN RUPEES ("INR"), HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH) EACH AND AN AGGREGATE FACE VALUE OF INR 100,00,00,000 (INDIAN RUPEES ONE HUNDRED CRORE) INCLUSIVE OF A GREEN SHOE OPTION OF 5,000 (FIVE THOUSAND) RATED, LISTED, SUBORDINATED, UNSECURED, REDEEMABLE, TAXABLE, TRANSFERABLE, FULLY PAID-UP, NON-CONVERTIBLE DEBENTURES DENOMINATED IN INR, HAVING FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH) EACH AND AN AGGREGATE FACE VALUE OF INR 50,00,00,000 (INDIAN RUPEES FIFTY CRORE) ON PRIVATE PLACEMENT BASIS ISSUED BY ANNAPURNA FINANCE PRIVATE LIMITED.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state 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 and listed– **Not Applicable**.
b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies) – **Not Applicable**.
c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities - **Not Applicable**.
d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or 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 – **Not Applicable.**

e) 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 – **Not Applicable**.

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.

g) All disclosures made in the draft offer document or 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.

Place: Mumbai
Date: April 16, 2024

For Catalyst Trusteeship Limited

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

Ms. Kalyani Pandey
Compliance Officer

ANNAPURNA FINANCE
GROWING TOGETHER
CIN : U65999OR1986PTC015931

EXTRACTS OF THE RESOLUTIONS PASSED AT THE MEETING OF THE EXECUTIVE COMMITTEE ("COMMITTEE") OF THE BOARD OF DIRECTORS OF ANNAPURNA FINANCE PRIVATE LIMITED ("COMPANY") HELD ON APRIL 15 2024, AT THE REGISTERED OFFICE OF THE COMPANY AT 11:00 AM.

"**RESOLVED THAT** pursuant to the resolution of the board of directors of the Company passed in its meeting held on November 8, 2023 and the provisions of Sections 42, 71, 179 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "**Companies Act**"), the Foreign Exchange Management Act, 1999 (as amended from time to time), rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("**RBI**"), the Securities and Exchange Board of India ("**SEBI**"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI Debt Listing Regulations**"), the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" to the extent applicable in respect of the private placement of debt securities ("**Listed NCDs Master Circular**"), the master circular issued by SEBI bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 on "*Master Circular for Debenture Trustees*" to the extent applicable in respect of the private placement of debt securities ("**SEBI Debenture Trustees Master Circular**"), the master circular issued by SEBI bearing reference number SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 on "*Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities*" to the extent applicable in respect of the private placement of debt securities ("**SEBI LODR Master Circular**"), each as amended or modified from time to time, and/or any other regulatory authority, whether in India or abroad, and in accordance with the memorandum of association and the articles of association of the Company and the listing agreements entered into with the stock exchanges (the "**Stock Exchanges**") where the securities of the Company may be listed, and subject to such approvals, consents, sanctions, permissions as may be required from any appropriate statutory and regulatory authority(ies), the approval of the Committee be and is hereby accorded for the offer, issue and allotment of 10,000 (ten thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in Indian Rupees ("**INR**"), having a face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 100,00,00,000 (Indian Rupees One Hundred Crore) inclusive of a green shoe option of 5,000 (five thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore) or such other number of debentures, face value and aggregating to such amounts as may be agreed ("**Debentures**") at an interest rate of 12% (twelve percent) per annum, or such other interest rate as may be agreed, payable monthly or at such other interest periods as may be agreed, subject to deduction of taxes at source in accordance with applicable law, with or without gross up, and for a period of 5 (five) years, 9 (nine) months and 1 (one) day from the deemed date of allotment or such other maturity period (subject to applicable law) as may be agreed, on a private placement basis to the successful bidders who have applied for subscription of the Debentures on the electronic book platform in accordance

For Annapurna Finance Pvt. Ltd.
Subrata Pradhan
Company Secretary
(M. No-27932)

with the SEBI EBP Requirements (as defined below), and the persons/investors that are identified by the Company as "anchor investors" in accordance with the Listed NCDs Master Circular and the SEBI EBP Requirements, each of which shall be deemed to be the persons identified for the purposes of Section 42 of the Companies Act (collectively, "**Investor(s)**") for (a) general corporate purposes of the Company, (b) utilization in the ordinary course of business of the Company (including repayment/re-financing of any existing financial indebtedness of the Company), (c) deployment in the business of the Company, and the growth of the asset book of the Company, (d) the purposes of augmenting the Company's Tier 2 Capital, and/or (e) such other purposes as may be agreed with the Investors.

"**RESOLVED FURTHER THAT** Mr. Subrata Pradhan, the Company Secretary, Mr. Kashi Nath Sahoo, Asst. Company Secretary, and Ms. Nibedita Pradhan (Vertical Head – Pvt Banks & NBFCs, Institutional Finance Division) (collectively, the "**Authorised Persons**") be and are hereby severally authorised to do all such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the Debentures, including, without limitation the following:

(a) finalising the terms of the issue, offer and allotment of the Debentures;

(b) determining the date of opening of the issue of the Debentures and the period for which the aforesaid issue will remain open, and finalizing the deemed date of allotment of the Debentures;

(c) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the Debentures;

(d) executing the term sheet in relation to the Debentures;

(e) negotiating, approving and deciding the terms of the issue, offer and allotment of the Debentures and all other related matters;

(f) seeking the listing of the Debentures on any stock exchange, submitting the listing application and taking all actions that may be necessary in connection with obtaining such listing and obtaining the in-principal approval from the Stock Exchange(s) in relation to listing of Debentures;

(g) issuing the Debentures through the electronic book mechanism process pursuant to the guidelines and circulars issued by SEBI in this respect, and taking all such action and steps as may be required for the purposes of complying with relevant guidelines (including the requirements with respect to electronic book mechanism prescribed in Chapter VI (*Electronic Book Provider platform*) of the Listed NCDs Master Circular, and the operational guidelines issued by the relevant electronic book provider ("**SEBI EBP Requirements**")), including making all relevant disclosures to the "electronic book provider";

(h) (if so required) selecting "anchor investor(s)", and finalising the allocation of the Debentures proposed to be issued as "anchor allocation", each in accordance with the terms prescribed under the Listed NCDs Master Circular (including making all disclosures prescribed thereunder) and the SEBI EBP Requirements;

(i) creating and maintaining a recovery expense fund with the relevant Stock Exchanges in accordance with the requirements of Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular;

(j) providing such information/disclosures in accordance with the SEBI Debt Listing Regulations and the requirements of the Listed NCDs Master Circular;

(k) providing such information/disclosures on security and covenant monitoring in accordance with the requirements of the Listed NCDs Master Circular;

(l) preparing and finalising the debt disclosure document/key information document and the

For Annapurna Finance Pvt. Ltd.
Subrata Pradhan
Company Secretary
(M. No-27932)

private placement offer cum application letter ("**Disclosure Documents**"), in accordance with all applicable laws, rules, regulations and guidelines, and approving the Disclosure Documents;

(m) finalizing the terms and conditions of the appointment of an arranger (if so required), a debenture trustee, a registrar and transfer agent, a credit rating agency, legal counsel, the depositories and such other intermediaries including their successors and their agents, as may be required in relation to the issue, offer and allotment of the Debentures;

(n) entering into arrangements with the depositories in connection with the issue, offer and allotment of the Debentures in dematerialised form;

(o) negotiating, executing, filing and delivering any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the issue, offer and allotment of the Debentures and dealing with regulatory authorities in connection with the issue, offer and allotment of the Debentures including but not limited to the RBI, SEBI, (if so required) the jurisdictional registrar of companies, (if so required) the Central Registry of Securitisation Asset Reconstruction and Security Interest of India, the Ministry of Corporate Affairs, or the depositories, and such other authorities as may be required;

(p) to execute all documents, file forms with, make applications to any Stock Exchange, the jurisdictional registrar of companies, the Ministry of Corporate Affairs, or the depositories;

(q) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;

(r) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and / or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):

(i) the Disclosure Documents;

(ii) the debenture trust deed, the debenture trustee agreement, and any other documents required for the issue, offer and allotment of the Debentures (including any powers of attorney in connection thereto), and any other document in relation thereto ((i) and (ii) above are collectively referred to as the "**Transaction Documents**");

(iii) any other documents required for the purposes of the issue, offer and allotment of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and

(iv) any other document designated as a Transaction Document by the debenture trustee and/or holders of the Debentures;

(s) to do all such acts necessary for the issue, offer and allotment of the Debentures in accordance with the terms set out in the Transaction Documents; and

(t) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to the issue, offer and allotment of the Debentures and the transactions contemplated thereby, and to give such directions as it deems fit or as may be necessary or desirable in relation to the issue, offer and allotment of the Debentures."

"**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorized to take all necessary steps relating to submit the necessary forms with the jurisdictional registrar of

For Annapurna Finance Pvt. Ltd.

Subrata Pradhan

Company Secretary
(M. No-27932)

companies, the Ministry of Corporate Affairs, or depositories, information utilities and other relevant governmental authorities."

"**RESOLVED FURTHER THAT** the Committee, pursuant to the authority granted under the resolution of the board of directors of the Company passed in its meeting held on November 8, 2023, hereby approves and ratifies all such acts, deeds and things taken by the Company till date for the purposes of the issue, offer and allotment of the Debentures."

"**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to record the name of the holders of the Debentures in the register of debenture holders and to undertake such other acts, deeds and things as may be required to give effect to the issuance, allotment and listing of the Debentures."

"**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures in accordance with the laws of India, including through any intermediaries such as the Stock Exchanges, clearing corporations or any depositories that may be authorised in this regard, and procure the stamped documents from the relevant governmental authorities."

"**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to approve and finalise, sign, execute and deliver the Transaction Documents and such other agreements, deeds, undertakings, indemnities and documents as may be required, or any of them in connection with the Debentures."

"**RESOLVED FURTHER THAT** the Authorised Persons be and hereby severally authorised to seek the registration or lodge/submit for registration any Transaction Document, letter(s) of undertakings, declarations, and agreements and other papers or documents as may be required in relation to any of the above with any registering authority or any governmental authority competent in that behalf."

"**RESOLVED FURTHER THAT** the Authorised Persons be and are hereby severally authorised to delegate the powers as may be deemed necessary to do all such acts and execute such documents as may be required in connection with any of the matters relating to the issue of the Debentures."

"**RESOLVED FURTHER THAT** the copies of the foregoing resolutions certified to be true copies by any Director or the Company Secretary of the Company be furnished to such persons as may be deemed necessary."

-// CERTIFIED TO BE TRUE //-

For Annapurna Finance Private Limited

For Annapurna Finance Pvt. Ltd.
Subrata Pradhan
Company Secretary
(M. No-27932)

Subrata Pradhan
Company Secretary

ANNAPURNA
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CERTIFIED TRUE COPY OF RESOLUTIONS PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF ANNAPURNA FINANCE PRIVATE LIMITED HELD ON WEDNESDAY, 8TH NOVEMBER 2023 AT 10:00 AM (IST) AT HOTEL CLARKS, THE MALL ROAD, CANTONMENT, VARANASI, UTTAR PRADESH-221002.

APPROVAL OF FRESH NCD ISSUE LIMIT- INR UPTO 250 CRORE:

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "**Act**"), the Foreign Exchange Management Act, 1999, as amended, rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("**RBI**"), the Securities and Exchange Board of India ("**SEBI**"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021, or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum of Association and the Articles of Association of the Company and the listing agreements entered into with the stock exchanges (the "**Stock Exchanges**") where the securities of the Company may be listed and subject to such approvals, consents, permissions and sanctions as might be required from any regulatory authority, and subject to approvals, consents, sanctions, permissions as may be necessary from all appropriate statutory and regulatory authorities, and subject to such conditions and modifications as may be prescribed by the respective statutory and/or regulatory authorities while granting such approvals, consents, sanctions, permissions and subject to such conditions or modifications which may be agreed to by the Board, the approval of the Board be and is hereby accorded for (a) offer, issue and allotment of non- convertible debentures [(i) subordinated, (ii) listed or unlisted, (iii) senior secured, (iv) senior unsecured, (v) unsecured, (vi) any others(as may be determined)] and which may or may not be rated (as may be determined), of such face value as may be determined upto the aggregate amount of INR 250,00,00,000 (Indian Rupees Two Hundred Fifty Crores) ("**Debentures**"), in one or more tranches/issues ("**Tranches/Issues**"), at such interest rate as may be determined, payable at such frequency as may be determined, and for such maturity (subject to applicable law) as may be determined subject to deduction of taxes at source in accordance with applicable law, with or without gross up, on a private placement basis to eligible investors ("**Investors**") for raising debt for the ongoing business purposes of the Company, and (b) securing the amounts to be raised pursuant to the issue of Debentures or any Tranche/Issue together with all interest and other charges thereon to be secured (up to such limits and security cover as may be agreed) by one or more of the following (i) hypothecation of loans (and/or other assets), and/or (ii) charge over specified immovable property of the Company, and/or (iii) such other security or contractual comfort as may be required in terms of the issuance of the Debentures or any Tranche/Issue (the "**Security**")."

For Annapurna Finance Pvt. Ltd.

Subrata Madhan

Company Secretary

"**RESOLVED FURTHER THAT** the Board here by authorises the "Executive Committee" ("**Committee**") of the board of directors to consider the particular terms of each Tranche/Issue and to more effectively implement any of the resolutions of the board of directors contained herein. The Committee may, within the overall ambit of this resolution of the Board (a) consider and approve any terms or modifications thereof for any Tranche/Issue, (b) direct any officers of the Company to do such things and to take such actions as the Company is entitled to do or take (as the case may be) in terms of this resolution, and (c) to generally do or to take any other action, deed, or things, as may be necessary to remove any difficulties or impediments in the effective implementation of this resolution."

"**RESOLVED FURTHER THAT** Mr. Subrata Pradhan, Company Secretary and Mr. Kashi Nath Sahoo, Assistant Company Secretary or such other persons as may be authorised by the Board or the Committee (collectively, the "**Authorised Officers**") be and are hereby severally authorised to do such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures, including, without limitation the following:

(a) to do all such acts, deeds and things as the Authorised Officers may deem necessary or desirable in connection with the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures;
(b) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures;
(c) execute the term sheet in relation to the Debentures or any Tranche/Issue of the Debentures;
(d) negotiating, approving and deciding the terms of the issue of Debentures or any Tranche/Issue of the Debentures and all other related matters;
(e) if required by the holders of the Debentures or any Tranche/Issue of the Debentures (the "**Debenture Holders**"), seeking the listing of any of the Debentures or any Tranche/Issue of the Debentures on any Stock Exchange, submitting the listing application and taking all actions that may be necessary in connection with obtaining such listing;
(f) approving the debt disclosure document/information memorandum/private placement offer cum application letter (as may be required) (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
(g) finalising the terms and conditions of the appointment of an arranger (if so required), a debenture trustee, a registrar and transfer agent, a credit rating agency, legal counsel, a depository and such other intermediaries as may be required including their successors and their agents;
(h) entering into arrangements with the depository in connection with issue of Debentures or any Tranche/Issue of the Debentures in dematerialised form;
(i) creating and perfecting the Security as required in accordance with the terms of the Transaction Documents (as defined below) in relation to the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures;
(j) finalising the date of allocation and deemed date of allotment of the Debentures or any Tranche/Issue of the Debentures;

For Annapurna Finance Pvt. Ltd.

Subrata Pradhan

Company Secretary

(k) negotiate, execute, file and deliver any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures and deal with regulatory authorities in connection with the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures including but not limited to the RBI, SEBI (if so required), any Stock Exchange (if so required), the registrar of companies, the sub-registrar of assurances, Central Registry of Securitisation Asset Reconstruction and Security Interest and such other relevant governmental authorities as may be required;

(l) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates and to give such directions as it deems fit or as may be necessary or desirable with regard to the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures;

(m) to execute all documents, file forms with, make applications with any Stock Exchange (if so required), the registrar of companies, the sub-registrar of assurances, Central Registry of Securitisation Asset Reconstruction and Security Interest or any depository;

(n) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;

(o) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and / or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):

(i) debt disclosure document/information memorandum/private placement offer cum application letter for the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures (as may be required) (the "**Disclosure Documents**");

(ii) debenture certificate for the Debentures or any Tranche/Issue of the Debentures;

(iii) debenture trust deed, debenture trustee agreement, deed of hypothecation and any other documents required for the creation of security interest over the Company's movable and immovable properties and assets or the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures (including any powers of attorney in connection thereto) and any other document in relation thereto (collectively, the "**Transaction Documents**");

(iv) any other documents required for the purposes of the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and

(v) any other document designated as a Transaction Document by the debenture trustee/Debenture Holders.

(p) do all acts necessary for the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures in accordance with the terms set out in the Disclosure Documents and the Transaction Documents; and

(q) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to (a) to (p) above, and to give such directions as it deems fit or as may be

For Annapurna Finance Pvt. Ltd.

Subrata Modhan

Company Secretary

necessary or desirable with regard to the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures."

"**RESOLVED FURTHER THAT** the Authorised Officers be and are hereby severally authorised to take all necessary steps relating to the creation, perfection and registration of charges and also to sign and submit the necessary forms with the registrar of companies, the sub-registrar of assurances, Central Registry of Securitisation Asset Reconstruction and Security Interest and other relevant governmental authorities."

"**RESOLVED FURTHER THAT** the Authorised Officers be and are hereby severally authorised to record the name of Debenture Holders in the register of debenture holders and to undertake such other acts, deeds and acts as may be required to give effect to the issuance and allotment of the Debentures or any Tranche/Issue of the Debentures and the listing of the Debentures or any Tranche/Issue of the Debentures if and as and when required by the Debenture Holders."

"**RESOLVED FURTHER THAT** the Authorised Officers be and are hereby severally authorised to pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities."

"**RESOLVED FURTHER THAT** the Authorised Officers be and are hereby severally authorised to approve and finalise, sign, execute and deliver documents in relation to the issue, offer and allotment of the Debentures or any Tranche/Issue of the Debentures as set out in this resolution and such other agreements, deeds, undertakings, indemnity and documents as may be required, or any of them in connection with the Debentures or any Tranche/Issue of the Debentures to be issued by the Company."

"**RESOLVED FURTHER THAT** the Authorised Officers be and hereby severally authorised to register or lodge for registration upon execution documents, letter(s) of undertakings, declarations, and agreements and other papers or documents as may be required in relation to any of the above with any registering authority or any governmental authority competent in that behalf."

"**RESOLVED FURTHER THAT** the copies of the foregoing resolutions certified to be true copies by the Company Secretary of the Company be furnished to such persons as may be deemed necessary."

--///CERTIFIED TRUE COPY///-

For Annapurna Finance Private Limited
For Annapurna Finance Pvt. Ltd.
Subrata Pradhan
Company Secretary

Company Secretary
Subrata Pradhan
M.No. 27932

ANNAPURNA FINANCE
GROWING TOGETHER

EXTRACT OF RESOLUTIONS PASSED IN THE 37TH ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF ANNAPURNA FINANCE PRIVATE LIMITED (THE "COMPANY") HELD ON MONDAY 25TH SEPTEMBER 2023 AT 5:00 PM (IST) AT THE REGISTERED OFFICE OF THE COMPANY AT 1215/1401, KHANDAGIRI BARI, INFRONT OF JAYADEV VATIKA, KHANDAGIRI, BHUBANESWAR, ODISHA- 751030.

Type of Business: Special Business
Type of Resolution: Special Resolution

INCREASE IN THE BORROWING POWERS OF THE BOARD IN TERMS OF SECTION 180(1)(C) OF THE COMPANIES ACT, 2013

"**RESOLVED THAT** in supersession of all the earlier resolutions passed in this regard and subject to section 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013, consent of the members be and is hereby accorded to the Board of Directors of the company to raise or borrow money as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or anybody corporate/ entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount such sum(s) as they may deem appropriate for the purposes of the company notwithstanding that the monies so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital, free reserves and securities premium of the Company, provided that the total amount at any time upto which monies may be borrowed by the Board of Directors shall not exceed Rs. 8500,00,00,000/- (Rupees Eight Thousand Five Hundred Crores Only)."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution."

Type of Business: Special Business
Type of Resolution: Special Resolution

CREATION OF CHARGE/ MORTGAGE ETC. IN TERMS OF SECTION 180(1)(A) OF THE COMPANIES ACT, 2013

"**RESOLVED THAT** in supersession of all the earlier resolutions passed in this regard and subject to section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, consent of the members be and is hereby accorded to the Board of Directors of the Company to pledge, mortgage and/or to create charge in all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the Principal together with interest, charges,

ANNAPURNA FINANCE PVT. LTD. INDIA

costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by the properties of the Company at any time does not exceed Rs.8500,00,00,000/- (Rupees Eight Thousand Five Hundred Crores Only)."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution."

Type of Business: Special Business
Type of Resolution: Special Resolution

ISSUANCE OF NON-CONVERTIBLE DEBENTURE IN TERMS OF SECTION 42 OF THE COMPANIES ACT, 2013

"**RESOLVED THAT** pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 read together with the Companies (Prospectus and Allotment of Securities) Rules, 2014, including any modification, amendment, substitution or re-enactment thereof, for the time being in force and pursuant to the provisions of the memorandum of association and the articles of association of the Company, the approval and consent of the members of the Company, be and is hereby accorded to the board of directors of the Company (the "Board") to offer, issue, allot, and to make offer(s) and/or invitation(s) to eligible persons to subscribe to, non-convertible debentures ((a) listed or unlisted, (b) senior secured, (c) senior unsecured, (d) unsecured, (e) subordinated, (f) any others (as may be determined) (including market linked debentures)) ("NCDs"), on a private placement basis, in one or more series/tranches on such terms and conditions as may be determined by the Board, for a period of one year, provided that the aggregate amount of NCDs offered/proposed to be offered at any time during the period shall not exceed Rs. 2000,00,00,000/- (Rupees Two Thousand Crores Only), and the same shall be effective from 22nd September 2023.

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to arrange, settle and determine the terms and conditions (including without limitation, interest, repayment, security or otherwise) as it may think fit of such NCDs, and to do such acts, deeds, things and execute all such documents, undertaking as may be necessary for giving effect to the above resolution."

--///CERTIFIED TRUE COPY///-

For Annapurna Finance Private Limited

For Annapurna Finance Pvt. Ltd.

Subrata Pradhan
Company Secretary

Company Secretary
Subrata Pradhan

B S R & Co. LLP
Chartered Accountants

14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway
Goregaon (East), Mumbai - 400 063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

Limited Review Report on unaudited standalone financial results of Annapurna Finance Private Limited for the quarter ended 31 December 2023 and year-to-date standalone financial results for the period from 1 April 2023 to 31 December 2023 pursuant to Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Annapurna Finance Private Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Annapurna Finance Private Limited (hereinafter referred to as the "Company") for the quarter ended 31 December 2023 and year-to-date standalone financial results for the period from 1 April 2023 to 31 December 2023 (the "Statement").

2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 *"Interim Financial Reporting"* ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters to the extent applicable.

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

SAMEER HIRACHAND MOTA
Digitally signed by SAMEER HIRACHAND MOTA
Date: 2024.02.08 13:06:10 +05'30'

Sameer Mota
Partner
Membership No.: 109928
UDIN: 24109928BKDBCY7163

Mumbai
8 February 2024

ANNAPURNA FINANCE PRIVATE LIMITED

Registered Office:- Plot No. 1215/1401, Khandagiri Bari, Infront of Jaydev Vatika, Bhubaneswar - 751030

CIN: U65999OR1986PTC015931

Statement of Unaudited Standalone Financial Results for the quarter and nine month ended December 31, 2023

(INR in Lakhs except for earnings per share data)

Sr. No.	Particulars	Quarter ended			Nine month ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	**INCOME**						
	(a) Revenue from operations						
	Interest income	43,084	41,843	31,395	1,24,107	93,326	1,20,896
	Fees and commission income	-*	-*	1	2	23	24
	Net gain on fair value changes	298	366	376	1,179	622	1,111
	Net gain on assignment transactions	8,988	6,033	8,572	23,734	18,916	33,747
	Total revenue from operations	**52,370**	**48,242**	**40,344**	**1,49,022**	**1,12,887**	**1,55,778**
	(b) Other income	282	282	338	816	972	1,179
	Total income	**52,652**	**48,524**	**40,682**	**1,49,838**	**1,13,859**	**1,56,957**
2	**EXPENSES**						
	(a) Finance costs	20,148	20,202	17,657	59,992	48,548	66,531
	(b) Impairment on financial instruments	7,406	6,877	8,757	20,332	23,784	36,184
	(c) Employee benefits expenses	12,104	12,886	10,825	36,520	28,890	39,062
	(d) Depreciation and amortization	432	391	364	1,143	949	1,244
	(e) Other expenses	2,966	2,839	2,716	8,318	7,528	9,518
	Total expenses	**43,056**	**43,195**	**40,319**	**1,26,305**	**1,09,699**	**1,52,539**
3	**Profit before exceptional items and tax (1-2)**	**9,596**	**5,329**	**363**	**23,533**	**4,160**	**4,418**
4	**Exceptional items**	-	-	-	-	-	-
5	**Profit before tax (3-4)**	**9,596**	**5,329**	**363**	**23,533**	**4,160**	**4,418**
6	**Tax expense**						
	(a) Current tax	-	-	-	-	-	-
	(b) Short / (excess) provision for tax relating to prior years	-	-	-	-	-	-
	Net current tax expense	-	-	-	-	-	-
	(c) Deferred tax charge	2,418	1,355	77	5,961	812	1,146
	Total tax expense	**2,418**	**1,355**	**77**	**5,961**	**812**	**1,146**
7	**Profit for the period / year from continuing operation (5-6)**	**7,178**	**3,974**	**286**	**17,572**	**3,348**	**3,272**
8	Profit / (loss) from discontinued operations	-	-	-	-	-	-
9	Tax expense of discontinued operations	-	-	-	-	-	-
10	**Profit / (loss) from discontinued operations (after tax) (8-9)**	-	-	-	-	-	-
11	**Profit for the period / year (7+10)**	**7,178**	**3,974**	**286**	**17,572**	**3,348**	**3,272**
12	**Other Comprehensive Income (OCI)**						
	(a) (i) Items that will not be reclassified to profit or loss						
	- Re-measurement of the defined benefit liabilities	65	43	3	124	32	60
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(16)	(11)	(1)	(31)	(8)	(15)
	Sub-total (a)	49	32	2	93	24	45
	(b) (i) Items that will be reclassified to profit or loss						
	- Fair value of loans and advances and cash flow hedges through other comprehensive income	559	3,565	4,246	(3,198)	1,623	3,264
	(ii) Income tax relating to items that will be reclassified to profit or loss	(141)	(897)	(1,069)	805	(408)	(821)
	Sub-total (b)	**418**	**2,668**	**3,177**	**(2,393)**	**1,215**	**2,443**
	Other comprehensive income / (loss) (a+b)	**467**	**2,700**	**3,179**	**(2,300)**	**1,239**	**2,488**
13	**Total comprehensive income for the period / year (11+12)**	**7,645**	**6,674**	**3,465**	**15,272**	**4,587**	**5,760**
14	**Earnings per share (face value of INR 10/- each) (not annualised for interim periods)**						
	(a) Basic (in INR)	7.88	4.36	0.31	19.28	4.16	3.93
	(b) Diluted (in INR)	6.37	3.53	0.29	15.61	3.77	3.34

* Denotes less than INR 50,000/-

Notes:

1 The standalone financial results of Annapurna Finance Private Limited (the 'Company') have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ('IND AS') 34 'Interim Financial Reporting' as prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'SEBI Listing Regulations'). Any application guidance /clarification /directions issued by Reserve Bank of India ('RBI') or other regulators are implemented as and when they are issued / applicable.

2 The accounting policies and methods of computations followed in the standalone financial results for quarter and nine month ended December 31, 2023 are consistent with the standalone audited financial statements for the year ended March 31, 2023.

3 The Company is a Non-Banking Finance Company registered with RBI as a Non Deposit taking - Systemically Important - Micro Finance Institution.

4 The above standalone financial results for the quarter and nine month ended December 31, 2023 have been reviewed by the Audit Committee and have been approved and taken on record by the board of directors at its meeting held on February 08, 2024. The statutory auditors of the Company have carried out a limited review of the aforesaid results.

5 Pursuant to the exercise of options under the employee stock option schemes, the Company has allotted 10,100 and 20,700 equity shares respectively, during the quarter and nine month ended December 31, 2023.

6 Pursuant to receipt of letter dated January 03, 2024 from RBI, on January 04, 2024, the Company has converted 2,20,18,814 Series A1 Compulsory Convertible Preference Shares ('CCPS') by allotting 1,33,74,335 equity shares.

7 The Company has breached covenants of 10 loan facilities/ debentures with a carrying amount of INR 47,828 lakhs as at December 31, 2023. These loan facilities/ debentures are repayable in tranches within 30 months. However, these loan facilities/ debentures contained covenants like the Company's GNPA, PAR ratio, etc. at the defined intervals cannot exceed threshold mentioned in each of the agreements otherwise the lenders / debenture holders have right to recall the loan facilities/ debentures. The Company exceeded GNPA, PAR ratio, etc. as at December 31, 2023. However, management has obtained waivers for all loan facilities/ debentures. Accordingly, loan facilities/ debentures with a carrying amount of INR 47,828 lakhs were not payable on demand as at December 31, 2023.

8 The Company is primarily engaged in the business of financing and there are no separate reportable operating segments identified as per the IND AS 108 - Segment Reporting.

9 The Secured Listed Non-Convertible Debentures of the Company are fully secured by way of a first ranking, exclusive and continuing charge on identified receivables created pursuant to the deed of hypothecation as identified by the Company except for two debentures where additional pari-passu charge has been created by way of mortgage of immovable property. The minimum security of 100% for the Secured Listed Non-Convertible Debentures outstanding has been maintained at all times as per the terms of Term Sheet/ Offer Document/Information Memorandum and/or Debenture Trust Deed, sufficient to discharge the principal amount thereon.

10 The Company, being NBFC – MFI needs to maintain not less that 75% of its total assets in the nature of "microfinance loans" as defined under Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022 as per the para 3(xx) of the Master Direction – Non-Banking Financial Company – Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 updated as on August 29, 2023. As at March 31, 2023, the Company's qualifying assets (i.e. microfinance loans to total assets) was 67.61%. RBI vide its letter dated October 19, 2023 has provided a timeline till March 31, 2024 to the Company to fulfil the minimum qualifying assets criteria. As at December 31, 2023, the Company's qualifying assets were 77.24% which is above the threshold to be maintained.

11 The Company has not transferred any stressed loans to Asset Reconstruction Companies ('ARCs') during the quarter and nine month ended December 31, 2023. The Company had sold loans to an ARC on March 28, 2023 and Security Receipts ('SRs') were received as considerations for the transfer of loans. The sale of loans to ARC did not meet the derecognition requirement as per Ind AS 109. However, as the legal form of the asset has changed from loans to investments, it is accounted under investments. SRs have followed the same measurement / classification approach and ECL has been recognized in a similar manner as applicable to the underlying loans. As at December 31, 2023, gross carrying amount of SRs is INR 31,205 lakhs, impairment loss allowance on SR is INR 22,048 lakhs and net carrying amount of SR is INR 9,157 lakhs.

Details of recovery rating assigned for security receipts as on December 31, 2023.

Recovery Rating Scale	Implied recovery	Book Value (INR in Lakhs)
RR3	50% to 75%	31,205

12 Ratios

Particulars	As at December 31, 2023	As at September 30, 2023	As at March 31, 2023
(a) Debt Equity Ratio (Nos. of times)	5.11	5.47	5.83
(b) Debt service coverage ratio	NA	NA	NA
(c) Interest service coverage ratio	NA	NA	NA
(d) Outstanding redeemable preference shares (quantity and value)	NIL	NIL	NIL
(e) Net worth (INR in Lakhs)	1,36,133	1,28,473	1,20,831
(f) Current liability ratio	NA	NA	NA
(g) Current ratio	NA	NA	NA
(h) Long term debt to working capital	NA	NA	NA
(i) Bad debts to accounts receivable ratio	NA	NA	NA
(j) Total debts to total assets (Nos. of times)	0.80	0.81	0.82
(k) Debtors turnover	NA	NA	NA
(l) Inventory turnover	NA	NA	NA
(m) Gross stage III (GNPA) loans* (%)	3.17%	3.18%	3.84%
(n) Net stage III (NNPA) loans* (%)	1.00%	1.14%	1.35%
(o) Provision coverage ratio (PCR) (%)	69.19%	65.05%	65.78%
(p) Capital risk adequacy ratio (CRAR) (%)	26.00%	24.80%	23.61%
(q) Liquidity coverage ratio (LCR) (%)	118.86%	106.47%	359.05%
(r) Capital redemption reserve	NA	NA	NA
(s) Debenture redemption reserve	NA	NA	NA

* Gross and net stage III loans do not include accrued interest of INR 11,301 as at December 31, 2023 (INR 10,100 as at September 30,2023 and INR 8,893 lakhs as at March 31, 2023) on loans.

Particulars	Quarter ended			Nine month ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
(a) Net profit margin (%)	13.63%	8.19%	0.70%	11.73%	2.94%	2.09%
(b) Operating margin (%)	NA	NA	NA	NA	NA	NA

Note: Certain ratios/line items marked with remark "NA" are not applicable since the Company is a non banking financial company registered with RBI.

13 Details of loans transferred during the quarter and nine month ended December 31, 2023 under RBI Master Direction RBI.DOR.2021-22/86 DOR.STR.REC.51/21.04.048.2021-22 on Transfer of Loan Exposures dated September 24, 2021 (updated as on December 5,2022) are given below:

(i) Details of transfer through Direct assignment in respect of loans not in default during quarter and nine month ended December 31, 2023.

Particulars	For the quarter ended December 31, 2023			For the nine month ended December 31, 2023		
	To ARC	To permitted transferees	To other transferees	To ARC	To permitted transferees	To other transferees
Number of Loans	-	1,68,045	-	-	3,35,450	-
Aggregate amount (Rs in Lakhs)	-	77,090	-	-	1,78,958	-
Sale consideration (Rs in Lakhs)	-	69,381	-	-	1,61,061	-
Number of transactions	-	4	-	-	15	-
Weighted average remaining maturity (in months)	-	23	-	-	31	-
Weighted average holding period after origination (in months)	-	4	-	-	6	-
Retention of beneficial economic interest (MRR) (Rs in Lakhs)	-	7,709	-	-	17,896	-
Coverage of tangible security coverage	-	NA	-	-	NA	-
Rating wise distribution of rated loans	-	NA	-	-	NA	-
Number of instances (transactions) where transferred as agreed to replace the transferred loans	-	NA	-	-	NA	-
Number of transferred loans replaced	-	NA	-	-	NA	-

(ii) The Company has not transferred any non performing assets (NPAs).

(iii) Details of loans acquired through Direct assignment in respect of loans not in default during the quarter and nine month ended December 31, 2023.

Details of loan acquired during the year	For the quarter ended December 31, 2023		For the nine month ended December 31, 2023	
	From other tranferors	From ARC	From other tranferors	From ARC
Aggregate consideration paid	9,691	-	22,435	-
Weighted average residual tenor of loans acquired	16	-	18	-

(iv) The Company has not acquired any stressed loan.

For Annapurna Finance Private Limited

Date : February 08, 2024
Place: Bhubaneswar

Dibyajyoti Pattanaik
Director
DIN: 02764187

DIBYAJYOTI PATTANAIK
Digitally signed by DIBYAJYOTI PATTANAIK
Date: 2024.02.08 12:46:37 +05'30'

ANNAPURNA FINANCE
GROWING TOGETHER
CIN : U65999OR1986PTC015931

SHAREHOLDING PATTERN (As on March 31, 2024)			
	No. of shares		Value in Rs.
AUTHORISED SHARE CAPITAL	Eq Shares of Rs 10/-	11,39,00,000	1,39,00,00,000
	Pref Shares of Rs 10/-	2,51,00,000	
PAIDUP SHARE CAPITAL	Eq Shares of Rs 10/-	10,56,33,990	1,04,53,72,852
	Pref Shares of Rs 10/-	30,00,000	

EQUITY SHAREHOLDING PATTERN

S. No	Name of Share Holders	No. of Shares	Paid-up Value (in Rs.)	% of shareholding
1	Gobinda Chandra Pattanaik	80,00,546	6,77,15,351.49	7.36
2	Dibyajyoti Pattanaik	17,19,805	8,11,228.86	1.58
3	Belgian Investment Company for Developing Countries NV/SA	95,27,723	9,52,77,230.00	8.77
4	Small Industries Development Bank of India (SIDBI)	12,54,907	1,25,49,070.00	1.16
5	SIDBI Venture Capital Ltd, STCL , A/c - Samridhi Fund	15,42,449	1,54,24,490.00	1.42
6	DCB Bank Ltd.	18,24,151	1,82,41,510.00	1.68
7	Oikocredit Ecumenical Development Cooperative Society U.A.	91,91,233	9,19,12,330.00	8.46
8	Women's World Banking Capital Partners, LP	58,00,000	5,80,00,000.00	5.34
9	Bamboo Financial Inclusions Fund II	46,45,695	4,64,56,950.00	4.28
10	Oman India Joint Investment Fund II	1,80,48,942	18,04,89,420.00	16.61
11	Asian Development Bank	1,16,88,702	11,68,87,020.00	10.76
12	Annapurna Employees Welfare Trust	1,03,400	10,34,000.00	0.10
13	Accion Digital Transformation Fund LP	51,58,467	5,15,84,670.00	4.75
14	ESF Holdings II	65,65,371	6,56,53,710.00	6.04
15	Mr. Sanjay Pattanaik	6,20,102	55,960.83	0.57
16	Mr. Satyajit Das	6,20,102	55,960.83	0.57
17	Nuveen Global Impact Fund India S.à r.l	1,33,51,410	13,35,14,100.00	12.29
18	SOCIÉTÉ DE PROMOTION ET DE PARTICIPATION POUR LA COOPÉRATION ECONOMIQUE S.A. (Proparco)	59,70,985	5,97,09,850.00	5.50
	TOTAL EQUITY (A)	10,56,33,990	1,01,53,72,852	97.24

PRERENCE SHAREHOLDING PATTERN

S. No	Name of Share Holders	No. of Shares	Share Value (in Rs.)	% of shareholding
1	AIDS Awareness Trust of Orissa (CCPS)	30,00,000	3,00,00,000.00	2.76
	TOTAL PREFERENCE (B)	30,00,000	3,00,00,000	2.76
	TOTAL PAID UP CAPITAL (A+B)	10,86,33,990	1,04,53,72,852	100.00

For Annapurna Finance Pvt. Ltd.

Company Secretary
(M. No-27932)

Addressed to: [●]

Serial No.: [●]

Date: 18-04-2024

FORM NO PAS-4

PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

("PPOA")

[Pursuant to Section 42 of the Companies Act, 2013 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014]

Note: This Form No PAS-4 is prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014.

10,000 (ten thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 100,00,00,000 (Indian Rupees One Hundred Crore) inclusive of a green shoe option of 5,000 (five thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore)) ("Debentures" or "NCDs") on a private placement basis (the "Issue").

PART A

1.1 General Information:

A. Name, address, website, if any, and other contact details of the Company, indicating both registered office and corporate office:

Issuer / Company:	Annapurna Finance Private Limited ("**Company**" or "**Annapurna**" or "**Issuer**")
Registered Office:	Plot No. 1215/1401, Khandagiri Bari, In front of JayadevVatika, Bhubaneshwar - 751 030
Corporate Office:	Plot No. 1215/1401, Khandagiri Bari, In front of JayadevVatika, Bhubaneshwar - 751 030
Telephone No.:	0674-2386580
Website:	www.annapurnafinance.in
Contact Person:	Mr. Subrata Pradhan
Email:	subrat@ampl.net.in

B. Date of Incorporation of the Company:

April 30, 1986

C. Business carried on by the Company and its subsidiaries with the details of branches or units, if any;

The Company is a non-deposit taking non-banking financial company - micro finance institution ("**NBFC-MFI**") registered with Reserve Bank of India ("**RBI**") under the Reserve Bank of India Act, 1934, bearing registration number B-04.00027 dated March 06, 2013 (renewed on July 4, 2018) and is engaged in the business of microfinance.

The main objects and primary objectives of the Company shall be to operate a sustainable microfinance institution that will offer a wide variety of financial and non-financial products and services and access to capital primarily to the poor and to small and medium entrepreneurs (i.e., individuals who, at the time of enrollment, are financially impoverished as a result of low income and lack of financial resources) in accordance with applicable laws.

Annapurna has its head office in Bhubaneswar and operates in mainly rural areas with a good presence in semi urban areas and small presence in urban areas. As of the date of this PPOA, the Company is present mainly in the state of Odisha, Chhattisgarh, Madhya Pradesh, Assam, Maharashtra, Bihar, Meghalaya, Tripura, Jharkhand, Rajasthan, Punjab, West Bengal, Gujarat, Himachal Pradesh, Tamil Nadu, Karnataka, Uttarakhand, Haryana, Uttar Pradesh and Goa operating through its 1,335 branches, including its regional offices.

As of the date of this PPOA, the Company has 1 (one) wholly owned subsidiary company named Annapurna SME Finance Private Limited (incorporated in FY 2020-21).

D. Brief particulars of the management of the Company:

Management Details			
Sr No.	**Name**	**Designation**	**Description**
1.	Mr. Gobinda Chandra Pattanaik	Managing Director	Total Experience - 20 years Mr. Gobinda Pattanaik has an in-depth understanding of microfinance and has more than two decades of experience in implementing various developmental and micro enterprise activities. He is well known in the social development sector for his thoughtful and innovative approaches. He has also played a key role in setting up various community-based institutions and is an advisor to various District Administrations in the state of Odisha; besides being a member of various committees formed by the State Government of Odisha.
2.	Mr. Dibyajyoti Pattanaik	Director	Total Experience - 15 years Mr. Pattanaik has over 15 years of experience in finance, micro-enterprise development and development sector consulting. He has worked with public and development sector institutions in various roles before joining Peoples' Forum as Program Head and CFO in 2007. He played a crucial role in the transformation of mission Annapurna to Annapurna Micro Finance Private Limited, which is now operating as an NBFC-MFI across 20 states of India. Mr. Pattanaik holds a Postgraduate in Management from Entrepreneurship Development Institute of

			India (EDII), Ahmedabad with specialisation in micro finance and micro enterprise management and a management certificate in finance from Boulder Institute of Management, USA. He has also attended the world renowned HBS-ACCION Program on Strategic Leadership in Inclusive Finance, from the Harvard Business School, Boston, USA.
3.	Mr. Sanjay Pattanaik	Chief Operating Officer	Total Experience - 14 years Mr. Sanjay Pattanaik is a seasoned trainer in micro entrepreneurship. Along with being a trainer in the field of entrepreneurship, his expertise also lies in the areas of achievement motivation and soft skill development. His expertise has helped People's Forum in grooming SHGs, their development and leadership building. Apart from this, he has been a visiting faculty to several management institutions. He takes the overall responsibility of the operations in Annapurna.
4.	Mr. Satyajit Das	Chief Finance Manager	Total Experience -12 years Mr. Satyajit Das is involved in crafting the strategic decision making, innovating future growth opportunities of the Company, besides ensuring the funds flow cycle of Annapurna remains intact. His exceptional ability of sensing the opportunities for growth and expansion makes him the most sought after leader in Annapurna. His close and meticulous understanding of financial sector helps the company in securing many financial deals with leading financial institutions.

E. **Name, addresses, Director Identification Number (DIN) and occupations of the directors**:

S. No.	Name	DIN	Address	Occupation
1	Mr. Gobinda Chandra Pattanaik	02716330	Konark Nagar, Pallahat, Khordha, Odisha-752055	Business
2	Mr. Dibyajyoti Pattanaik	02764187	Palla, Konark Nagar, Pallatotapada, Khordha, Odisha- 752056	Business
3	Mr. Krishna Kumar Tiwary	02914614	A-36/51-E, Kajjakpura Konia Road, Varanasi- 221001, UttarPradesh	Practicing Chartered Accountant
4	Mr. Sean Leslie Nossel	05327455	444 Central Park West, Apt15E, New York, USA - 10025	Professional
5	Mr. Ashok Ranjan Samal	00918164	House No.7, Aryabhoomi, Plot No.442/3998, Nandan Kanan Main Road, Patia, Bhubaneswar - 751031	Retired Banker

6	Mr. Venkiteswaran Mecherimadam Ramakrishnan	08286433	Flat No. B2 - 703, LNT SouthCity Apartments, Arekere Mico Layout, Bannerghata Road, Bangalore South, Bengaluru, Karnataka - 560076	Independent Consultant
7	Mr Sunit Vasant Joshi	02962154	B-206, Yuthika Apartments Veerbhadra Nagar, Near Ganaraj Mangal Karyalaya Baner, Pune, Maharashtra - 411045	Retired Banker
8	Ms Christina Stefanie Juhasz	06451902	199, Upper Hook Rd, Katonah, New York, USA	Service holder (Banking professional)
9	Mr. Arup Kumar	07682113	Flat No 603 Raheja Majestics P NO-161 TPS-III, Mahim West, Manmala Tank Road Mahim, Mumbai, Maharashtra - 400016	Service holder (Banking professional)
10	Mr. Ranganathan Varadarajan Dilip Kumar	01060651	C-703, CTS-827, A/1C-1A, 7th floor, Raheja heights Arun Kumar Vaidya Rd, Malad East, Mumbai, Maharashtra 400097	Service holder (Financial professional)
11	Ms. Radhika Jayant Shroff	09210584	215 West 88TH Street Apt 2H,New York USA-10024	Service holder (Financial professional)
12	Mr. Abhishek Agrawal	06760344	C/o Flat No. 401, Sai Samman, Chembur East, Plot 28/29, Union Park, Near R K Studio, Mumbai, Maharastra - 400071	Service holder (Financial professional)
13	Mr. Guillaume Accarain	09527231	(1150) Rue Jean Wellens, 47 (Belgium)	Service holder (Financial professional)
14	Mr. Ajay Bhaskar Limaye	02762738	1901, Brooke Ville, Mogul Lane, Mahim, Mumbai 400016	Service holder (Financial professional)
15	Mr. Govinda Rajulu Chintala	03622371	401, NABARAD Quarters, Krishi Vihar, Opposite Lal Bungalow, Sanath Nagar Colony, Hyderabad, Ameerpet, 500018, Telangana, India	Retired Banker

LIST OF OTHER COMPANIES IN WHICH THE DIRECTORS HOLDS OFFICE OF DIRECTORSHIP:

S.No.	Name of Directors	Other Entities Name
1	Mr. Gobinda Chandra Pattanaik	N.A.
2	Mr. Dibyajyoti Pattanaik	Annapurna SME Finance Private Limited
3	Mr. Krishna Kumar Tiwary	Save Solutions Private Limited Save Microfinance Pvt Ltd. Save Housing Finance Limited M-Swasth North Solution Pvt Ltd.
4	Mr. Sean Leslie Nossel	N.A.
5	Mr. Ashok Ranjan Samal	Annapurna SME Finance Private Limited
6	Ms. Christina Stefanie Juhasz	Wheelsemi Private Limited

7	Mr. Guillaume Martin Mvuyekure Accarain	N.A.
8	Mr. R.V. Dilip Kumar	• SIDBI Venture Capital Limited (CFO) • ESAF Financial Holdings Private Limited • Sonata Finance Private Limited • RGVN (Northeast) Microfinance Limited • Caspian Impact Investments Private limited • Online PSB Loans Limited • Janakalyan Financial Services Private limited
9	Mr. Arup Kumar	• Bandhan Financial Services Limited
10	Mr. Sunit Vasant Joshi	N.A.
11	Mr. Venkiteswaran Mecherimadam Ramakrishnan	• Origo Commodities India Private Limited • Origo Finance Private Limited • Annapurna SME Finance Private Limited
12	Ms. Radhika Jayant Shroff	N.A.
13	Mr. Abhishek Agrawal	• Accion Impact Management India Private Ltd • IKF Finance Ltd.
14	Mr. Ajay Bhaskar Limaye	NA
15.	Mr. Govinda Rajulu Chintala	• AYE Finance Private Limited • NSL Sugars Limited • NSL Krishnaveni Sugars Limited • IIFL Samasta finance Limited

F. MANAGEMENT'S PERCEPTION OF RISK FACTORS:

Please refer to Section 3 of the general information document dated July 26, 2023 ("**General Information Document**") and Section 3 of the key information document dated April 18, 2024 ("**Key Information Document**"), each issued by the Issuer, for the risk factors in respect of the issuance of the Debentures.

G. Details of defaults, if any, including therein the amount involved, duration of default, and present status, in repayment of:

(i) Statutory Dues: Nil
(ii) Debentures and interest thereon: Nil
(iii) Deposits and interest thereon: Not applicable
(iv) Loan from any bank or financial institution and interest thereon: Nil

H. Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the private placement offer process:

Name: Mr. Subrata Pradhan
Designation: Company Secretary
Address: Plot No.1215/1401, Khandagiri Bari
In front of Jayadev Vatika, Bhubaneswar-751030
Phone No.: +91-8280336010
Email: subrat@ampl.net.in

I. Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:

The Company has not defaulted in annual filings as mandated by Companies Act, 2013 or the rules made thereunder.

1.2 Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	Please refer to Annexure I and Annexure II below for the financial position of the Company for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023. The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE Limited in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other directions of SEBI.
Date of passing of Board Resolution	Board resolution dated November 8, 2023 read together with the resolution dated April 15, 2024 of the executive committee of the board of directors. Copies of the above resolutions are enclosed in **Annexure III** of this PPOA.
Date of passing of resolution in the general meeting, authorizing the offer of securities	Shareholders resolution under Section 42 of the Companies Act, 2013 dated September 25, 2023, read together with the shareholders resolution under Section 180(1)(c) of the Companies Act, 2013 dated September 25, 2023. Copies of the above resolutions are enclosed in **Annexure IV** of this PPOA.
Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	10,000 (ten thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having a face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 100,00,00,000 (Indian Rupees One Hundred Crore) inclusive of a green shoe option of 5,000 (five thousand) rated, listed, subordinated, unsecured, redeemable, taxable, transferable, fully paid-up, non-convertible debentures denominated in INR, having face value of INR 1,00,000 (Indian Rupees One Lakh) each and an aggregate face value of INR 50,00,00,000 (Indian Rupees Fifty Crore)
Price at which the security is being offered, including the premium, if any, along with justification of the price	The Debentures are being offered at face value of INR 1,00,000 (Indian Rupees One Lakh) per Debenture. Not applicable as each Debenture is a non-convertible debt instrument which is being offered at face value.
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not Applicable as the Debentures are being offered at face value of INR 1,00,000 (Indian Rupees One Lakh) per Debenture

Relevant date with reference to which the price has been arrived at [Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held.]	Not applicable as each Debenture is a non-convertible debt instrument which is being offered at face value.
The class or classes of persons to whom the allotment is proposed to be made	Please refer Section 8.7 (*Eligible Investors*) of the Key Information Document.
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]	Not applicable as each Debenture is a non-convertible debt instrument.
The proposed time within which the allotment shall be completed	The Debentures will be deemed to be allotted on April 23, 2024 ("**Deemed Date of Allotment**"), and the Company will ensure that the Debentures are credited into the demat accounts of the holders of the Debentures ("**Debenture Holders**") within the timelines prescribed under Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the circular issued by the Securities and Exchange Board of India ("**SEBI**") bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", each in accordance with the debenture trust deed ("**DTD**") to be entered into between the Company and the debenture trustee ("**Debenture Trustee**").
The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not required in case of issue of non-convertible debentures]	Not applicable as the Debentures are non-convertible debt instruments.

The change in control, if any, in the company that would occur consequent to the private placement	No change in control would occur consequent to this private placement as the Debentures are non-convertible debt instruments.
The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of number of securities as well as price	No allotments have been made during the current financial year.
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.

Amount, which the Company intends to raise by way of proposed offer of securities	INR 100,00,00,000 (Indian Rupees One Hundred Crore) inclusive of a green shoe option of INR 50,00,00,000 (Indian Rupees Fifty Crore).	
Terms of raising of securities:	Duration, if applicable:	5 (five) years, 9 (nine) months and 1 (one) day from the Deemed Date of Allotment, i.e., until January 24, 2030, subject to the terms of the DTD and the other related transaction documents ("**Transaction Documents**").
	Rate of interest or Coupon	12% (twelve percent) per annum, payable monthly (fixed) ("**Interest Rate**"). ***Interest on Debentures*** The interest on the outstanding principal amounts in respect of the Debentures shall accrue at the Interest Rate from the Deemed Date of Allotment until the Debentures are repaid in full and shall be payable on a monthly basis. The interest payment schedule is set out in Annexure V.
	Mode of Payment	Cheque(s)/ demand draft/ electronic clearing services (ECS)/credit through RTGS system/funds transfer, wherein the subscription amounts on the Debentures issued by the Issuer should be paid in the manner set out in the Key Information Document read with the General Information Document.
	Mode of Repayment	All interest, principal repayments, penal interest and other amounts, if any, payable by the Company to the Debenture Holders shall be paid to the Debenture Holders in local currency by electronic mode of transfer like RTGS/NEFT/direct credit to such bank account within India as the Debenture Holders inform the Company in writing and which details are available with the registrar and transfer agent for the Issue.

Proposed time schedule for which this private placement offer cum application letter is valid	Issue Open Date: April 22, 2024 Issue Closing Date: April 22, 2024 Pay-in Date: April 23, 2024 Deemed Date of Allotment: April 23, 2024
Purposes and objects of the offer	(a) The funds raised by the Issue shall be utilized by the Issuer for ("**Purpose**"): (i) the general corporate purposes of the Issuer; (ii) utilization in the ordinary course of business of the Issuer (including repayment/re-financing of any existing financial indebtedness of the Issuer); (iii) the purposes of deployment in the business of the Issuer, and the growth of the asset book of the Issuer; and/or (iv) augmenting the Issuer's Tier 2 capital. (b) Without prejudice to paragraph (a) above, the Issuer shall not use the proceeds of the Issue towards: (i) capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market activities), whether directly or indirectly; (ii) any speculative purposes, and/or any other purpose that is specifically restricted by the RBI and/or any other governmental authority; (iii) land acquisition, any real estate business and/or purchase of land. The expression "real estate business" has the meaning given to it in the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (as amended from time to time); (iv) providing/extending any loans to, or making any inter-corporate deposits with any associate company (as defined in the Companies Act, 2013 ("**Companies Act**")), or any subsidiary (as defined in the Companies Act); (v) entering into any bill discounting facility; (vi) the repayment of any loans/financial indebtedness availed by the Issuer from any of the directors and/or the promoters (as defined in the Companies Act) of the Issuer; and/or (vii) in contravention of any applicable law (including but not limited to any guidelines, rules or regulations of the RBI applicable to non-banking financial companies). PROVIDED HOWEVER THAT until the funds raised by the Issue are utilised by the Issuer in accordance with the

	Purpose, the Issuer shall be entitled to temporarily invest the funds raised by the Issue in overnight and/or liquid schemes of mutual funds and/or deposits held with scheduled commercial banks.
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	Nil.

Principal terms of assets charged as security, if applicable	N.A. The Debentures are unsecured and subordinated debt instruments.
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	Nil

The pre-issue and post-issue shareholding pattern of the Company in the following format:

S. No.	Category	Pre-Issue		Post-Issue	
		No. of Shares held	% of share holding	No. of Shares held	% of share holding
A.	**Promoter's holding**				
1	**Indian**				
	Individual	97,20,351	8.95	97,20,351	8.95
	Bodies Corporate	-	-	-	-
	Sub Total	97,20,351	8.95	97,20,351	8.95
2	**Foreign Promoter**	-	-	-	-
	Subtotal (A)	97,20,351	8.95	97,20,351	8.95
B.	**Non-Promoter's holding**				
1	**Institutional Investors**				
2	**Non-Institution Investors**	-	-	-	-
	Private Corporate Bodies				
	Directors and Relatives	-	-	-	-
	Indian Public	-	-	-	-
	Others (including non-resident Indians (NRIs))	989,02,539	91.05	989,02,539	91.05
	Subtotal	989,02,539	91.05	989,02,539	91.05

	(B)					
	Grand Total (A) + (B)	**10,86,22,890**	**100.00**	**10,86,22,890**	**100.00**	

1.3 Mode of payment for subscription:

( ) Cheque

( ) Demand Draft

(✓) Other Banking Channels

1.4 Disclosure with regard to interest of directors, litigation, etc:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/Issue and the effect of such interest in so far as it is different from the interests of other persons	The directors, promoters or key managerial personnel do not have any financial or other material interest in the offer/ issue.
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this private placement offer and application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	There is no such litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter or director of the Company during the last 3 (three) years immediately preceding the year of the circulation of this PPOA.

Remuneration of directors (during the current year and last 3 (three) financial years)	**Name of the Director**	**Remuneration (in Rs)**
	2024-2025 (current financial year)	
	Mr. Gobinda Chandra Pattanaik	NA
	Mr. Dibyajyoti Pattanaik	NA
	2023-24	
	Mr. Gobinda Chandra Pattanaik	2.65 Crores
	Mr. Dibyajyoti Pattanaik	1.25 Crores
	2022-2023	
	Mr. Gobinda C. Pattanaik	2.68 Crores
	Mr. Dibyajyoti Pattanaik	1.25 Crores
	2021-2022	
	Mr. Gobinda C. Pattanaik	2.00 Crores

	Mr. Dibyajyoti Pattanaik — 1.01 Crores **2020-2021** Mr. Gobinda C. Pattanaik — 1.53 Crores Mr. Dibyajyoti Pattanaik — 0.70 Crores
Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this private placement offer and application letter including with regard to loans made or, guarantees given or securities provided	Please refer to **Annexure VII** of this PPOA
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer and application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	Nil

Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last 3 (three) years immediately preceding the year of issue of this private placement offer and application letter in the case of the Company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this private placement offer and application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	Nil

Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the Company	Nil

1.5 Financial Position of the Company:

The capital structure of the company in the following manner in a tabular form:

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	**Share Capital (as on Date)**	**Rs.**
	Authorised	
	11,39,00,000 nos of Eq shares of Rs.10/- each	113,90,00,000.00
	2,51,00,000 nos of Pref shares of Rs.10/-each	25,10,00,000.00
	TOTAL	**139,00,00,000.00**
	Issued, Subscribed Capital	
	10,56,22,890 nos of Equity shares of Rs.10/- each	105,62,28,900.00
	30,00,000 nos of Pref Shares of Rs.10/- each	3,00,00,000.00
	TOTAL	**108,62,28,900.00**
	Paid Up Capital	
	10,14,88,878 nos of Equity shares of Rs.10/- each	101,48,88,780.00
	41,34,012 nos of Equity shares are partly paid i.e 0.09024 paid per shares	3,73,072.00
	30,00,000 nos of Pref Shares of Rs.10/- each	3,00,00,000.00
	TOTAL	**1,04,52,61,852.00**
Size of the Present Offer	INR 100,00,00,000 (Indian Rupees One Hundred Crore) inclusive of a green shoe option of INR 50,00,00,000 (Indian Rupees Fifty Crore).	
Paid-up Capital: **a. After the offer:**	INR 113,16,05,642.00 (Indian Rupees One Hundred and Thirteen Crores Sixteen Lakh Five Thousand Six Hundred and Forty Two only)	
b. After the conversion of convertible instruments (if applicable)	Not applicable as each Debenture is a non-convertible debt instrument.	
Share Premium Account: **a. Before the offer:** **b. After the offer:**	 Rs. 7,37,12,58,537 Rs. 7,37,12,58,537	

Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:

Equity Shares

No.	Date of allotment	Number of Equity Shares Allotted	Face Value of Shares (in INR)	Price of allotment (including premium) (in INR)	Form of Consideration	Cumulative Capital (Number of Shares)
1.	02.08.2021	2200 1800	10 10	41.00 49.00	Cash	687,19,948
2.	23.12.2021	100	10	107.75	Cash	687,20,048
3.	23.12.2021	100	10	107.75	Cash	687,20,148
4.	30.12.2021	21400 5500	10 10	41.00 49.00	Cash	687,47,048
5.	28.01.2022	5200 3700	10 10	41.00 49.00	Cash	687,55,948
6.	28.02.2022	12,40,203	10	110.81	Cash	699,96,151
7.	28.02.2022	16,53,605	10	110.81	Cash	716,49,756
8.	28.02.2022	6,20,102	10	110.81	Cash	722,69,858
9.	28.02.2022	6,20,102	10	110.81	Cash	728,89,960
10.	31.03.2022	2200 3000	10 10	41.00 49.00	Cash	728,95,160
11.	27.09.2022	1700 2700	10 10	41.00 49.00	Cash	728,99,560
12.	28.09.2022	1,33,51,310	10	Conversion	19418612 CCPS converted into Equity	8,62,50,870
13.	28.09.2022	59,70,985	10	Conversion	7820000 CCPS converted into Equity	9,22,21,855
14.	30.03.2023	6000	10	41.00	Cash	9,22,27,855
15.	30.06.2023	3400 3200	10 10	41.00 49.00	Cash	9,22,34,455
16.	28.09.2023	4,000	10	41.00	Cash	9,22,38,455
17.	15-11-2023	3000	10	41	Cash	922,41,455
18.	15-11-2023	1200	10	49	Cash	9,22,42,655
19.	21-12-2023	4200	10	41	Cash	9,22,46,855
20.	21-12-2023	1700	10	49	Cash	9,22,48,555
21.	04-01-2024	51,58,367	10	Conversion	84,92,469 numbers of Series A1 CCPS converted into Equity	9,74,06,922
22.	04-01-2024	65,65,271	10	Conversion	108,08,723 numbers of Series A1 CCPS converted into Equity	10,39,72,193
23.	04-01-2024	16,50,697	10	Conversion	27,17,622 numbers of Series A1 CCPS converted into Equity	10,56,22,890

1. Equity shares issued on 28-02-2022 are partly paid-up shares up to a total of INR. 1 (Indian

Rupee One) per share including premium.

Preference Shares

S. No.	Date of Allotment/ Redemption	*Number of Preference Shares Allotted	Number of Preference Shares Redeemed	Face Value of Shares (in INR)	Price of allotment (including premium) (in INR)	Form of consideration	Cumulative Capital (Number of Shares)
01	26-03-2021	1,94,18,612	0	10	117.75	Cash	2,24,18,612
02	23-12-2021	1,93,01,192	0	10	117.75	Cash	4,17,19,804
03	27-12-2021	27,17,622	0	10	117.75	Cash	4,44,37,426
04	23-06-2022	78,20,000	0	10	150.00	Cash	5,22,57,426

*Kindly note the preference shares mentioned above are of different classes.
* 194,18,612 nos. of Series A CCPS and 7820000 nos. of Series A2 CCPS are converted into 193,22,295 nos. of Equity share on 28.09.2022

* 220,18,814 numbers of Series A1 CCPS converted into 133,74,335 nos. of Equity Shares on 04.01.2024

Number of preference shares as on date 30,00,000

The number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case	Please refer sub-section named "*Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration*" above, the sub-section named "*The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of number of securities as well as price above*" under Section 1.2 (*Particulars of the Offer*) above and **Annexure VI** below.
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this private placement offer cum application letter	

FY	PBT (in INR crores)	PAT (in INR crores)
FY 2024	**	**
FY 2023 (Ind AS)	44.18	32.72
FY 2022 (Ind AS)	23.75	17.13
FY 2021 (Ind AS)	1.67	1.82

**The financial statements for the financial year ended March 31, 2024 are in the process of being prepared, and the required details will be disclosed to BSE in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other directions of SEBI.

<table>
<tr>
<td>Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)</td>
<td>The company has not declared any dividend on equity shares in last three years financial years.
<table>
<tr><th>Particulars</th><th>FY 2024</th><th>FY 2023</th><th>FY 2022</th><th>FY 2021</th><th>FY 2020 (Ind As)</th></tr>
<tr><td>Preference Dividend (In INR Thousand)</td><td>**</td><td>NIL</td><td>25.40</td><td>0.296</td><td>0.03</td></tr>
<tr><td>Interest Coverage Ratio</td><td>**</td><td>NA</td><td>1.04</td><td>1.02</td><td>1.23</td></tr>
</table>
**The financial statements for the financial year ended March 31, 2024 are in the process of being prepared, and the required details will be disclosed to BSE in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other directions of SEBI.</td>
</tr>
<tr>
<td>A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of issue of this private placement offer cum application letter</td>
<td>Please refer Annexure I.</td>
</tr>
<tr>
<td>Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of issue of this private placement offer cum application letter</td>
<td>Please refer Annexure II.</td>
</tr>
<tr>
<td>Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company</td>
<td>In FY 2018-2019 the Company used Indian GAAP as its reporting format. However, from FY 2019-2020, onwards the Issuer has adopted IND AS, and the reserves and profits of the Issuer will be determined accordingly.</td>
</tr>
</table>

PART B
(To be filed by the Applicant)

(i) Name:

(ii) Father's name:

(iii) Complete Address:
(including Flat / House Number, Street, Locality and PIN Code)

(iv) Phone number; if any:

(v) Email ID, if any:

(vi) PAN Number:

(vii) Bank Account details:

(viii) Tick whichever is applicable:

(a) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares.- ☐ ;

(b) The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith.- ☐ .

_____
Signature

_____
Initial of the Officer of the Company designated to keep the record

SECTION 11: DECLARATION BY THE DIRECTORS

A. The Issuer has complied with the provisions of the Companies Act, 2013 and the rules made hereunder.

B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government.

C. The monies received under the offer shall be used only for the purposes and objects indicated in this Key Information Document.

D. The Issuer has complied with, and nothing in the Key Information Document is contrary to, the provisions of Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, and the rules and regulations made thereunder.

Investment in non-convertible securities involve a degree of risk 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 Section 3 of this Key Information Document. 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.

I am authorized by the board of directors of the Issuer *vide* resolution number 9 dated November 08, 2023 of the board of directors of the Issuer read with the resolution dated April 15, 2024 of the executive committee of the board of directors of the Issuer, to sign this Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Key Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Key Information Document.

The Issuer declares that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Key Information Document is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this Key Information Document is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in this Key Information Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

For ANNAPURNA FINANCE PRIVATE LIMITED

For Annapurna Finance Pvt. Ltd.

Director

Name: Dibyajyoti Pattanaik
Title: Director
Place: Bhubaneswar, India
Date: April 18, 2024

ANNEXURE I

SUMMARY OF THE FINANCIAL POSITION OF THE COMPANY AS IN THE 3 (THREE) AUDITED BALANCE SHEETS**

BALANCE SHEET

(INR in Lakhs)

	Particulars	**December 31, 2023 (Audited)**	**September 30, 2023 (Audited)**	**June 30, 2023 (Audited)**	**March 31, 2023 (Audited) (Consolidated)**	**March 31, 2023 (Audited) (Standalone)**	**March 31, 2022 (Audited) (Consolidated)**	**March 31, 2022 (Audited) (Standalone)**	**March 31, 2021 (Audited) (Consolidated)**	**March 31, 2021 (Audited) (Standalone)**
I	**ASSETS**									
1	Financial assets									
(a)	Cash and cash equivalents	24,887	27,594	76,497	75,710	75,679	95,151	95,134	86,635	86,135
(b)	Bank balance other than cash and cash equivalents	58,389	74,420	80,641	84,540	84,034	95,387	94,889	82,181	82,181
(c)	Derivative Assets	1,749	1,804	1,934	2,187	2,187	1,355	1,355		
(d)	Trade Receivables	-	-	0	-	-	5	5	37	37
(e)	Loans and Advances	7,22,757	7,01,215	6,53,878	6,32,625	6,32,625	4,88,816	4,88,816	3,86,716	3,86,716
(f)	Investment	9,656	9,864	9,477	9,549	10,049		500		500
(g)	Other financial assets	41,151	38,414	42,275	39,705	39,800	26,116	26,193	14,560	14,560
	Total financial assets	**8,58,591**	**8,53,311**	**8,64,702**	**8,44,316**	**8,44,374**	**7,06,831**	**7,06,892**	**5,70,129**	**5,70,129**
2	Non-financial assets									
(a)	Current tax assets (net)	4,649	4,485	4,263	4,003	4,007	2,248	2,251	125	125
(b)	Deferred tax assets (net)	-	216	2,478	2,822	2,828	4,810	4,810	2,778	2,778
(c)	Dta hedging									-
(d)	Property, plant and equipment	2,729	2,695	2,549	2,386	2,386	1,787	1,787	1,139	1,139

(e)	Intangible assets	380	387	378	422	422	156	156	99	99
(f)	Right-of-use assets						-	-	39	39
(g)	Other non-financial assets	2,852	3,034	3,497	3,769	3,768	2,165	2,165	1,198	1,198
	Total non-financial assets	**10,610**	**10,817**	**13,166**	**13,402**	**13,411**	**11,166**	**11,169**	**5,378**	**5,378**
	Total assets	**8,69,201**	**8,64,128**	**8,77,868**	**8,57,718**	**8,57,785**	**7,17,997**	**7,18,061**	**5,75,507**	**5,75,507**
II	**LIABILITIES AND EQUITY**									
	Liabilities									
1	Financial liabilities									
(a)	Derivative Liabilities	753	396	591	-	-	475	475	-	-
(b)	Payables									
	Trade Payables									
	- Total outstanding dues of micro enterprises and small enterprises	-	-	-		-	-	-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	-	728	403	1,836	1,836	291	291	227	227
(c)	Debt securities	1,16,207	1,14,313	1,34,175	1,53,008	1,53,008	1,85,677	1,85,677	1,73,854	1,73,854
(d)	Borrowings (other than debt securities)	5,32,401	5,51,770	5,58,629	5,19,132	5,19,132	4,02,413	4,02,413	2,82,307	2,82,307
(e)	Subordinated liabilities	46,815	36,661	29,762	32,714	32,714	33,150	33,150	32,275	32,275
(f)	Lease liabilities	-	-	-	-	-	-	-	36	36
(g)	Other financial	32,292	30,043	30,659	28,217	28,217	14,939	14,936	9,046	9,046

	liabilities									
	Total financial liabilities	**7,28,468**	**7,33,911**	**7,54,219**	**7,34,907**	**7,34,907**	**6,36,945**	**6,36,943**	**4,97,745**	**4,97,745**
2	Non-financial liabilities									
(a)	Provisions	1,445	1,151	1,207	1,323	1,323	1,186	1,186	1,034	1,034
(b)	Current Tax liability	-	-	-		-	-	-	-	-
(c)	Deferred Tax liabilities (net)	2,359	-	-		-	-	-	-	-
(d)	Other non-financial liabilities	796	593	649	724	724	543	543	468	468
	Total non-financial liabilities	**4,599**	**1,744**	**1,856**	**2,047**	**2,047**	**1,729**	**1,729**	**1,502**	**1,502**
	Total liabilities	**7,33,068**	**7,35,655**	**7,56,075**	**7,36,954**	**7,36,954**	**6,38,675**	**6,38,672**	**4,99,247**	**4,99,247**
	Equity									
	Equity share capital	8,815	8,814	8,814	8,806	8,813	6,874	6,880	6,872	6,872
	Instruments entirely equity in nature	300	300	300	300	300	300	300	300	300
	OCI hedging	-	-	-	-	-	-	-		-
	Other equity	1,27,018	1,19,359	1,12,679	1,11,658	1,11,718	72,149	72,209	69,088	69,088
	Total Equity	**1,36,133**	**1,28,473**	**1,21,793**	**1,20,764**	**1,20,831**	**79,323**	**79,389**	**76,260**	**76,260**
	Total liabilities and equity	**8,69,201**	**8,64,128**	**8,77,868**	**8,57,718**	**8,57,785**	**7,17,997**	**7,18,061**	**5,75,507**	**5,75,507**

**The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE Limited in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other directions of the SEBI.

PROFIT & LOSS STATEMENT**

(INR in Lakhs)

	Particulars	**December 31, 2023(Audited)**	**September 30, 2023 (Audited)**	**June 30, 2023 (Audited)**	**March 31, 2023 (Audited) (Consolidated)**	**March 31, 2023 (Audited) (Standalone)**	**March 31, 2022 (Audited) (Consolidated)**	**March 31, 2022 (Audited) (Standalone)**	**March 31, 2021 (Audited) (Consolidated)**	**March 31, 2021 (Audited) (Standalone)**
	Revenue from operations									
	Interest income	1,24,107	81,023	39,180	1,20,923	1,20,896	99,156	99,144	90,709	90,709
	Fees and commission income	2	1	1	24	24	94	94	271	271
	Net gain on fair value changes	1,179	881	515	1,111	1,111	314	314	-	-
	Net gain on assignment transactions	23,734	14,747	8,714	33,747	33,746	15,164	15,164	6,363	6,363
	Other operating revenue	-	-	-	-	-	-	-	-	-
	Bad Debt Recovery	-	-	-	-	-	-	-	142	142
(I)	**Total revenue from operations**	**1,49,022**	**96,652**	**48,410**	**1,55,805**	**1,55,778**	**1,14,728**	**1,14,716**	**97,485**	**97,485**
(II)	Other income	816	534	252	1,179	1,179	561	561	226	226
(III)	**Total income (I + II)**	**1,49,838**	**97,186**	**48,662**	**1,56,984**	**1,56,957**	**1,15,289**	**1,15,277**	**97,711**	**97,711**
	Expenses									
	Finance costs	59,992	39,844	19,642	66,531	66,531	56,356	56,356	51,105	51,105
	Impairment of financial assets	20,332	12,926	6,049	36,184	36,184	19,383	19,383	19,175	19,175

	Employee benefit expenses	36,520	24,416	11,530	39,062	39,062	28,798	28,798	20,599	20,599
	Depreciation & amortisation expenses	1,143	711	320	1,244	1,244	1,106	1,106	893	893
	Other expenses	8,318	5,352	2,513	9,519	9,518	7,261	7,259	5,772	5,772
(IV)	**Total Expenses**	**1,26,305**	**83,249**	**40,054**	**1,52,540**	**1,52,538**	**1,12,904**	**1,12,902**	**97,544**	**97,544**
(V)	**Profit before tax (III-IV)**	**23,533**	**13,937**	**8,608**	**4,444**	**4,419**	**2,385**	**2,375**	**167**	**167**
(VI)	Tax expense:									
	Current tax	-	-	-	7	-	3,223	3,220	3,705	3,705
	Tax for prior year	-	-	-	-	-	-	-	-	-
	Deferred tax charge/ (credit)	5,961	3,543	2,188	1,146	1,146	-2,557	-2,558	-3,720	-3,720
		5,961	**3,543**	**2,188**	**1,153**	**1,146**	**666**	**662**	**-15**	**-15**
(VII)	**Profit for the year (V-VI)**	**17,572**	**10,394**	**6,420**	**3,291**	**3,273**	**1,719**	**1,712**	**182**	**182**
	Other comprehensive income									
	(i) Items that will not be reclassified to profit or loss									
	- Remeasurements of post-employment benefit obligation	124	59	16	60	60	40	40	15	15
	(ii) Income tax related to items		-15	-4	-15	-15	-10	-10	-4	-4

	that will not be reclassified to profit or loss	-31								
	Sub-Total	**93**	**44**	**12**	**45**	**45**	**30**	**30**	**11**	**11**
	(i) Items that will be reclassified to profit or loss									
	fair value of loans measured at fair value through other comprehensive income	-3,198	-3,757	-7,322	3,264	3,264	2,047	2,047	-635	-635
	(ii) Income tax related to items that will not be reclassified to profit or loss	805	946	1,843	-821	-821	-515	-515	160	160
	Sub-Total	**-2,393**	**-2,811**	**-5,479**	**2,443**	**2,443**	**1,532**	**1,532**	**-475**	**-475**
(VIII)	**Other comprehensive income (A+B)**	**-2,300**	**-2,767**	**-5,467**	**2,488**	**2,488**	**1,562**	**1,562**	**-464**	**-464**
(IX)	**Total comprehensive income for the period (VII+VIII)**	**15,272**	**7,627**	**953**	**5,779**	**5,760**	**3,281**	**3,274**	**-282**	**-282**

**The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE Limited in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other directions of SEBI.

ANNEXURE II
AUDITED CASH FLOW STATEMENTS FOR THE LAST 3 (THREE) FINANCIAL YEARS

CASH FLOW STATEMENT**

(INR in Lakhs)

Particulars	**September 30, 2023 (Audited)**	**March 31, 2023 (Audited) (Consolidated)**	**March 31, 2023 (Audited) (Standalone)**	**March 31, 2022 (Audited) (Consolidated)**	**March 31, 2022 (Audited) (Standalone)**	**March 31, 2021 (Audited) (Consolidated)**	**March 31, 2021 (Audited) (Standalone)**
Cash flow from operating activities							
Profit before tax	**13,936**	**4,444**	**4,418**	**2,385**	**2,375**	**167**	**167**
Adjustments for:							
Depreciation and amortisation expenses on property, plant and equipment, intangible assets and right of use assets	711	1,244	1,244	1,106	1,106	893	893
Impairment of financial instruments	12,925	36,183	36,184	19,383	19,383	19,175	19,175
Provision for insurance claim receivable and others	-	-	-	272	272	167	167
Profit on sale of current investments	-881	-1,111	-1,111	-314	-314	-	-
Liability no longer required written back	-	-	-	-	-	-	-
Profit on sale of property, plant & equipment	-	-	-	-10	-10	-	-
Net gain on derecognition of financial instruments	-14,747	-33,747	-33,747	-15,164	-15,164	-6,363	-6,363
Gain on derecognition of Loans designated at FVOCI	-	-	-	-	-	-	-
Share based payments to employees	10	10	10	33	33	126	126
Interest income	-81,023	-1,14,409	-1,14,382	-99,156	-99,144	-	-
Finance cost	39,844	66,474	66,475	56,356	56,356	-	-

Operating profit before working capital changes	**-29,225**	**-40,912**	**-40,909**	**-35,109**	**-35,107**	**14,165**	**14,165**
Movements in working capital:							
Decrease in other financial and non financial assets	14,838	10,650	10,670	2,292	2,292	319	319
Increase in bank balance other than cash and cash equivalents (net)	9,613	10,855	10,855	-12,708	-12,708	-40,397	-40,397
Decrease / (Increase) in Derivative assets				-	-	-	-
Decrease / (Increase) in trade receivables	-	5	5	32	32	10	10
Increase in loans and advances	-79,805	-1,81,975	-1,81,975	-1,19,474	-1,19,474	-53,099	-53,099
(Decrease) / increase in Derivative liabilites				-	-	-	-
Increase in other financial and non-financial liabilities	1,693	17,269	17,245	5,923	5,914	645	645
Increase in provisions	-172	137	137	152	152	381	381
(Decrease) / increase in trade payables	-1108	438	438	64	64	-109	-109
Cash (used) in operations	**-84,166**	**-1,83,533**	**-1,83,534**	**-1,58,828**	**-1,58,834**	**-78,085**	**-78,085**
Interest received	77,696	1,15,793	1,15,793	97,144	97,136	-	-
Finance cost paid	-40,122	-67,301	-67,301	-52,013	-52,013	-	-
Income tax paid (net of refunds)	-476	-1,759	-1,756	-5,349	-5,346	-2,124	-2,124
Net cash flows used in operating activities (A)	**-47,068**	**-1,36,799**	**-1,36,798**	**-1,19,046**	**-1,19,056**	**-80,209**	**-80,209**
Cash flow from Investing activities							
Purchase of property, plant and equipment	-768	-1,282	-1,282	-1,109	-1,109	-542	-542
Proceeds from sale of property, plant and equipment	-	-	-	34	34	-	-
Purchase of Intangible assets	-276	-424	-424	-344	-344	-149	-149

Purchase of current investments (net)	-2,08,499	-3,80,300	-3,80,300	-2,28,100	-2,28,100	-	-
Profit on sale of current investments	2,10,041	3,81,929	3,81,411	2,28,414	2,28,414	-	
Investment in equity instruments of subsidiary			-	-	-	-	-500
Investment in fixed deposits with maturity of more than 3 months	-	-502	-	-495	-	-	-
Net cash flows used in investing activities (B)	**498**	**-579**	**-595**	**-1,600**	**-1,105**	**-690**	**-1,190**
Cash flow from financing activities							
Proceeds from issuance of equity share capital (including premium)	21	11,648	11,648	38	38	7	7
Proceeds from debt securities	8,727	33,563	33,563	22,779	22,779	1,09,675	1,09,675
Repayment of debt securities	-47,853	-42,567	-42,567	-12,312	-12,312	-	-
Repayment of lease liabilities	-58	-194	-194	-81	-81	-57	-57
Interest accretion on lease liabilities	-	-	-	-	-	-	-
Proceeds from Borrowings (other than debt securities)	2,10,438	4,09,781	4,09,781	3,21,344	3,21,344	-18,476	-18,476
Repayment of Borrowings (other than debt securities)	-1,77,390	-2,93,707	-2,93,707	-2,03,095	-2,03,095	-	-
Proceeds from Subordinated liabilities	12,000	2,000	2,000	4,490	4,490	6,499	6,499
Repayment of Subordinated liabilities	-7,400	-2,500	-2,500	-3,814	-3,814	-	-
Share issue expenses	-	-87	-86	-187	-187	-141	-141
Net cash flows from financing activities (C)	**-1,515**	**1,17,937**	**1,17,938**	**1,29,162**	**1,29,162**	**97,507**	**97,507**
Net increase in cash and cash equivalents (A+B+C)	**-48,085**	**-19,441**	**-19,455**	**8,516**	**9,000**	**16,608**	**16,108**

Cash and cash equivalents at the beginning of the year	75,679	95,151	95,134	86,635	86,135	70,027	70,027
Cash and cash equivalents at the end of the year	**27,594**	**75,710**	**75,679**	**95,151**	**95,135**	**86,635**	**86,135**
Components of cash and cash equivalents at the end of the year							
Balances with banks:							
on current accounts	26,833	48,386	48,355	37,963	37,950	42,475	41,975
deposit with original maturity of less than three months	493	27,102	27,102	56,687	56,687	44,013	44,013
Cash on hand	268	222	222	501	497	147	147
Total cash and cash equivalents at the end of the year	**27,594**	**75,710**	**75,679**	**95,151**	**95,134**	**86,635**	**86,135**

**The audited financial statements for the financial year ended March 31, 2024 are in the process of being prepared and will be disclosed to the BSE Limited in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other directions of SEBI.

ANNEXURE III

COPIES OF BOARD RESOLUTION AND THE COMMITTEE RESOLUTION

Attached Separately

ANNEXURE IV
COPIES OF THE SHAREHOLDERS RESOLUTIONS

Attached Separately

ANNEXURE V
ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Name of the Issuer	Annapurna Finance Private Limited
Face Value (per security)	INR 1,00,000 (Indian Rupees One Lakh)
Issue Date / Date of Allotment	April 23, 2024
Date of Redemption	January 24, 2030
Tenure	5 (five) years, 9 (nine) months and 1 (one) day from the Deemed Date of Allotment
Coupon Rate	welve percent) per annum, payable monthly (fixed)
Frequency of the Coupon Payment with specified dates	Monthly. Please refer below.
Day count convention	Actual/Actual

1. **INTEREST PAYMENT SCHEDULE**

CASH FLOWS	RECORD DATE	DUE DATE	DATE OF PAYMENT	NO. OF DAYS IN COUPON PERIOD	COUPON AMOUNT PER DEBENTURE (in INR)
1st Coupon	14-05-2024	24-05-2024	24-05-2024	31	1,016.39
2nd Coupon	14-06-2024	24-06-2024	24-06-2024	31	1,016.39
3rd Coupon	15-07-2024	24-07-2024	24-07-2024	30	983.61
4th Coupon	14-08-2024	24-08-2024	26-08-2024	31	1,016.39
5th Coupon	16-09-2024	24-09-2024	24-09-2024	31	1,016.39
6th Coupon	14-10-2024	24-10-2024	24-10-2024	30	983.61
7th Coupon	14-11-2024	24-11-2024	25-11-2024	31	1,016.39
8th Coupon	16-12-2024	24-12-2024	24-12-2024	30	983.61
9th Coupon	14-01-2025	24-01-2025	24-01-2025	31	1,019.18
10th Coupon	14-02-2025	24-02-2025	24-02-2025	31	1,019.18
11th Coupon	14-03-2025	24-03-2025	24-03-2025	28	920.55
12th Coupon	14-04-2025	24-04-2025	24-04-2025	31	1,019.18
13th Coupon	14-05-2025	24-05-2025	26-05-2025	30	986.30
14th Coupon	16-06-2025	24-06-2025	24-06-2025	31	1,019.18
15th Coupon	14-07-2025	24-07-2025	24-07-2025	30	986.30
16th Coupon	14-08-2025	24-08-2025	25-08-2025	31	1,019.18
17th Coupon	15-09-2025	24-09-2025	24-09-2025	31	1,019.18
18th Coupon	14-10-2025	24-10-2025	24-10-2025	30	986.30
19th Coupon	14-11-2025	24-11-2025	24-11-2025	31	1,019.18
20th Coupon	15-12-2025	24-12-2025	24-12-2025	30	986.30
21st Coupon	14-01-2026	24-01-2026	26-01-2026	31	1,019.18
22nd Coupon	16-02-2026	24-02-2026	24-02-2026	31	1,019.18
23rd Coupon	16-03-2026	24-03-2026	24-03-2026	28	920.55
24th Coupon	14-04-2026	24-04-2026	24-04-2026	31	1,019.18
25th Coupon	14-05-2026	24-05-2026	25-05-2026	30	986.30
26th Coupon	15-06-2026	24-06-2026	24-06-2026	31	1,019.18
27th Coupon	14-07-2026	24-07-2026	24-07-2026	30	986.30
28th Coupon	14-08-2026	24-08-2026	24-08-2026	31	1,019.18
29th Coupon	14-09-2026	24-09-2026	24-09-2026	31	1,019.18
30th Coupon	14-10-2026	24-10-2026	26-10-2026	30	986.30
31st Coupon	16-11-2026	24-11-2026	24-11-2026	31	1,019.18
32nd Coupon	14-12-2026	24-12-2026	24-12-2026	30	986.30

CASH FLOWS	RECORD DATE	DUE DATE	DATE OF PAYMENT	NO. OF DAYS IN COUPON PERIOD	COUPON AMOUNT PER DEBENTURE (in INR)
33rd Coupon	14-01-2027	24-01-2027	25-01-2027	31	1,019.18
34th Coupon	15-02-2027	24-02-2027	24-02-2027	31	1,019.18
35th Coupon	15-03-2027	24-03-2027	24-03-2027	28	920.55
36th Coupon	14-04-2027	24-04-2027	26-04-2027	31	1,019.18
37th Coupon	14-05-2027	24-05-2027	24-05-2027	30	986.30
38th Coupon	14-06-2027	24-06-2027	24-06-2027	31	1,019.18
39th Coupon	14-07-2027	24-07-2027	26-07-2027	30	986.30
40th Coupon	16-08-2027	24-08-2027	24-08-2027	31	1,019.18
41st Coupon	14-09-2027	24-09-2027	24-09-2027	31	1,019.18
42nd Coupon	14-10-2027	24-10-2027	25-10-2027	30	986.30
43rd Coupon	15-11-2027	24-11-2027	24-11-2027	31	1,019.18
44th Coupon	14-12-2027	24-12-2027	24-12-2027	30	986.30
45th Coupon	14-01-2028	24-01-2028	24-01-2028	31	1,016.39
46th Coupon	14-02-2028	24-02-2028	24-02-2028	31	1,016.39
47th Coupon	14-03-2028	24-03-2028	24-03-2028	29	950.82
48th Coupon	14-04-2028	24-04-2028	24-04-2028	31	1,016.39
49th Coupon	15-05-2028	24-05-2028	24-05-2028	30	983.61
50th Coupon	14-06-2028	24-06-2028	26-06-2028	31	1,016.39
51st Coupon	14-07-2028	24-07-2028	24-07-2028	30	983.61
52nd Coupon	14-08-2028	24-08-2028	24-08-2028	31	1,016.39
53rd Coupon	14-09-2028	24-09-2028	25-09-2028	31	1,016.39
54th Coupon	16-10-2028	24-10-2028	24-10-2028	30	983.61
55th Coupon	14-11-2028	24-11-2028	24-11-2028	31	1,016.39
56th Coupon	14-12-2028	24-12-2028	25-12-2028	30	983.61
57th Coupon	15-01-2029	24-01-2029	24-01-2029	31	1,019.18
58th Coupon	14-02-2029	24-02-2029	26-02-2029	31	1,019.18
59th Coupon	14-03-2029	24-03-2029	26-03-2029	28	920.55
60th Coupon	16-04-2029	24-04-2029	24-04-2029	31	1,019.18
61st Coupon	14-05-2029	24-05-2029	24-05-2029	30	986.30
62nd Coupon	14-06-2029	24-06-2029	25-06-2029	31	1,019.18
63rd Coupon	16-07-2029	24-07-2029	24-07-2029	30	986.30
64th Coupon	14-08-2029	24-08-2029	24-08-2029	31	1,019.18
65th Coupon	14-09-2029	24-09-2029	24-09-2029	31	1,019.18
66th Coupon	15-10-2029	24-10-2029	24-10-2029	30	986.30
67th Coupon	14-11-2029	24-11-2029	26-11-2029	31	1,019.18
68th Coupon	14-12-2029	24-12-2029	24-12-2029	30	986.30
69th Coupon	14-01-2030	24-01-2030	24-01-2030	31	1,019.18

2. **REDEMPTION SCHEDULE**

CASH FLOWS	RECORD DATE	DUE DATE	DATE OF PAYMENT	NO. OF DAYS IN THE PERIOD	PRINCIPAL AMOUNT PER DEBENTURE (in INR)
Principal	14-01-2030	24-01-2030	24-01-2030	2,102	1,00,000.00

ANNEXURE VI
NUMBER OF PERSONS TO WHOM ALLOTMENT ON PREFERENTIAL BASIS / PRIVATE PLACEMENT / RIGHTS ISSUE MADE DURING THE YEAR

NIL

ANNEXURE VII
RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST 3 (THREE) FINANCIAL YEARS

The details of related party transactions entered for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023 are enclosed separately.

The financial statements for the financial year ended March 31, 2024 are in the process of being prepared and the relevant details will be disclosed to the BSE Limited in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other directions of the Securities and Exchange Board of India.

ANNEXURE VII- RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST 3 (THREE) FINANCIAL YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE OF THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Annapurna Finance Private Limited
Notes to the standalone financial statements for the year ended March 31, 2022

Note 36: Related party transactions

Name of the related parties (as per Ind AS 24) (Refer Note (a) below)

Relationship	Name of the party
(i) Key management personnel	Mr. Gobinda Chandra Pattanaik - Managing Director Mr. Dibyajyoti Pattanaik - Director Ms. Christina Stefanie Juhasz - Nominee Director Ms. Laetitia Counye - Nominee Director Mr. Ranganathan Garadarajan Dilip Kumar - Nominee Director (with effect from June 25, 2021) Mr. Prakash Kumar - Nominee Director Mr. Sunit Vasant Joshi - Nominee Director Mr. Venkiteswaran Mecherimadam Ramakrishnan - Nominee Director Ms. Radhika Jayant Sharoff - Nominee Director (with effect from June 25, 2021) Mr. Abhishek Agarwal - Nominee Director (with effect from December 23, 2021) Mr. Satish Chava - Nominee Director (till March 03, 2022) Mr. Ashok Ranjan Samal- Independent Director Mr. K.K. Tiwary- Independent Director Mr. Sean Leslie Nossel - Independent Director
(ii) Enterprise having significant influence over the Company	Oman India Joint Investment Fund II
(iii) Subsidiary company	Annapurna SME Finance Private Limited (incorporated on December 18, 2020)
(iv) Trust	Annapurna Employees Welfare Trust (the 'Trust')

Related Party transactions during the year:

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Key management personnel		
Salary, incentives and perquisites (Refer Note (b) below)		
Mr. Gobinda Chandra Pattanaik	200	153
Mr. Dibyajyoti Pattanaik	101	70
	301	**223**
Sitting fees paid		
Mr. Ashok Ranjan Samal	8	10
Mr.K.K. Tiwary	6	8
Mr. Sean Leslie Nossel	6	6
	20	**24**
(ii) Subsidiary company		
Investment in Annapurna SME Finance Private Limited	500	500
	500	**500**
(iii) The Trust		
Loan to the Trust	76	11
Equity shares of the Company held by the Trust	72	16

Note:

a) Related parties have been identified on the basis of the declaration received by the Company and other records available.

b) The above remuneration to the key managerial personnel constitute the short term employee benefits and above does not include the provisions made towards post employment gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

Note 36: Related Party Transactions

Name of the Related Parties (as per Ind AS 24)

Relationship	Name of the party
(i) Key Management Personnel	Mr. Gobinda Chandra Pattanaik- Managing Director Mr. Dibyajyoti Pattanaik- Director Mr. Satyajit Das - Chief Financial Officer Mr. Subrat Pradhan- Company Secretary Mr. Ashok Ranjan Samal- Independent Director Mr. K.K. Tiwary- Independent Director Mr. Sean Leslie Nossel - Independent Director
(ii) Enterprise having significant influence over the Company	Oman India Joint Investment Fund II
(iii) Subsidiary Company	Annapurna SME Finance Private Limited (incorporated on December 18, 2020)

Related Party transactions during the year:

(in Rs. Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Key management personnel		
Salary, incentives and perquisites (Refer Note (b) below)		
Mr. Gobinda Chandra Pattanaik	153	138
Mr. Dibyajyoti Pattanaik	70	55
Mr. Satyajit Das	62	49
Mr. Subrat Pradhan	18	15
	303	**257**
Expenses on employee stock option plan		
Mr. Subrat Pradhan	2	4
	2	**4**
Sitting Fees Paid		
Mr. Ashok Ranjan Samal	10	5
Mr.K.K. Tiwary	8	3
Mr. Sean Leslie Nossel	6	3
	24	**11**
(ii) Subsidiary Company		
Investment in Annapurna SME Finance Private Limited	500	-
	500	**-**

Note:

a) Related parties have been identified on the basis of the declaration received by the management and other records available.

b) The above remuneration to the key managerial personnel consitute the short term employee benefits and above does not include the provisions made towards post employement gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2023

Note 34: Related party transactions

Name of the related parties (as per Ind AS 24) (Refer Note (a) below)

Relationship	Name of the party
(i) Key management personnel	Mr. Gobinda Chandra Pattanaik - Managing Director Mr. Dibyajyoti Pattanaik - Director Ms. Christina Stefanie Juhasz - Nominee Director Ms. Laetitia Counye - Nominee Director (Resigned with effect from April 18, 2022) Mr. Ranganathan Varadarajan Dilip Kumar - Nominee Director Mr. Prakash Kumar - Nominee Director (Resigned with effect from September 28, 2022) Mr. Sunit Vasant Joshi - Nominee Director Mr. Venkiteswaran Mecherimadam Ramakrishnan - Nominee Director Ms. Radhika Jayant Sharoff - Nominee Director Mr. Abhishek Agarwal - Nominee Director Mr. Ashok Ranjan Samal- Independent Director Mr. K.K. Tiwary- Independent Director Mr. Sean Leslie Nossel - Independent Director Mr. Arup Kumar - Nominee Director (with effect from September 28, 2022) Mr. Guillaume Accarain -Nominee Director (with effect from April 18, 2022) Mr. Pushkar Jauhari -Nominee Director (with effect from May 27, 2022) Mr. Satish Chava - nominee Director(till March 03, 2022)
(ii) Subsidiary Company	Annapurna SME Finance Private Limited (incorporated on December 18, 2020)
(iii) Trust	Annapurna Employees Welfare Trust (the 'Trust')

Related Party transactions during the year:

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Key management personnel		
Salary, incentives and perquisites (Refer Note (b) below)		
Mr. Gobinda Chandra Pattanaik	268	200
Mr. Dibyajyoti Pattanaik	125	101
	393	301
Sitting fees paid		
Mr. Ashok Ranjan Samal	10	8
Mr.K.K. Tiwary	6	6
Mr. Sean Leslie Nossel	7	6
	23	20
Long term benefits#	-	-
Post - employment benefit#	-	-

Outstanding balances at the year end:	As at March 31, 2023	As at March 31, 2022
(i) Subsidiary Company		
Investment in Annapurna SME Finance Private Limited	500	500
(ii) The Trust		
Loan to the Trust	99	76
Equity shares of the Company held by the Trust	92	72

Does not include gratuity and compensated absences as these are provided on the company as a whole.

Note:

a) Related parties have been identified on the basis of the declaration received by the Company and other records available.

b) The above remuneration to the key managerial personnel constitute the short term employee benefits and above does not include the provisions made towards post employment gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

c) All transactions with related parties are priced at arm's length and are in the ordinary course of business.

d) The remuneration of Mr. Gobinda Chandra Pattanaik and Mr. Dibyajyoti Pattanaik is determined by the Nomination and Remuneration Committee.

BSR & Co. LLP
14th Floor, Central B Wing and North C Wing, Nesco IT Park4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400 063

ANNAPURNA FINANCE PVT. LTD. INDIA

ANNAPURNA FINANCE PRIVATE LIMITED

Pricing Policy

Version 1.0

ANNAPURNA FINANCE
GROWING TOGETHER

DOCUMENT OWNER, VERSION CONTROL & REVIEW PROCESS

Document Name	Version Name	Approved By	Effective Date
Pricing Policy	**1.0**	**Board**	**26-04-2022**

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INTRODUCTION

Annapurna Finance Private Limited (AFPL), as NBFC-MFI, is primarily engaged in Microfinance lending, Recently, RBI has harmonized and significantly altered the set rules for microfinance for all lenders regulated by it with key objectives of rationalizing indebtedness and providing competitive pricing to borrowers with a rational approach.

AFPL has in place a Credit Policy in compliance with the revised regulatory guidelines for selections of clients and credit dispensation. This policy is for the determination of a Model to compute Lending Rates and the application of other charges. Pricing of a loan is the effective cost to the borrower and thus comprises interest rate, fees, and other charges.

The pricing policy shall be read along with the Credit policy of the company and any specific product note approved by the Board.

OBJECTIVES OF THE PRICING POLICY

- To evolve a model for interest rate to be charged on Microfinance Loans and to stand in competition with other lenders provides a better opportunity for reasonable business growth.
- To recognize risk weightage in pricing (shift from fixed-rate approach).
- To set up its model reflecting the institution's operational expenses, credit cost and expected profits.
- To ensure that the interest and non-interest charges are not usurious.
- To put in place a platform for awareness of pricing and a committed price discovery mechanism.

SCOPE OF THE POLICY

- To initiate and evolve a lending rate model with the periodical review.
- To set up a risk recognition model with timely review in line with risk

orientation.

- To spell out risk-based calibration of processing charges.
- To determine costs that are to be recovered from the borrower.
- To provide all the price-related information communicated to the stakeholders through the means of a factsheet to the borrower, displaying interest rate ranges and averages, processing fee ranges and other charges at its offices and websites.
- Disclosure and fair practice codes related to price-related information and implementation.

LENDING RATE MODEL

RBI in its revised guidelines for microfinance vide its communication dated 14-03-2022 has prescribed an all-cost inclusive method of determining lending rate comprising the following components:

a. Cost of funds,
b. Margin covering operations costs and expected profit/return on equity
c. Risk premium depending on the measured risk intensity of the loan,

(a) + (b) will determine the **Prime Lending Rate (PLR)** which is the core rate applicable to microfinance customers of the institution i.e., to clients with almost no risk.

All other customers having risk weightage will be charged additionally with relevant risk premium as determined under (c), thus the lending rate being PLR+ risk premium.

COST OF FUNDS

- Cost of funds (for lending purposes) means Effective cost of borrowings for lending.
- Borrowings means all loans + Bonds + NCD + preference shares which are not compulsorily convertible + Debt instruments + perpetual debt

instruments + subordinated debts, etc.

- The cost of equity is not considered as part of the cost of funds since the former is reckoned through the determination of profit margin.
- Out of the total debt, a part is held to meet future disbursement in the form of bank deposits or as investments in the capital market and some part is kept as collateral against debt by way of Bank deposits (Pledged FDs). The returns from these shall be reduced from the borrowing cost.
- The daily average debt outstanding **(DOT)** for the last quarter will be the daily average of total borrowings (last Quarter) minus the fixed deposits with banks held under pledge as collateral/ margin.
- The expenses such as brokerage, commission, legal expenses, syndication, SE / SEBI expenses etc., relating to fundraising will be added to the interest paid on borrowings.
- Thus, the effective cost of funds (for lending) ECF will be = Last Quarter [total interest and fund-raising expenses paid – income on investments on pledged Bank deposits towards Debt]/ Average DOT.

NET OPERATING COST (NON-INTEREST COST)

- It includes employee benefit expenses and all operating expenses and commissions/charges/incentives paid, expenses relating to advertisement/promotion, Legal expenses (other than for fundraising), CSR payments, etc.
- The operating cost is directly proportional to the asset creation and management and therefore it is expressed as a percentage of Assets under Management (AUM).
- Loss/profit on the sale of assets is not part of operating expenses or income and hence not to be reckoned with in computation.
- Net Operating Cost (NOpC) = [Operating Cost – Processing fee] / Average

Loan Asset under Management (AUM).

- NOpC will be calculated based on the figures for the last 4 financial quarters

THE MINIMUM MARGIN FOR CREDIT COST

The microfinance loans are collateral-free given to the vulnerable section of the society. The credit loss incurred in such loans is higher than usual. To safeguard the company against the potential credit risk, a minimum credit loss margin shall be charged on the loans based on the historic trend of credit loss faced by the company.

- Since ECL is based on change in credit risk after initial recognition of loan assets (disbursement or acquisition), this credit cost/ loss **(Cr_{cost})** shall be calculated as percentage of historical credit loss incurred during a financial year to Tenure weighted Disbursements **(Dis_{wt})** during the financial year.
- Tenure weighted disbursements shall be measured as **(∑Ti*Disb)/ (∑Tj)**, where ***Disb*** represents disbursement in specific tenure, ***Ti*** represent the tenure completed (seasoning) on the date of calculation, ***Tj*** is the loan tenure
- Credit Loss will be the sum of all ECL provisions debited to P/L during the financial year plus the write off made over the provision adjustment and debited to P/L during the financial year plus NNPA in the 365+ DPD.
    - For loans that are more than 365 DPD, a 100% provision shall be considered while calculating the credit cost. The difference between the outstanding and the corresponding provision shall be added to the credit cost.
- Since the credit cost **(Cr_{cost})** is volatile, it is rationalized as the average

of the year-wise credit cost **(Cr_{cost})** of the previous 5 years, provided there exists a complete AFPL business cycle with one trough and one peak in the 5-year lot. In case the selected period does not meet the above condition, it can be extended by another 2 years.

- In case of credit cost incurred due to singular events, not part of the business cycle (Black swan events, Natural Calamities, War/Conflicts) the Board may consider an appropriate portion of the total credit cost incurred out of the event while approving the incremental Credit cost **(Cr_{cost})**.

PROFIT MARGIN (P)

This is the return for equity holders and the desired component of operational planning. The profit margin (P) shall be expressed as the return expected from the specific asset class. The Board shall determine the expected margin on an annual basis based on the growth aspects of the company.

PLR = *Adj ECF + Adj NOpC + Minimum Margin for Credit cost (Cr_{cost}) + Profit Margin (P)*

Upon approval from the Asset-Liability Committee, the company may lend at a rate below PLR, not more than **500 bps** below PLR, for certain products and customer segments based on the availability of subsidized funds, lower servicing cost, availability of credit guarantees, market competition, and overall experience of the company in the product/customer segment. However, in the case of availability of subsidized funds, the differential can exceed 500 bps.

RISK PREMIUM

SN	Risk Component	Risk Prem	Parameters (figures in percentage)			
1	Geographic Risk	1%	*Very High*	*High*	*Medium*	*Low*
			1%	0.50%	.25%	0%
2	Loan tenor	.25%	*> 24M*	*>18-24M*	*>12-18M*	*Up to 1yr*
			.25%	.10%	.05%	0%
3	Client vintage (Years of association)	.75%	*<1yr*	*<3yr*	*<6yr*	*6+Yr*
			0.75%	0.50%	0.20%	(0.25%) *(Benefit)*

RISK PREMIUM LIMIT

The maximum Risk premium charged shall be 10% of the Prime Lending rate. The risk premium calculation shall be reviewed quarterly by the Asset-Liability Committee. In case of significant change/event impacting the risk premium, the company may revise the Risk premium even during the quarter, with the approval of the Asset-Liability Committee.

GEOGRAPHIC RISK

The geographic risk shall be calculated based on additional credit costs incurred over and above company average by the operations in a specific state. The period considered for credit cost shall be the same as the period selected for credit cost incurred (Cr_{cost}) calculation. The maximum risk premium associated with geographic risk is 1%.

a. In cases where the state vintage is less than 2 years, the rating shall be Medium by default.

b. In other cases of vintage:

c. Very High-Risk States- The states where state credit cost (State-

Cr_{cost}) exceeds Company credit cost (Cr_{cost}) by 80bps or more-

- *The risk premium charged shall be 100% of the maximum risk premium (Geographic Risk)*

d. High-Risk States- The states where state credit cost (State- Cr_{cost}) exceeds Company credit cost (Cr_{cost}) by 40bps (>=) but less than 80bps -

- *The risk premium charged shall be 50% of the maximum risk premium (Geographic Risk)*

e. Medium-Risk States- The states where state credit cost (State- Cr_{cost}) exceeds Company credit cost (Cr_{cost}) by 5 bps or more but less than 40bps-

- *The risk premium charged shall be 25% of the maximum risk premium (Geographic Risk)*

f. Low-Risk States- The states where state credit cost (State- Cr_{cost}) exceeds Company credit cost (Cr_{cost}) by less than 5 bps-

- *The risk premium charged shall be 0%*

THE TOTAL LENDING RATES

The total lending rate for the company shall be the sum of the **Prime lending rate (PLR)** plus the **Risk Premium.**

In addition to the interest rate calculation matrix, the Board shall semi-annually fix a minimum and maximum lending rate for the microfinance loans taking into consideration of the social objectives of the company, competition, and the growth prospects of the company.

OTHER CHARGES

The following charges will be recovered additionally:

Processing Fees

As percentage of sanctioned amount. The processing fee charged on the

microfinance loans will be in the range of 1%- 2%.

Insurance charges

Insurance charges will be collected on the actual basis to cover the loan under credit linked life insurance.

Costs for CIC report generation

As decided in the specific product/Credit policy approved by the Board.

Documentation charge

As decided in the specific product/Credit policy approved by the Board.

Recovery of Penalty paid by AFPL

As decided in the specific product/Credit policy.

Any other charge

a. As decided in the specific product/Credit policy, the charges shall be disclosing in the Factsheet issued by AFPL to the borrower.

b. There shall be no prepayment penalty for the Microfinance Loans (Qualifying Assets)

Any other charges not specified in the pricing policy shall be guided by the Product/credit policy. However, the same shall be communicated to clients through loan agreement/Factsheet to the Borrower.

FREQUENCY OF LENDING RATE REVISION

a. The PLR will be reviewed every quarter on an ongoing basis by ALCO (Asset-Liability Committee). Based on the change in PLR, the applicable lending rate shall apply to the new accounts.

b. All the pricing calculations shall be as per information available till the last Financial Quarter (Annualized).

c. The Risk Premium computed / reviewed will be subject to approval by ALCO.

Sl No	Component	Methodology / Calculation	Frequency Revision	Period considered for calculation	Approval Authority
1	Cost of Funds-Adj ECF	Calculation	Quarterly	Last One-Financial Quarter	ALCO
2	Net Operating Cost-Adj NOpC	Calculation	Quarterly	Last 4 Quarters Financial	ALCO
3	Minimum Margin for Credit Cost	Calculation	Quarterly	Last 5-7 Years	ALCO
4	Profit Margin (P)		Annually		Board
5	PLR	Calculation	Quarterly		ALCO
		Methodology	Semi-Annually		Board
6	Risk Premium	Calculation	Quarterly		ALCO
		Calculation	In between Changes		ALCO
		Methodology	Semi-Annually		Board
7	Total Lending rate	Calculation	Quarterly		ALCO
8	Total Lending Rate	Calculation	In between Changes		ALCO
9	PLR-Deviation Cap/Threshold		Semi-Annually		Board
10	PLR Deviation-Products		Quarterly/new-product approval		ALCO
11	Maximum and Minimum lending Rate		Semi-Annually		Board

All approvals accorded by Asset-Liability Committee as above shall be reported to the Board for information, in the next Board Meeting

REPORTING AND OTHER COMMUNICATIONS

- Borrower shall be informed about applicable rate of interest, processing fee, other charges, and the Effective Annual Rate of Interest (EARI) through sanction and Fact Sheet.
- Display of **minimum, maximum and average** interest rates on microfinance loans in all offices, information booklets pamphlets. Average to be computed as disbursement weighted average for the last

Financial Quarter.

- **All the interest rates** (as well as other charges) shall be displayed in the website.
- All other reporting and communications not specified in the pricing policy shall be guided by the Product/credit policy and the FPC (Fair Practice Code)

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ANNAPURNA FINANCE PRIVATE LIMITED

Policy on Resource Planning

Version 2.0

ANNAPURNA FINANCE
GROWING TOGETHER

DOCUMENT OWNER, VERSION CONTROL & REVIEW PROCESS

Document Name	Version Name	Approved By	Effective Date
Policy on Resource Planning	1.0	Board	10-08-2013
	2.0	Board	06-12-2019

POLICY ON RESOURCE PLANNING

I. BRIEF BACKGROUND

The company, Annapurna Finance Private Limited is a Non-Deposit taking Non Banking Financial institution operating under a Certificate of Registration and classified as NBFC-MFI from the Reserve Bank of India, Bhubaneswar.

The major source of fund for the Company are funding from Banks and Financial Institutions, Equity participation by domestic and overseas Investors. As of date the Company is depended on traditional source of fund i.e loans from Banks and FI, however now it looking to approach other market segment also for raising of Debt for its Business. Since the company is in its growth phase and traditional sources are not adequate and also not available smoothly, the Company is planning to raise fund through issue of certain allowable debt instruments like Non-Convertible Debenture, Commercial papers and ECB etc. In this regard the company put in place this policy as guiding principles in planning and for mobilizing resources matching its business plans.

II. REGULATORY REQUIRMENTS

Reserve Bank of India vide its Circular No. DNBS(PD) CC No.349 /03.10.001/2013-14 advised that NBFCs shall put in place before the close of business on September 30,2013, a Board approved policy for resource planning which inter-alia, should cover the planning horizon and the periodicity of private Placement. The policy of the company on resource planning will also cover the objectives of the above regulatory requirement.

III. RESOURCE PLANNING

The Company will have a long term Board approve Business plan and that should be revisited in each year by the Board to make necessary modification as per the market conditions. The Business plan will reflect the proposed proportion of Debt mix of the Company for a particular year. With regard to exposure concentration, the total resources shall be mobilized from a diversified group of sources in such a way that no single lender shall have an exposure of more than 20% of the overall funding.

The Company will form an Executive Committee to meet the day to day function of

the Company including submission of loan proposals, lesioning with Banks and FI on terms and conditions of loan, Interest Rate, Tenure, approval of various loan and Debt to be undertaken and other activities more clearly spell out in a Term of Reference for the Committee.

The resource planning of the company shall be based on its Asset Liability Matching (ALM) Requirement, broadly the planning horizon shall be of two categories i.e Long Term Resources and Short term resources.

IV. POLICY ON RASING RESOURCES

The Company will plan its fund raising planning according to the fund requirement and proposed business plan of the Company.

Following factors to be considered while raising funds.

1. Rate of Interest vs operating cost of the Company, so no to breach the RBI Net Interest margin requirement.
2. Comparison Tenure of the loan with the tenure of microloan provided by the Company.
3. Debt Repayment structure should match with the collection structure of the Company to avoid mismatch.
4. Hypothecation requirement to secure the loan and Cash collateral amount if any.
5. Additional Margin if any
6. Loan processing fee must be less than or equal to the processing fee of the Company charge to its customer.
7. Applicable ratios ie, Debt equity, OPEX, FER, Leverage etc. should maintained.
8. Other financial and operational covenants as applicable from case to case.

V. RASING FUND THROUGH ISSUE OF NCD (NON-CONVERTIBLE DEBENTURES)

The company may subject to compliance with the applicable provisions of laws and regulations may issue both Secured and Unsecured, Redeemable Non convertible Debentures (NCDs/Bonds) at such intervals by way of private placement to such number of subscribers with such minimum subscription amount or such higher subscription as may be prescribed under any law or regulation in force from time to time to such eligible investors including financial Institutions. The securities may be listed in one or more recognized stock exchanges in India as applicable under the law for time being in force.

The issue of NCD will be used as an additional source of fund for the Company. The Board may from time to time decide the requirement of additional fund and approve a private placement for raising of NCDs.

The Board shall consider the available fund with the Company and will take into account the future business plan on month on month basis and as per the requirement of the Treasury team may plan to raise fund through NCDs.

All the issues must be in compliance with the extant guidelines of Reserve bank and Companies Act, 1956/2013 as applicable to the Company.

VI. ISSUE OF SUBORDINATED DEBT INSTRUMENT

The Company may avail subordinated Debt also to meet the its capital requirement of the Company, either secured or unsecured. The tenure of such debt instrument must be more than 5 years to qualify as Tier 2 capital.

The Subordinate debt can be in the form of Term loan, ECB, NCDs and other hybrid instruments allowable under the law of India. The Term Sheet and other underlying document must clearly spell out the terms and condition of issue, rights and liability of Investors and Company etc.

VII. NOT TO TAKE PUBLIC DEOSIT

As the Company is non deposit taking NBFC, it always takes care of the applicable laws and rules and to avoid all such type of source of fund which may come under the definition of public deposit as prescribed by RBI and in Companies Act, 1956/2013.

VIII. AMMENDMENT TO THE POLICY

The policy may be amended from time to time by the Board of Directors on the recommendation of Any of the sub Committee of the Board.

IX. APPLICABILITY

The policy shall be effective from the date notified by the Board of Directors.

B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To the Members of Annapurna Finance Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Annapurna Finance Private Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), 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, and based on the consideration of report of the other auditor on separate financial statements of such subsidiary as was audited by the other auditor, 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 as at 31 March 2023, 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 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 is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

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.

Impairement of loans to customers	
Refer to the accounting policies in "Note 3.13 (A) (III)" to the consolidated financial statements: Impairment of financial assets", "Note 3 (2.5) to the consolidated financial statements: Significant Accounting Policies - use of estimates and judgments" and "Note 8 to the consolidated financial statements: Loans"	
Charge: INR 17,406 lakhs for the year ended 31 March 2023 Provision: INR 18,397 lakhs as at 31 March 2023	**How the matter was addressed in our audit**
Subjective Estimate Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss ("ECL") estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of judgement and therefore increased levels of audit focus in the Group's estimation of ECLs are: a) Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data used to create assumptions in the model. b) Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in ECL and as a result are considered the most significant judgmental aspect of the Group's modelling approach. c) Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant judgement is applied in determining the economic scenarios used and the probability weights applied to them. 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 Group. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the consolidated financial	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: **Testing of design and operating effectiveness of controls:** Performing end to end process walkthroughs to identify the key systems, applications and controls used in computation of ECL. Testing the relevant manual control, general IT and application controls over information used in the computation of ECL. Key aspects of our controls testing involved the following: a) Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models. b) Testing the 'Governance Framework' controls over evaluation, implementation and model monitoring in line with Reserve Bank of India guidance. c) Testing the design and operating effectiveness of the key controls over the application of the staging criteria. d) Testing key controls relating to selection and implementation of key macro-economic variables and the controls over the scenario selection and application of probability weights. e) Testing key controls operating over the information used in the computation of ECL including system access and change management, program development and computer operations. **Involvement of specialists -** We involved financial risk modelling specialists for the following: a) Evaluating the Group's Ind AS 109 impairment methodologies and assumptions used.

statements. we have considered this as a key audit matter.	b) Evaluating the relevance of inputs used in the model for computation of ECL. **Test of details:** Key aspects of our testing included: a) Testing samples over key inputs, data and assumptions impacting ECL computations to assess the completeness, accuracy and relevance of data, economic forecasts, weights, and model assumptions applied. b) Testing model computations through re-performance on sample basis, where applicable.

Information Technology	
The key audit matter Information Technology (IT) systems and controls	**How the matter was addressed in our audit**
The Group's key financial accounting and reporting processes are dependent on the automated controls in the information systems. There exists a risk in the IT control environment which could result in the financial accounting and reporting records being misstated.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient audit evidence for scoped in application: a) Evaluating the design, implementation and operating effectiveness of the scoped-in IT systems. b) Testing a sample of key controls operating over the information technology in relation to financial accounting and reporting systems. c) Testing the design and operating effectiveness of a sample of key controls over user access management. Access management includes granting access rights, access right modification, removal of user rights and preventative controls designed to enforce segregation of duties. d) Reperforming procedures to determine the operating effectiveness of application controls over financial and reporting systems. e) Testing change management control for information technology application / General IT controls which were changed during the year. f) Assessing other areas including password policies, system configurations, controls over changes to applications, privileged access to applications and operating system or databases is restricted to authorized personnel. g) Performing alternate procedures by testing compensatory controls for areas where IT systems and controls were not relied upon.

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 Group's annual report, but does not include the financial statements and auditor's reports thereon. The Group'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.

The other information is expected to be made available to us after the date of this auditor's report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 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 / Trustees of the Trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company / Trust 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 / Trustees of the Trust are responsible for assessing the ability of each company / Trust 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 / Trustee of the Trust either intends to liquidate the Company / Trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies / Trustees of the Trust are responsible for overseeing the financial reporting process of each company / Trust.

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 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 of such entities or business activities within the Group 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 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 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(s)

a. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 534.64 lakh as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 26.97 lakh and net cash flows (before consolidation adjustments) amounting to Rs. 19.75 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has 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 subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

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 matter with respect to our reliance on the work done and the report of the other auditor.

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 report of the other auditor on separate financial statements of such subsidiary, as was audited by other auditor, 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 2023 taken on record by the Board of Directorsof the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies 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 subsidiary company 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 and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary, as noted in the "Other Matters" paragraph:

a. There were no pending litigations as at 31 March 2023 which would impact the consolidated

financial position of the Group.

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 6 to the consolidated financial statements in respect of such items as it relates to the Group.

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 incorporated in India during the year ended 31 March 2023.

d (i) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act has represented to us and the other auditor of such subsidiary company that, to the best of their knowledge and belief, as disclosed in the Note 40.1 (n) (i) 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 of kind of funds) by the Holding Company or any of such subsidiary 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 Holding Company or any of such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act has represented to us and the other auditor of such subsidiary company that, to the best of their knowledge and belief, as disclosed in the Note 40.1 (n) (ii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary 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 Holding Company and its subsidiary company 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 Holding Company or any of such subsidiary company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

Independent Auditor's Report *(Continued)*

Annapurna Finance Private Limited

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 and based on the report of the statutory auditor of such subsidiary company incorporated in India which was not audited by us, the provisions of Section 197 of the Act are not applicable to the Holding Company, its subsidiary company 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

Sameer Mota

Partner

Membership No.: 109928

ICAI UDIN:23109928BGYAYB5116

Place: Bhubaneswar

Date: 26 May 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Annapurna Finance 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, there are no qualifications or adverse remarks by the auditor in the Companies (Auditor's Report) Order, 2020 report of the company incorporated in India and included in the consolidated financial statements.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sameer Mota

Partner

Membership No.: 109928

ICAI UDIN:23109928BGYAYB5116

Place: Bhubaneswar

Date: 26 May 2023

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Annapurna Finance 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 Annapurna Finance 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 companies incorporated in India under the Act which are its subsidiary company, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statementsof subsidiary companies, as were audited by the other auditors, the Group, 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 and the audit evidence obtained by the other auditors

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Annapurna Finance Private Limited for the year ended 31 March 2023 *(Continued)*

of the relevant subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which is a company incorporated in India, is based on the corresponding report of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sameer Mota

Partner

Membership No.: 109928

ICAI UDIN:23109928BGYAYB5116

Place: Bhubaneswar

Date: 26 May 2023

Annapurna Finance Private Limited
Consolidated balance sheet as at March 31, 2023

(In Rs. Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	4	75,710	95,151
(b) Bank balance other than (a) above	5	84,540	95,387
(c) Derivative financial instruments	6	2,167	1,355
(d) Receivables			
(i)Trade receivables	7	-	5
(ii)Other receivables		-	-
(e) Loans	8	6,32,625	4,96,582
(f) Investments	9	9,549	-
(g) Other financial assets	9.1	39,705	18,251
Subtotal - financial assets (A)		8,44,316	7,06,831
(2) Non-financial assets			
(a) Current tax assets (net)	10.1	4,003	2,248
(b) Deferred tax assets (net)	10.2	2,822	4,810
(c) Property, plant and equipment	11	2,386	1,787
(d) Intangible assets	13	422	158
(e) Other non-financial assets	9.2	3,769	2,165
Subtotal - non- financial assets (B)		13,402	11,166
Total assets (A+B)		8,57,718	7,17,997
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	6	-	475
(b) Payables			
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	14		
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,836	1,397
(II) Other Payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt securities	15	1,53,008	1,85,677
(d) Borrowings (other than debt securities)	16	5,19,132	4,02,413
(e) Subordinated liabilities	17	32,714	33,150
(f) Other financial liabilities	17.3	28,217	13,833
Subtotal - financial liabilities (A)		7,34,907	6,36,946
(2) Non-financial liabilities			
(a) Provisions	18	1,323	1,186
(b) Other non-financial liabilities	17.4	724	543
Total non- financial liabilities (B)		2,047	1,729
Total liabilities		7,36,954	6,38,674
(3) Equity			
(a) Equity share capital	19	6,808	6,674
(b) Instruments entirely equity in nature	20	300	300
(c) Other equity	21	1,11,658	72,149
Subtotal - equity (C)		1,20,764	79,323
Total liabilities and equity (A+B+C)		8,57,718	7,17,997

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 26, 2023

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 26, 2023

Annapurna Finance Private Limited
Consolidated statement of profit and loss for the year ended March 31, 2023

(In Rs. Lakhs)

	Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
	Revenue from operations			
	(i) Interest income	22	1,20,923	99,156
	(ii) Fees and commission income	23.1	24	94
	(iii) Net gain on fair value changes	23.2	1,111	314
	(iv) Net gain on assignment transactions	23.3	33,747	15,164
(I)	**Total revenue from operations**		1,55,805	1,14,728
(II)	Other income	24	1,179	561
(III)	**Total income (I + II)**		1,56,984	1,15,289
	Expenses			
	Finance costs	25	66,531	56,356
	Impairment of financial instruments	26	36,184	19,383
	Employee benefits expenses	27	39,062	28,798
	Depreciation, amortisation and impairment	28	1,244	1,106
	Other expenses	29	9,519	7,261
(IV)	**Total expenses**		1,52,540	1,12,904
(V)	**Profit before tax (III-IV)**		4,444	2,385
(VI)	**Tax expense:**			
	Current tax	10.3	7	3,223
	Deferred tax expenses/(credit)		1,146	(2,557)
(VII)	**Profit for the year (V-VI)**		3,291	1,719
(VIII)	**Other comprehensive income (OCI)**			
	A Items that will not be reclassified to profit or loss			
	Remeasurement of the defined benefit liabilities	33.3	60	40
	Income tax relating to items that will not be reclassified to profit or loss	10.3	(15)	(10)
	Subtotal (A)		45	30
	B Items that will be reclassified to profit or loss			
	Fair value of loans and advances and cash flow hedges through other comprehensive income		3,264	2,047
	Income tax relating to items that will be reclassified to profit or loss	10.3	(821)	(515)
	Subtotal (B)		2,443	1,532
	Other Comprehensive Income (A+B)		2,488	1,562
(IX)	**Total comprehensive income for the year (VII)+(VIII)**		5,779	3,281
(X)	**Earnings per equity share (face value of ₹10 each)**			
	Basic (Rs.)	30	3.96	2.40
	Diluted (Rs.)		3.36	2.26

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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May 26, 2023

ANNAPURNA FINANCE PVT. LTD. INDIA

Annapurna Finance Private Limited
Statement of consolidated cash flow for the year ended March 31, 2023

(In Rs. Lakhs)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Cash flows from operating activities		
Profit before tax	**4,444**	**2,385**
Adjustments for:		
Depreciation, amortization and impairment	1,244	1,106
Impairment on financial instruments	36,183	19,383
Provision for insurance claim receivable and others	-	272
Profit on sale of current investments	(1,111)	(314)
Profit on sale of property, plant and equipment	-	(10)
Net gain on derecognition of financial instruments	(33,747)	(15,164)
Share based payments to employees	10	33
Interest income	(1,14,409)	(99,156)
Finance cost	66,474	56,356
Operating loss before working capital changes	**(40,912)**	**(35,109)**
Movements in working capital:		
Decrease in other financial and non financial assets	10,650	2,292
Increase/(decrease) in bank balance other than cash and cash equivalents	10,855	(12,706)
Decrease in trade receivables	5	32
Increase in loans	(1,61,975)	(1,19,474)
Increase in other financial and non financial liabilities	17,269	5,924
Increase in provisions	137	152
Increase in trade payables	438	64
Cash used in operations	**(1,83,533)**	**(1,58,827)**
Interest received	1,15,793	97,144
Finance cost paid	(67,301)	(52,013)
Income tax paid (net of refunds)	(1,759)	(5,349)
Net cash flows used in operating activities (A)	**(1,36,799)**	**(1,19,045)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,282)	(1,109)
Proceeds from sale of property, plant and equipment	-	34
Purchase of intangible assets	(424)	(344)
Purchase of current investments	(3,80,300)	(2,28,100)
Proceeds from sale of current investments	3,81,929	2,28,414
Investment in fixed deposits with maturity of more than 3 months	(502)	(495)
Net cash flows used in investing activities (B)	**(579)**	**(1,600)**
Cash flows from financing activities		
Proceeds from issuance of equity share capital (including securities premium)	11,648	38
Proceeds from debt securities	33,563	22,779
Repayment of debt securities	(42,567)	(12,312)
Repayment of lease liabilities	(194)	(81)
Proceeds from borrowings (other than debt securities)	4,09,781	3,21,344
Repayment of borrowings (other than debt securities)	(2,93,707)	(2,03,095)
Proceeds of subordinated liabilities	2,000	4,490
Repayment of subordinated liabilities	(2,500)	(3,814)
Share issue expenses	(87)	(187)
Net cash flows generated from financing activities (C)	**1,17,937**	**1,29,162**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(19,441)	8,516
Cash and cash equivalents at the beginning of the year	95,151	86,635
Cash and cash equivalents at the end of the year (Refer note 4)	**75,710**	**95,151**
Components of cash and cash equivalents at the end of the year		
Balances with banks:		
on current accounts	48,386	37,963
deposit with original maturity of less than three months	27,102	56,687
Cash on hand	222	501
Total cash and cash equivalents at the end of the year	**75,710**	**95,151**

The accompanying notes are an integral part of the financial statements.

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May 26, 2023

Annapurna Finance Private Limited
Statement of consolidated changes in Equity for the year ended March 31, 2023

a. Equity share capital

Current reporting period

(In Rs. Lakhs)

Balance at the beginning of April 01, 2022	Changes in equity share capital due to prior period errors	Restated balance at the beginning of April 01, 2022	Changes in equity share capital during April 01, 2022 to March 31, 2023	Balance at the end of March 31, 2023
6,880	-	-	1,933	8,813

Previous reporting period

(In Rs. Lakhs)

Balance at the beginning of April 01, 2021	Changes in equity share capital due to prior period errors	Restated balance at the beginning of April 01, 2021	Changes in equity share capital during April 01, 2021 to March 31, 2022	Balance at the end of March 31, 2022
6,872	-	-	8	6,880

b. Instruments entirely equity in nature

Current reporting period
Refer Note 20

(In Rs. Lakhs)

Balance at the beginning of April 01, 2022	Changes in compulsorily convertible preference shares due to prior period errors	Restated balance at the beginning of April 01, 2022	Changes in compulsorily convertible preference shares during April 01, 2022 to March 31, 2023	Balance at the end of March 31, 2023
300	-	-	-	300

Previous reporting period

(In Rs. Lakhs)

Balance at the beginning of April 01, 2021	Changes in compulsorily convertible preference shares due to prior period errors	Restated balance at the beginning of April 01, 2021	Changes in compulsorily convertible preference shares during April 01, 2021 to March 31, 2022	Balance at the end of March 31, 2022
300	-	-	-	300

c. Other equity
Refer Note 21

(In Rs. Lakhs)

Reserves and surplus	Statutory reserve (as required by Sec 45-IC of Reserve Bank of India Act, 1934)	Securities premium	Stock option outstanding	Retained earnings	Other items of comprehensive income (fair valuation on portfolio and cashflow hedges)	Total
Balance as at April 1, 2021	4,296	49,076	1,295	16,229	7,292	69,688
Profit for the year	-	-	-	1,719	-	1,719
Other comprehensive income	-	-	-	30	1,532	1,562
Total comprehensive income for the year	-	-	-	1,749	1,532	3,281
Transfer to/ from retained earnings	344	-	-	(344)	-	-
Share issue/ debenture issues expenses	-	(187)	-	-	-	(187)
Securities premium of shares held by trust	-	(66)	33	-	-	(33)
ESOP exercised	-	30	(30)	-	-	-
Balance as at March 31, 2022	4,549	39,863	1,298	17,625	8,824	72,149
Profit for the year	-	-	-	3,291		3,291
Other comprehensive income	-	-	-	45	2,443	2,488
	-	-	-	3,336	2,443	5,779
Transfer to/ from retained earnings	655	33,822	-	(655)		33,822
Share issue/ debenture issues expenses	-	(86)	-	-	-	(86)
Securities premium of shares held by trust	-	(19)	10	-	-	(9)
ESOP exercised	-	19	(16)	-	-	3
Balance as at March 31, 2023	5,204	73,599	1,292	20,306	11,267	1,11,668

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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May 26, 2023

ANNAPURNA FINANCE PVT. LTD. INDIA

1 Reporting entity

Annapurna Finance Private Limited (the 'Holding Company' or 'Parent Company') is domiciled and incorporated as a private company in India under the provisions of Companies Act, 2013. The Holding Company is registered as a non-deposit taking Non-Banking Financial Company ("NBFC-ND") with the Reserve Bank of India ("RBI") and is classified as a Non-Banking Financial Company – Micro Finance Institution ("NBFC-MFI") with effect from October 22, 2013.

The Holding Company's registered office is at Bhubaneswar, Odisha, India. Its debentures are listed on recognised stock exchange in India.

The Holding Company is engaged primarily in providing micro finance services to women in rural areas of India, who are enrolled as members and organized as Self Help Groups ('SHG') and Joint Liability Group ('JLG').

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2023 (the 'financial statements') and authorized for issue on May 26, 2023.
These consolidated audited financial statements of the Annapurna Finance Private Limited (the 'Holding Company') and its subsidiaries (collectively referred to as the 'Group') have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act 2013 (the 'Act'). The financial statements has been prepared on going concern basis. These consolidated audited financial statements include financial statements of the following subsidiaries.

Name of the entity	% of share holding and voting power of the Holding Company	Consolidated as
Annapurna SME Finance Private Limited	99.96%	Subsidiary
Annapurna Employee Welfare Trust	100.00%	Subsidiary

2 Basis of preparation of financial statements

2.1 Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the 'Act') and the other relevant provisions of the Act. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

Name of the entity	% of share holding and voting power of the Holding Company	Consolidated as
Annapurna SME Finance Private Limited	100%	Subsidiary
Annapurna Employee Welfare Trust	100%	Subsidiary

Refer note 42 for additional information as required under Schedule III of the Act, of enterprises consolidated as subsidiaries.

The preparation of these consolidated financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Group are discussed in Note 2.5 - Significant accounting judgements, estimates and assumptions.

2.2 Basis of measurement

These consolidated financial statements have been prepared on historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

Items basis	Measurement
Derivative financial instruments	Fair Value
Equity securities at FVTPL	Fair Value
Liabilities for cash settled share based payments arrangements	Fair Value
Net Defined benefit asset/ liability	Fair value of plan assets less present value of defined benefit obligation

2.3 Functional and presentation currency

These consolidated financial statements are presented in Indian rupees, which is the functional currency of the Group. All amounts have been rounded off to nearest lakhs, unless otherwise indicated.

2.4 Presentation of financial statements

These consolidated financial statements of the Group are presented as per Schedule III (Division III) of the Act applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). The statement of cash flows has been presented using indirect method as per the requirements of Ind AS 7 statement of cash flows.

2.5 Use of estimates and judgements

The preparation of these consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities and disclosures of contingent liabilities at the date of these financial statements and reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.
Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised prospectively in the period in which the estimates is revised and future period affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in following notes:

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes :

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Business model assessment

Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Classification and measurement of financial assets depends on the results of the SPPI and the business model 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 amortized cost or fair value through other comprehensive income that are derecognized 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.

Impairment of financial assets

The Group establishes criteria for determining whether credit risk of the financial assets has increased significantly since initial recognition, determines methodology for incorporating forward looking information into the measurement of expected credit loss ('ECL') and selection of models used to measure ECL.

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 these consolidated 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 carried out in establishing fair values. Judgments and estimates take into account liquidity and model inputs associated with such items as credit risk (own and counterparty), funding value adjustments, correlation and volatility.

(ii) Assumption and estimation uncertainties

Information about assumption and estimation uncertainties at the reporting date that have a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities within the next financial year is included in the following notes :

a) Note 3(13)(A) - Impairment allowances of financial assets based on the expected credit loss model
b) Note 3(7)(i) and 3(7)(ii)- Useful lives of property, plant and equipment and intangible assets.
c) Note 3(10) and 33 - Measurement of assets and obligations of defined benefit employee plans.
d) Note 3(4)(b) and 10 - Recoverability and recognition of deferred tax assets.
e) Note 3(11) - Provisions, contingent liabilities and contingent assets
f) Note 2(6) and 39 - Fair value measurement of financial instruments.
g) Note 3(13)(A)(I)(a)- Effective interest rate ('EIR') methodology that represents the best estimate of a constant rate of return over the expected behavioural life of financial instruments.
h) Note 3(8)- Determination of lease term where Group is a lessee.

2.6 Measurement of fair value

A number of Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.
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.

Fair value measurements under Ind AS 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: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Group can access at measurement date.

3 Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Basis of consolidation

(i) Business combinations

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party both before and after the business combination and such control is not transitory are accounted for as the pooling of interest method.

The Holding Company is able to exercise the control over the operating decision of the investee company, resulting in variable returns to the Holding Company and accordingly, the same are classified as investment in subsidiary and line by line consolidation is carried out under the principles of consolidation.

These consolidated financial statements incorporate the financial statements of the subsidiaries from the date control is gained until the date on which control ceases. Control is evidenced where the investor 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. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Parent Company.

(ii) Subsidiary

A subsidiary is an entity controlled by the Group. The Group 'controls' an entity when it has 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 subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year.

Consolidation procedure followed is as under:
Items of assets, liabilities, equity, income, expenses and cashflows of parent with those of its subsidiary are combined on like-to like basis.

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ANNAPURNA FINANCE PVT. LTD. INDIA

(iii) Non-controlling interests ('NCI')
NCI has been measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.
Changes in the Group's interest in subsidiary are accounted for as equity transactions provided it does not result in loss of control in subsidiary.

(iv) Transactions eliminated on consolidation
Intra- group balances and transactions, and any unrealized income and expenses arising from intragroup transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Foreign currency transactions
These consolidated financial statements are presented in Indian rupees, which is the functional currency of the Group.
Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.
Exchange differences are recognised in the statement of profit and loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalised as part of borrowing costs.

3.3 Revenue recognition

Revenue from operations
(a) Income on loans arising from financing activities
Interest income is recognised by applying the effective interest rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Group calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset.

The EIR in case of a financial asset is computed
- the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- by considering all the contractual terms of the financial instrument in estimating the cash flows,
- including all fees/service charges and incentives paid and received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

(b) Net gain on assignment transactions
Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

(c) Fees and commission income
Fees and commissions which do not form part of the effective interest rate calculation are recognised when the Group satisfies the performance obligation over time and are accrued as and when they are due.

(d) Government Grants
Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to the grant and the grant will be received. The grants are recognised as income in the statement of profit and loss over the periods necessary to match them with the related costs that they are intended to compensate. The grants received , if any, against any reimbursement of expenses are set off against such expenses in the year they occur with meeting the specific conditions or restrictions, if any.

Other income
Other income are recognised when the Group satisfies the performance obligation over time and are accrued as and when they are due.

3.4 Income taxes
Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the statement of profit & loss except when they relate to items that are recognised outside the statement of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside the statement of profit and loss.
(a) Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the current year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the assets and settle the liability on net basis or simultaneously

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(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between carrying amount 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 losses and tax credits.
Temporary difference in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising the deferred tax.

Deferred tax assets are recognised for unused tax losses, unused tax credit and deductible temporary difference to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary difference is insufficient to recognise a deferred tax asset in full ,then future taxable profits, adjusted for reversals of existing temporary difference, are considered. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improve.

Deferred tax assets are 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 which the Group expects, at the reporting date, to recover or settle the carrying amount of assets or 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, but they intend to settle current tax liabilities and assets on a net basis or tax tax assets and liabilities will be realised simultaneously.

3.5 Cash and cash equivalents

Cash and cash equivalents, comprise cash in hand, cash at bank and deposits with an original maturity of three months or less, that are readily convertible to insignificant risk of changes in value.

3.6 Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

3.7 Property, plant and equipment (PPE) and intangible assets

(i) Recognition and measurement

Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. Cost includes purchase price, non-refundable taxes and levies and other directly attributable costs of bringing the assets to its location and working condition for its intended use.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Group in future periods, and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses, are charged to the statement of profit and loss during the period in which they are incurred.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss, arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

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(ii) **Depreciation and amortisation**

Depreciation

Depreciation on property, plant and equipment is measured using the written down value method at the rates arrived based on the useful lives of the assets, prescribed under Schedule II of the Act, which also represents the estimate of the useful life of the assets by the management. The useful life estimated by the management is as under:

Category of asset	Useful life (years)
Furniture and fittings	10
Office equipment's	5
Vehicles	8
Computers	3

Amortisation

Intangible assets are amortized on a written down value method over the estimated useful economic life. The management has determined its estimate of useful economic life as 1-3 years. The useful lives of intangible assets are reviewed at each financial year and adjusted prospectively.

Change in estimate

After initial recognition of its intangible assets the Group has chosen to follow Cost Model as its accounting policy for subsequent recognition wherein it has adapted reducing balance method to amortise its assets systematically over its useful life.

The intangible assets held by the Group have a finite useful life. The residual value of an intangible asset with a finite useful life should be assumed to be zero unless there is a commitment by a third party to purchase the asset at the end of its useful life; or there is an active market for the asset and:
(i) residual value can be determined by reference to that market; and

(ii) it is probable that such a market will exist at the end of the asset's useful life.

Previously, the Group has been estimating the residual value to be zero as a result of which amortisation expense during the year stood at 98% of carrying value during the first year itself. Whereas the pattern of consumption of the future economic benefits embodied in the asset is spread over a period greater than a year. It has been now assessed that the correctness of measurement of residual value cannot be validated. It now deems it appropriate to amortize its intangible assets using the straight line method systematically over its useful life. Such change in accounting estimate will be effective from FY 2022-23 in adherence with Ind AS 38. Such a change shall be accounted for as a change in accounting estimate as it is a modification of carrying amount resulting from evaluation of current status of, and expected future advantages linked with the asset.

Further, with reference to Ind AS 8, a change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors.

Such change in estimate would result in more accurate accounting with respect to intangible asset thereby ensuring preparation and presentation of financial statements in true and fair manner.

3.8 **Leases :**

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.
Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, ranging from 2 to 5 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3(x) impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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Short term lease and leases of low value assets

Group(lessee) chooses to apply recognition exemption option under Ind AS 116 for lease of branch office spaces fulfilling the required criteria. As per Ind AS 116, the lessee can elect not to apply Ind AS 116's recognition requirements to:

1) Short-term leases and
2) Leases for which underlying asset is of low value.

In such cases the lessee shall recognise the lease payments associated with those leases as an expense on a straight-line basis over the lease term or another systematic basis that faithfully represents pattern of lessee's benefit.

Short term lease, as defined by the standard, is a lease that at the commencement date has a lease term of 12 months or less and does not include an option to purchase the underlying asset. Such determination is made at the commencement date and cannot be subsequently reduced to less than 12 months. Ind AS 116 does not explicitly define the leases of low value assets. However it must fulfil both the criteria : (i) benefit flows to the lessee from the use of underlying asset (ii) underlying asset is not highly dependant or interrelated with other assets.

Group leaas assets are in adherence with both the above criteria as lease term for such assets is defined at 11 months. Also, branch offices are cognate to business activities and are neither dependant or interrelated to other business activities.

Therefore, to ascertain the second criteria unambiguously, the Group proposes to establish the maximum value exceeding which a leased asset would be recognised as per Ind AS 116.

Such value has been set at Rs 30,000 per month per branch viz. assets where lease rental is below the set limit would be eligible for recognition exemption under Ind AS 116.

3.9 Impairment of non financial assets

At each balance sheet date, the Group assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

3.10 Employee benefits

(A) Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include salaries and performance incentives/ bonuses which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

(B) Post employment/ retirement benefit plans

(1) Defined contribution plans

Retirement benefits in the form of provident fund and superannuation are defined contribution schemes. The Group has no obligation, other than the contribution payable to the respective funds. The Group recognises contribution payable to the respective funds as expenditure, when an employee renders the related service.

(2) Defined benefit plans

(a) Gratuity

For defined benefit schemes in the form of gratuity plan, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each year end. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The Group have an obligation towards gratuity, post employment/ retirement defined benefit plan covering eligible employees. The benefit is in the form of lump sum payments to eligible employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days' basic salary and dearness allowance payable for each completed year of service. Vesting occurs upon completion of five years of service. The liability determined basis actuarial valuation is compared with the fair value of plan assets and the shortfall or excess is accounted for as a liability or an asset respectively.

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The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income/ (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income/ (expense) on the net defined benefit liability is recognised in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the statement of changes in equity and in the balance sheet.
Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(C) Other long term employee benefit plans

(1) Defined benefit plans

(a) Compensated absences
The liabilities for compensated absences upto 10 days are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit or Loss. The liabilities in excess of 10 days accumulated compensated absences are to be encashed in the next financial year and therefore they are measured at the present basic salary with number of days of compensated absences in excess of 10 days are recognised in the statement of profit and loss.

b) Employee stock option plan
The employee stock option scheme provides for the grant of options to acquire equity shares of the Group to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes. The fair value at the grant date of the equity settled share based payment options granted to the employees is recognized as an employee benefit expenses with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the options. At the end of each reporting period, the Group revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to share based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.11 Provisions, contingent liabilities and contingent assets
A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.
If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to the net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Group.

Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.
Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.12 Segment information
The Group is solely engaged in providing loans to borrowers and accordingly there is only reportable business segment i.e. financial services for the purpose of Ind AS 108 on 'Operating Segments'. The Group operates in a single geographical segment i.e. domestic.

3.13 Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument.

(A) Financial assets

(i) Initial recognition and measurement
All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.
Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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(ii) **Classification and subsequent measurement**

For the purposes of initial recognition, financial assets are classified in the following categories :-
a. at amortised cost, or
b. at fair value through other comprehensive income (FVOCI), or
c. at fair value through profit or loss (FVTPL).

The above classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flow.

(I) Debt instruments

Initial classification of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments.

(a) At amortised cost:

A debt instrument is measured at amortised cost. If both the following conditions are satisfied/ fulfilled
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans arising from financing activities and investments.

(b) At FVTOCI:

A debt instrument is classified at FVTOCI, if both of the following criteria are met:
- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Group recognises interest income, impairment losses and reversals in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(c) At FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.
In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(II) Equity instruments/ Investments

Investments in equity instruments are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For equity instruments, other than held for trading, the Group has irrevocable option to present in OCI subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Group classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

(III) Impairment of financial assets

The Group applies the expected credit loss (ECL) model in accordance with Ind AS 109 for recognising impairment loss on financial assets except for
- equity instruments which are not subject to impairment under Ind AS 109, and
- other debt financial assets held at fair value through profit or loss (FVTPL).

The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial assets (lifetime ECL), unless there had been no significant increase in credit risk of a default occurring since origination or initial recognition, in which case, the impairment allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL (both life time and 12 months) are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group believes that the all loans disbursed (MFI and MSME loans) in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio (segregated at MFI and MSME loans) are treated as separate groups for the purpose of expected credit loss computation.

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The impairment methodology applies depends on whether there has been significant increase in credit risk. When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Group has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial assets. The Group categorises financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Credit impaired assets, i.e. more than 90 days past due or cases where the Group suspects fraud and legal proceedings are initiated.

Definition of default

The Group considers a financial asset to be in 'default' and therefore stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

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 Group would expect to receive. It is usually expressed as a percentage of the EAD.

The set of cash flow from the date of default, discounted at the contractual interest rate and divided by the exposure at default gives the LGD estimate. The default weighed historic LGD are used to align the ECL calculation to the actual scenario and to improve the predictive power of the model.

PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in stage 1, a 12-month PD is required. For stage 2 assets a lifetime PD is required while stage 3 assets are considered to have a 100% PD. PD estimation process is done based on historical internal data available with the Group.

EAD represents gross carrying amount at the reporting date adjusted for future estimated prepayments in case of stage 1 and stage 2. In case of stage 3 loans EAD represents gross carrying amount at the time when the default occurred for first time.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like gross domestic product (GDP), consumer price index (CPI), unemployment rate (UER), credit growth with the estimate of PD determined by the Group based on its internal data. While the internal estimates of PD rates by the Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Based on the consideration of external actual and forecast information, the Group forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all the categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows 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 ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of financial statements. The Group regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material.

The amount of ECL (or reversal) at the reporting date is recognised as an impairment loss/ (gain) in the statement of profit and loss.

ECL on debt instruments measured at amortised cost

The ECLs for debt instruments measured at amortised cost is reduced from the gross carrying amount of these financial assets in the balance sheet.

ECL on debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the gross 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.

Write-off

The gross carrying amount of a financial assets is written- off (either partially or fully) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any subsequent recoveries against such financial assets are credited to the statement of profit and loss.

(iv) Derecognition of financial assets

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises an associated liability as collateralised borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI, and accumulated in equity is recognised in the statement of profit and loss.

(B) **Financial liabilities and equity instruments**

Classification as debt or equity

Debt and equity instruments, issued by the Group, are classified as either financial liabilities or as equity, in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(i) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value. However, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of financial liabilities. The transaction costs directly attributable to the issue of financial liabilities at fair value through profit or loss are immediately recognised in profit or loss.

The Group's financial liabilities majorly comprise of trade and other payables, loans and borrowings, including bank overdrafts and cash credit facility and derivative financial instruments.

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Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method or at fair value through profit or loss (FVTPL).

(a) At FVTPL:

Financial liabilities includes derivative financial instruments entered into by the Group that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Financial liabilities, designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

(b) At amortised cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance cost in the profit or loss.

Derecognition of financial liabilities:

The Group de-recognises financial liabilities when and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in statement of profit and loss.

Modification/ renegotiation that do not result in derecognition

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the statement of profit and loss. Any subsequent changes in the estimation of the future cash flows of financial liability is recognised under finance cost in the statement of profit or loss with the corresponding adjustment to the carrying amount of the financial liability.

(ii) Equity instrument

An equity instrument is any contract that evidences residual interests in the assets of the Group after deducting all of its liabilities.
Incremental costs incurred which are directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from the proceeds.

3.14 Derivatives and hedging activities

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk, including cross currency interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument (Refer sub note (a) below), in which event the timing of recognition in profit or loss depends on the nature of the hedging relationship and nature of the hedge item.

Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host and accordingly, are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(a) Hedge accounting

The Group designates foreign currency forward derivative contracts as hedges of foreign exchange risk associated with the cash flows of foreign currency risks associated with the borrowings denominated in foreign currency (referred to as "cash flow hedges").

The Group documents at the inception of the hedging transaction the economic relationship between the hedging instruments and hedge items including whether the hedging instrument is expected to offset changes in the cash flows of hedge items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of the hedging relationship.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity to effective portion (as described above) are reclassified to profit or loss in the periods when the hedge item affects profit or loss, in the same line as the recognised hedge item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

3.15 Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of consolidated Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

3.16 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) and are recognized using the effective interest rate (EIR).

All other borrowing costs are charged to expenses in the period in which they arise.

3.17 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.

3.18 Offsetting financial instruments

Financial assets and financial liabilities are offset when it currently has a legally enforceable right (not contingent on future events) to off-set the recognised amounts and the Group intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.19 Standards issued but not yet effective

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.

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Note 4: Cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	222	497
Balances with banks	48,386	37,967
Fixed deposit with original maturity of less than 3 months	27,102	56,687
Total	75,710	95,151

Note 5: Bank balance other than cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposit with original maturity of more than 3 months		
Fixed deposit with banks (security against bank guarantee)	41,815	31,755
Other term deposits	40,053	60,919
Interest accrued on fixed deposits*	2,692	2,713
Total	84,560	95,387

(*) Includes interest accrued of Rs. 1,698 lakhs (March 31, 2022: Rs. 1,368 lakhs) on fixed deposits marked as lien towards term loans availed from banks, as cash collateral placed in connection with portfolio loan securitised and business correspondent activities entered with the banks.

Note 6: Derivative financial instruments

(In Rs. Lakhs)

Part I	As at March 31, 2023				As at March 31, 2022			
	Notional Amounts	Fair value- assets	Notional Amounts	Fair value- liabilities	Notional Amounts	Fair value- assets	Notional Amounts	Fair value- liabilities
(i)Currency derivatives:								
Cross currency swaps	20,444	846	-	-	12,613	704	10,873	322
Subtotal (i)	20,444	846	-	-	12,613	704	10,873	322
(ii)Interest rate derivatives	-	-	-	-	-	-	-	-
(iii)Credit derivatives	-	-	-	-	-	-	-	-
(iv) Equity linked derivatives	-	-	-	-	-	-	-	-
(v) Other								
Cross currency interest rate swaps	11,630	1,341	-	-	18,521	651	9,708	153
Total Derivatives financial instruments	32,074	2,187	-	-	31,134	1,355	20,581	475
PART II								
Included in above are derivatives held for hedging and risk management as follows								
(i)Fair value hedging	-	-	-	-	-	-	-	-
(ii) Cashflow hedging								
Cross currency interest rate swaps	11,630	1,341	-	-	18,521	651	9,708	153
Cross currency swaps	20,444	846	-	-	12,613	704	10,873	322
(iii) Net investment hedging	-	-	-	-	-	-	-	-
(iv) Undesignated derivatives	-	-	-	-	-	-	-	-
Total derivatives financial instruments	32,074	2,187	-	-	31,134	1,355	20,581	475

The Holding Company has made provision, as required under the applicable law for accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

Note 7: Trade receivables

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Receivables considered good- Unsecured	-	5
Total	-	5

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30-90 days.

Ageing of trade receivables as at March 31, 2023

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments					Total
	<6 months	6 months- 1 year	1-2 years	2-3 years	>3 years	
(i) Undisputed trade receivables considered good	-	-	-	-	-	-
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables considered good	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-

Ageing of trade receivables as at March 31, 2022

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments					Total
	<6 months	6 months- 1 year	1-2 years	2-3 years	>3 years	
(i) Undisputed trade receivables considered good	5	-	-	-	-	5
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables considered good	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-

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Notes to the Consolidated financial statements for the year ended March 31, 2023

Note 8: Loans
Considered good unless stated otherwise

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortised cost	At fair value Through other comprehensive income	Total	Amortised cost	At fair value Through other comprehensive income	Total
i) Term loans						
Considered good	47,408	5,77,353	6,24,761	80,670	4,06,784	4,87,454
Credit impaired	14,967	10,874	25,841	14,843	38,434	53,277
Total term loans	62,375	5,88,227	6,50,602	95,513	4,45,218	5,40,731
ii) Staff loan	420	-	420	412	-	412
Total (A) - Gross	62,795	5,88,227	6,51,022	95,925	4,45,218	5,41,143
Less: Impairment loss allowance	9,185	9,212	18,397	7,997	36,464	44,461
Total (A) - Net	53,610	5,79,015	6,32,625	87,928	4,08,754	4,96,682
Term loan						
i) Secured by tangible assets (refer note below)	2,168	54,918	57,106	2,670	31,151	33,821
ii) Unsecured	60,187	5,33,309	5,93,496	92,843	4,14,067	5,06,910
Sub-total - Term loans	62,375	5,88,227	6,50,602	95,513	4,45,218	5,40,731
Staff loan						
-Unsecured	420	-	420	412	-	412
Sub-total - Staff loan	420	-	420	412	-	412
Total (B) - Gross	62,795	5,88,227	6,51,022	95,925	4,45,218	5,41,143
Less : Impairment loss allowance	9,185	9,212	18,397	7,997	36,464	44,461
Total (B) - Net	53,610	5,79,015	6,32,625	87,928	4,08,754	4,96,682
Loans in India						
i) Public Sector	-	-	-	-	-	-
ii) Others	62,795	5,88,227	6,51,022	95,925	4,45,218	5,41,143
Total - Gross	62,795	5,88,227	6,51,022	95,925	4,45,218	5,41,143
Less: Impairment loss allowance	9,185	9,212	18,397	7,997	36,464	44,461
Total - Net	53,610	5,79,015	6,32,625	87,928	4,08,754	4,96,682
Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total - Net	-	-	-	-	-	-
Total (C)	53,610	5,79,015	6,32,625	87,928	4,08,754	4,96,682

Note
*The Holding Company covers/secures the credit risk associated with the loans given to customer by creating a charge/ hypothecation/ security on the assets as mentioned in the loan agreements with customers.
During the year the Group has not granted loans or advances in the nature of loans to promoters, directors, key managerial personnel's and related parties (as defined under the Act), either severally or jointly with any other person, that are:

(i) repayable on demand or
(ii) without specifying any terms or period of repayment

Reconciliation of impairment allowance

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortised cost	At fair value Through other comprehensive income	Total	Amortised cost	At fair value Through other comprehensive income	Total
Opening provision	7,997	36,464	44,461	4,700	18,847	23,547
Add: Impairment provision created during the year (Refer note 26)	13,333	19,103	32,436	3,297	16,086	19,383
add: Receivable by guarantee scheme/ CGTMSE disclosed under other financial assets	-	2,411	2,411		1,543	1,543
Less: Loan portfolio written off during the year	(18,095)	(42,906)	(60,911)		-	-
Less-: Provision for managed portfolio disclosed under 'provisions' (refer note 18)	-	-	-	-	(112)	(112)
Closing provision	3,225	15,072	18,397	7,997	36,464	44,461

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Note 8A

Gross carrying value of assets as at March 31, 2023 (In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Loans	6,20,447	4,314	25,841	6,50,602
Total	**6,20,447**	**4,314**	**25,841**	**6,50,602**

Steps taken for recovering overdues balances

To reduce the exposure and increasing collection in the stage - III assets, a special team is deployed in the field to monitor and follow up with the Stage III (NPA) customers. To maximise collection efforts, regular reminders are sent to customers via SMS/ Tele-calling and by visiting customer premises and creating awareness of the consequences of defaults.

Gross carrying value of assets as at March 31, 2022 (In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Loans	4,75,701	11,753	53,277	5,40,731
Total	**4,75,701**	**11,753**	**53,277**	**5,40,731**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans:

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at April 1, 2022	**4,75,701**	**11,753**	**53,277**	**5,40,731**
Add: New assets originated during the year (net of collections)	**5,02,854**	-	-	5,02,854
Less: Collections	(3,18,654)	(11,794)	(1,624)	(3,32,072)
Less: assets written off during the year	-	-	(60,911)	(60,911)
Movement between stages				
Transfer from stage 1	(39,497)	6,501	32,996	-
Transfer from stage 2	36	(2,161)	2,125	-
Transfer from stage 3	8	13	(21)	-
Gross carrying value of assets as at March 31, 2023	**6,20,448**	**4,314**	**25,840**	**6,50,602**

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2022	**4,482**	**2,741**	**37,238**	**44,461**
Provision created / (reversed) during the year	(2,888)	(2,142)	39,877	34,847
Assets written off during the year	-	-	(60,911)	(60,911)
ECL allowance as at March 31, 2023	**1,594**	**599**	**16,204**	**18,397**

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Notes to the Consolidated financial statements for the year ended March 31, 2023

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at April 1, 2021	**3,41,161**	**38,678**	**30,052**	**4,09,891**
Add: New assets originated during the year (net of collections)	1,30,840	-	-	1,30,840
Less: assets written off during the year	-	-	-	-
Movement between stages				
Transfer from stage 1	(19,862)	12,047	7,815	-
Transfer from stage 2	23,517	(38,971)	15,454	-
Transfer from stage 3	46	1	(47)	-
Gross carrying value of assets as at March 31, 2022	**4,75,702**	**11,755**	**53,274**	**5,40,731**

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2021	749	4,494	18,304	23,547
Provision created / (reversed) during the year	3,733	(1,753)	18,934	20,914
Stage 3 asset are in the scope of IND AS 109 but not covered under current income recognition ,asset classification and provisioning (IRACP) norms	-	-	-	-
Assets written off during the year	-	-	-	-
ECL allowance as at March 31, 2022	**4,482**	**2,741**	**37,238**	**44,461**

Sensitivity analysis on ECL

Reasonably possible changes at the reporting date to the relevant macroeconomic assumptions, holding other assumptions constant, would have affected the defined ECL provisions by the amounts shown below:

(In Rs. Lakhs)

Scenario	Conditions	ECL provision as per model	+/- from normal case
Extreme scenario	**100%** probability of high stress 0% probability of low stress 0% probability of normal situation	19,160	763
Low stress scenario	0% probability of high stress* 100% probability of low stress 100% probability of a normal situation	17,257	(1,140)
1% Increase in PD		19,914	1,517
1% Increase in LGD		18,668	271

High-stress and low-stress scenarios are one standard deviation(+/- 1 SD) change in the macroeconomic parameters such as unemployment rate, consumer price index, Money Supply (Change per annum), and Industry growth(Change per annum).

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Note 9: Investments

(In Rs. Lakhs)

	As at March 31, 2023				As at March 31, 2022			
Investment	**Amortised cost**	**Fair value through OCI**	**Fair value through P&L**	**Total**	**Amortised cost**	**Fair value through OCI**	**Fair value through P&L**	**Total**
Investment								
A) In India		-	-	-				
(1) Security receipts Investments	-	-	-		-	-	-	
(a) Investment in subsidiary (at cost)								
49,98,000 (March 31, 2022: 49,98,000) equity shares of Rs. 10 each fully paid in Annapurna SME Finance Private Limited	-	-	-	-	-	-	-	-
(2) Security receipts (SRs) investments *	-	-		-	-	-	-	
Phoenix Trust - FY 23-18	-	28,790	-	28,790				
Less: Impairment loss allowance	-	19,241	-	19,241	-	-	-	-
Total	-	**9,549**	-	**9,549**	-	-	-	-
Above amount includes								
Investment in India	-	9,549	-	9,549	-	-	-	-
Investment outside India	-	-	-	-	-	-	-	-
Total	-	**9,549**	-	**9,549**	-	-	-	-

The Group has sold loans to an Asset Reconstruction Company (ARC) on March 28, 2023 and SRs were received as considerations for the transfer of loans. The sale of loans to ARC did not meet the derecognition requirement as per Ind AS 109. However, as the legal form of the asset has changed from loans to investments, it is accounted under Investments. SRs have followed the same measurement / classification approach and ECL has been recognized in a similar manner as applicable to the underlying loan.

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to investments:

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of investments as at March 29, 2023	**25**	**30**	**28,735**	**28,790**
Additions/Deletions	-	-	-	-
Movement between stages	-	-	-	-
Gross carrying value of investments as at March 31, 2023	**25**	**30**	**28,735**	**28,790**

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 29, 2023	-	-	**15,747**	**15,747**
Provision created / (reversed) during the year	-	6	3,488	**3,494**
ECL allowance as at March 31, 2023	-	**6**	**19,235**	**19,241**

Sensitivity analysis on ECL

Reasonably possible changes at the reporting date to the relevant macroeconomic assumptions, holding other assumptions constant, would have affected the defined ECL provisions by the amounts shown below:

(In Rs. Lakhs)

Scenario	Conditions	ECL provision as per model	+/- from normal case
Extreme scenario	**100%** probability of high stress	19,243	2
	0% probability of low stress		
	0% probability of normal situation		
Low stress scenario	0% probability of high stress*	19,238	(3)
	100% probability of low stress		
	0% probability of a normal situation		
1% Increase in PD		19,241	0
1% Increase in LGD		19,531	-290

High-stress and low-stress scenarios are one standard deviation(+/- 1 SD) change in the macroeconomic parameters such as unemployment rate, consumer price index, Money Supply (Change per annum), and Industry growth(Change per annum).

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Note 9.1: Other financial assets
(at amortised cost)
(Unsecured, considered good unless stated otherwise)

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	438	342
Retained interest on assets assigned	28,640	13,509
Accrued interest on SR	1,800	-
Fixed deposit with financial institutions*	3,093	1,513
Insurance claim receivable	1,179	826
Receivable from financial guarantees$	4,054	1,643
Other financial assets- others**	501	418
Total	**39,705**	**18,251**

*deposit with non banking financial companies and financial institutions marked as lien towards term loans availed.
**includes advances recoverable in cash.
$The Holding Company has availed the benefits of credit guarantee fund trust for micro and small enterprises (CGTMSE) scheme and Assam microfinance incentives and relief scheme 2021 to secure credit default.

Note 9.2:Other non- financial assets
(Unsecured, considered good unless stated otherwise)

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	2,632	1,308
Capital advance	199	183
Other Advances *	413	266
GST assets	525	408
Total	**3,769**	**2,165**

*includes advances to vendor.

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Notes to the Consolidated financial statements for the year ended March 31, 2023

Note 10.1:

Current tax assets (net)

(in Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax includes TDS (net of provision)	4,003	2,248

Note 10.2: Deferred tax assets/ liabilities (net)
Effects of deferred tax assets and deferred tax liabilities

(in Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets:		
Impairment loss allowance on loan portfolio	4,798	10,697
Difference of written down value property, plant and equipment	395	352
Provision for defined benefit obligation and leave encashment	323	288
Difference of lease liabilities and right of use asset	1	(7)
Impact due to amortization of processing fees income	978	143
Provision for irrecoverable advances	4	4
Fair value loss on debt securities	42	49
Business loss c/f	8,254	
Deferred tax liabilities:		
Upfront recognition of gain on direct assignment transactions	(7,205)	(3,238)
Impact due to amortization of processing fees expenses	(663)	(395)
Fair value gain on loans	(3,904)	(3,083)
Deferred tax relating to origination and reversal of temporary differences		
(net of liabilities)	2,822	4,810

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 10.3: Income tax expense

(in Rs. Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Income tax expense in the statement of profit and loss consists of:		
Current income tax:		
Income tax	7	3,223
Deferred tax	1,146	(2,557)
Income tax expense reported in respect of current year	1,153	666
Tax in respect of earlier years	-	
Total income tax expense reported in the statement of profit or loss	**1,153**	**666**
Income tax recognised in other comprehensive income		
Deferred tax arising on re-measurement gains/ (losses) on defined benefit plans	15	10
Deferred tax arising on fair value gain/ (losses) on loan portfolio	821	515
Total	836	525

Reconciliation of the total tax charge:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	4,444	2,385
At India's statutory income tax rate of 25.17%	1,119	600
Change in tax rates	-	-
Income not subject to tax		
Others		-
Non-deductible expenses		
Expenditure on CSR	30	40
Donation & Charity	3	
Interest on preference share capital	-	306
Additional tax allowances	-	(280)
Income tax expense reported in the statement of profit or loss	**1,153**	**666**
Income tax adjustment in respect of current income tax of prior years	-	-
Total income tax expense reported in the statement of profit or loss	1,153	666

The effective income tax rate for March 31, 2023 is 25.95% (March 31, 2022: 27.87%).

Movement in deferred tax balances for the year ended March 31, 2023

(in Rs. Lakhs)

Particulars	Net balance April 1, 2022	(Charge)/ Credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2023	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Difference of written down value of property, plant and equipment	352	43	-	-	395	395	-
Provision for defined benefit obligation and leave encashment	288	50	(15)	-	323	338	(15)
Impairment loss allowance on loan portfolio	10,697	(5,899)	-	-	4,798	4,798	-
Impact of amortisation of expense, offered to tax on upfront basis	(395)	(268)	-	-	(663)	-	(663)
Impact of amortisation of processing fee income, offered to tax on upfront basis	143	836	-	-	978	978	-
Gain on direct assignment deals, accounted for upfront, offered to tax on accrual basis	(3,238)	(3,968)	-	-	(7,205)		(7,205)
Fair value gain on loans	(3,083)	(821)	-	-	(3,904)	-	(3,905)
Difference of lease liabilities and right of use asset	(7)	8	-		1		1
Fair value loss on CCPS	49	(7)	-	-	42	42	
Provision for irrecoverable advances	4	-	-	-	4	4	-
Business loss c/f					8,254	8,254	
Net deferred tax assets / (liabilities)	4,810	(9,407)	(836)	-	2,822	14,809	(11,988)

Movement in deferred tax balances for the year ended March 31, 2022

(in Rs. Lakhs)

Particulars	Net balance April 1, 2021	(Charge)/ Credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2022	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Difference of written down value of property, plant and equipment	271	81	-	-	352	352	-
Provision for defined benefit obligation and leave encashment	230	68	(10)	-	288	298	(10)
Impairment loss allowance on loan portfolio	5,935	4,762	-	-	10,697	10,697	-
Impact of amortisation of expense, offered to tax on upfront basis	(51)	(344)	-	-	(395)	(395)	(0)
Impact of amortisation of processing fee income, offered to tax on upfront basis	(54)	197	-	-	143	-	143
Gain on direct assignment deals, accounted for upfront, offered to tax on accrual basis	(885)	(2,253)	-	-	(3,238)	-	(3,238)
Fair value gain on loans	(2,569)	-	(515)	-	(3,084)	-	(3,084)
Difference of lease liabilities and right of use asset	1	(8)	-		(7)	-	(7)
Fair value loss on CCPS		49			49	49	-
Provision for irrecoverable advances		4			4	4	-
Net deferred tax assets / (liabilities)	2,778	2,557	(525)	-	4,810	11,005	(6,195)

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Note 11: Property, plant and equipment

(In Rs. Lakhs)

Particulars	Freehold land (refer note)	Office equipment	Furniture and fixtures	Vehicles	Computers	Right of use assets under leases	Total
Cost:							
As at March 31, 2021	14	1,128	902	154	1,272	146	3,616
Additions		535	141	89	344	352	1,461
Disposals*				(52)	-	(10)	(62)
As at March 31, 2022	14	1,663	1,043	191	1,616	488	5,015
Additions		308	446	-	529	403	1,686
Disposals*	-	-	-	-	-	-	-
As at March 31, 2023	14	1,971	1,489	191	2,145	891	6,701
Accumulated depreciation:							
As at March 31, 2021	-	794	459	109	970	107	2,439
Depreciation charge for the year		292	132	24	304	67	819
Disposal				(28)			(28)
As at March 31, 2022	-	1,085	591	105	1,274	174	3,229
Depreciation charge for the year		329	173	27	390	167	1,086
Disposal							
As at March 31, 2023	-	1,414	764	132	1,664	341	4,315
Net book value:							
As at March 31, 2022	14	579	452	86	342	314	1,787
As at March 31, 2023	14	557	725	59	481	550	2,386

The details of property, plant and equipment hypothecated against borrowings are presented in Note 15.

Note 12: Leases (where the Group is lessee)

As a lessee:

The Group also has certain leases with lease terms of 12 months or less and leases with low-value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	314	39
Adjustment due to change in lease agreement and security deposit reclassification	-	(10)
Additions during the year	404	352
Depreciation expense	(168)	(67)
Closing balance	550	314

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	323	36
Additions during the year	404	352
Accretion of interest	56	16
Payments	(194)	(81)
Closing balance	589	323

The effective interest rate for lease liabilities is from 10.57% to 11.15% with maturity between 2024 and 2031.

The following are the amounts recognised in the statement of profit or loss:

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest expense on lease liabilities (refer note 25)	56	16
Expense relating to short-term leases and other low value assets leases (included in other expenses)	1,984	2,149
Total amount recognised in the statement of profit and loss	2,040	2,165

The following is the maturity profile of lease liability:

(In Rs. Lakhs)

Maturity of lease liability	As at March 31, 2023	As at March 31, 2022
Current	173	61
Non current	415	263
Total	588	324

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Notes to the Consolidated financial statements for the year ended March 31, 2023

Note 13: Intangible assets

(In Rs. Lakhs)

Particulars	Computer software
Deemed cost:	
As at March 31, 2021	**810**
Additions	345
Disposals	-
As at March 31, 2022	**1,155**
Additions	424
Disposals	-
As at March 31, 2023	**1,579**
Accumulated amortisation:	
As at March 31, 2021	**711**
Amortisation charge for the year	288
Disposal	-
As at March 31, 2022	**999**
Amortisation charge for the year	158
Disposal	-
As at March 31, 2023	**1,157**
Net book value:	
As at March 31, 2022	**156**
As at March 31, 2023	**422**

Note 14: Trade payables

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,836	1,397
Total	**1,836**	**1,397**

Trade payables ageing schedule as at March 31, 2023

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments						Total
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	1,836	-	-	-	1,836
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-

Trade payables ageing schedule as at March 31, 2022

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments						Total
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	1,391	6	-	-	1,397
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-

Note 14.1: Dues to the micro enterprises and small enterprises

(In Rs. Lakhs)

Particulars	As at March 31,	As at March 31, 2022
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Total	-	

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Note 15: Debt securities

(In Rs. Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	At amortised cost	At fair value through profit & loss	Total	At amortised cost	At fair value through profit & loss	Total
Redeemable, Non- convertible Debentures (secured)*	90,434	-	90,434	1,09,553	-	1,09,553
Compulsorily Convertible Preference Shares #	-	26,275	26,275	-	50,205	50,205
Redeemable Non- convertible Debentures (unsecured)**	20,504	-	20,504	10,124	-	10,124
Compulsorily Convertible Debentures (Unsecured)##	-	15,795	15,795	-	15,795	15,795
Total	**1,10,938**	**42,070**	**1,53,008**	**1,19,677**	**66,000**	**1,85,677**
Debt securities in India	29,557	-	29,557	34,367	-	34,367
Debt securities outside India	81,381	42,070	1,23,451	85,310	66,000	1,51,310
Total	**1,10,938**	**42,070**	**1,53,008**	**1,19,677**	**66,000**	**1,85,677**

For NCD maturity refer note 17.1 (March, 2022 : 17.2).

* Redeemable non- convertible debentures (secured) (at amortised cost) ('NCDs')

Terms of debentures	Number of debentures		Face value	Amount in Lakhs		Charge details
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022	
12% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of 36 months from the date of allotment i.e. December 22, 2020.	275	275	10,00,000	917	1,833	110%
10.95% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of Sixty months from the date of allotment i.e. October 19, 2022.	460	-	10,00,000	4,600	-	105%
BSE Sensex Rate Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of 37 months 4 days from the date of allotment i.e. September 27, 2022	350	-	10,00,000	3,500	-	110%
12.49 % Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par every six months from March 2021 with the date of allotment i.e. August 30, 2017.	325	325	1,66,667	542	1,625	110%
12.376% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. September 22, 2020, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	700	700	10,00,000	7,000	7,000	110%
12.1113% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from the date of allotment i.e. November 15, 2018, subject to exercise of put option by the lender or call option by the company at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	-	460	10,00,000	-	4,600	105%
10.90% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 0.01 lakhs each redeemable at par at the end of Sixty months from the date of allotment i.e. November 4, 2022.	46,874	-	10,000	4,687	-	100%
12.01% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of Seventy two months from the date of allotment i.e. July 7, 2022 subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	500	-	10,00,000	5,000	-	100%
11.8468% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from the date of allotment i.e. March 01, 2019, subject to exercise of put option by the lender or call option by the company at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	-	1,000	10,00,000	-	10,000	105%
11.9526% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from the date of allotment i.e. August 31, 2020, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	1,000	1,000	10,00,000	10,000	10,000	100%
12.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every six month from the date of allotment i.e. June 16, 2020.	1,000	1,000	1,66,667	1,667	5,000	100%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every year from the date of allotment i.e. July 30, 2020.	250	250	3,33,333	833	1,667	110%
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every quarter from the date of allotment i.e. November 18, 2020.	-	1,000	10,00,000	-	2,500	110%
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. November 18, 2020.	-	350	10,00,000	-	3,500	110%
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. November 18, 2020.	-	100	10,00,000	-	1,000	110%
10.39% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par partially beginning from the end of sixty month from the date of allotment i.e. March 30, 2021.	600	600	8,80,000	5,280	5,640	110%
11.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. July 24, 2020.	250	250	10,00,000	2,500	2,500	115%

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11.45% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of 36 months from the date of allotment i.e. July 29, 2020.	220	-	10,00,000	2,200	-	100%
12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakh each redeemable at par at the end of 84 months from the date of allotment i.e. December 19, 2018.	15,00,000	15,00,000	100	1,500	1,500	110%
10.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. December 04, 2020.	-	250	10,00,000	-	2,500	110%
11.60% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty three months from the date of allotment i.e. July 15, 2020.	1,000	1,000	10,00,000	10,000	10,000	125%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. June 26, 2020.	150	150	10,00,000	1,500	1,500	100%
9.68% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every six month from the date of allotment i.e. July 12, 2019.	695	695	3,00,000	2,085	3,475	110%
12.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of sixty months from the date of allotment i.e. July 07, 2020.	18,750	18,750	25,000	4,688	4,688	100%
12.20% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of fifty nine months from the date of allotment i.e. October 16, 2019.		730	10,00,000	-	7,300	100%
11.8926% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of Sixty months from the date of allotment i.e. July 09, 2021.	400	400	10,00,000	4,000	4,000	105%
11.5468% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of Sixty months from the date of allotment i.e. July 13, 2021.	370	370	10,00,000	3,700	3,700	105%
11% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 7500 each redeemable at par at the end of Fourty two months from the date of allotment i.e. September 24, 2021.	66,664	66,664	7,500	4,999	4,999	100%
11.30% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1lakh each redeemable at par at the end of Sixty months from the date of allotment i.e. December 20, 2021.	6,330	6,330	1,00,000	6,330	6,330	100%
11.50% Seniorly Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. April 23, 2021.	75	75	10,00,000	750	750	100%
EIR adjustments				2,156	1,946	
Total				**90,434**	**1,09,553**	

Notes to Non convertible debentures (Secured)

(a) Non convertible debentures are secured against hypothecation of all the underlying receivables/book debts to the extent 1.0/1.05/1.10/1.25 times of the principal loan amount.

(b) The Secured Listed Non-Convertible Debentures of the Holding Company are fully secured by way of a first ranking, exclusive and continuing charge on identified receivables created pursuant to the deed of hypothecation as identified by the Group except for three debentures where additional pari-passu charge has been created by way of mortgage of immovable property.

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** Redeemable non- convertible debentures (Unsecured) (at amortised cost) ("NCDs")

Terms of debentures	Number of debentures		Face value	Amount in Lakhs		Charge details
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022	
12.164% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of Seventy two months from the date of allotment i.e. December 24, 2021.	300	300	10,00,000	3,000	3,000	0%
12.11% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 1 million each redeemable at par at the end of seventy two months from the date of allotment i.e. March 20, 2019, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	700	700	10,00,000	7,000	7,000	0%
11.25% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 5 lakh each redeemable at par at the end of 12 months 1days from the date of allotment i.e. September 28, 2022	350	-	5,00,000	1,750	-	0%
12.20% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 7.5 lakh each redeemable at par at the end of 24 months from the date of allotment i.e. September 26, 2022	600	-	7,50,000	4,500	-	0%
10% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 1 lakh each redeemable at par at the end of 44 months and 4 days from the date of allotment i.e. November 4, 2022.	4,076	-	1,00,000	4,076	-	0%
EIR adjustments				178	124	
Total				20,504	10,124	

Compulsorily Convertible Preference Shares ("CCPS") (FVTPL)

Terms	Number of CCPS		Face value	Amount in Lakhs		Charge details
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022	
5%, 1,94,16,612 Series A compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)		1,94,16,612	10.00		22,865	0%
0%, 8492469 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	84,92,469	84,92,469	10.00	10,000	10,000	0%
0%, 10808723 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	1,08,08,723	1,08,08,723	10.00	12,727	12,727	0%
0%, 2717622 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	27,17,622	27,17,622	10.00	3,200	3,200	0%
EIR adjustments				348	1,413	
Total				26,275	50,205	

Notes to Non convertible debentures

(a) No non-convertible debentures are guaranteed by directors and / or others.

(b) During the period presented, there were no defaults in the repayment of principal and interest.

Compulsorily convertible debentures (at amortised cost)

Terms	Number of CCD		Face value	Amount in Lakhs		Charge details
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022	
15% Cumulative Compulsorily Convertible Debentures of face value of Rs. 10 each convertible at conversion rate the end of Eighty four months from the date of allotment i.e. November 23, 2021.	15,00,00,000	15,00,00,000	10.00	15,000	15,000	0%
EIR adjustments				795	795	
Total				15,795	15,795	

Note: terms of conversion for CCPS

The Holding Company has applied to the RBI for the approval of conversion of CCPS into equity.

Note: terms of conversion for CCD

Mandatory conversion

All the CCDs shall mandatorily convert into equity shares on the earlier of the following dates:

(a) Where the Company is undertaking an Initial Public Offer ("IPO"), on the investor business day immediately preceding the date of filing of the red herring prospectus with SEBI in connection with such IPO; or

(b) the final maturity date.

Voluntary Conversion

Without prejudice to the mandatory conversion events, DEG and/or any holder shall have right, exercisable by issuing a notice in writing to the Company, to convert such number of CCDs as specified in such notice, into equity shares in the following manner and on the following dates:

(a) at any time with the consent of the Company, on such date as may be mutually agreed with the Company; or

(b) in the event that DEG and/or any holder transfer their CCDs in accordance with the provisions of the shareholder's agreement on the date immediately prior to the date of consummation of the transfer of the securities.

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Note 16: Borrowings other than debt securities *(at amortised cost)* (In Rs. Lakhs)

Particulars	As at March 31, 2023	s at March 31, 2022
Term loans (secured)*		
Banks	3,41,260	2,36,278
Financials institutions	81,634	46,285
Non banking financial companies	58,663	15,276
External commercial borrowings**	26,557	42,902
Term loans (unsecured)		
External commercial borrowings**	6,180	11,409
Borrowings from Securitisation arrangement (secured)		
Securitisation transactions	4,838	363
Total	5,19,132	4,02,413
Borrowings in India	4,89,018	3,48,202
Borrowings outside India	30,114	54,211
Total	5,19,132	4,02,413

For term loans maturity refer note 17.1 (March, 2022 : 17.2).

*Term loans are secured against hypothecation of all the underlying receivables/ loan assets/ book debts to the extent 1.0/ 1.05/ 1.10/1.11/1.12/1.15 times of the principal loan amount and margin money deposits. These secured term loans are repayable in equated principal plus interest as well as in equated instalments carrying interest rate ranging from 5.15% to 12.75% (March 31, 2022: 6.38% - 12.50%).

**External commercial borrowings are secured against hypothecation of all the underlying receivables/loan assets/book debts to the extent 1.0/1.05/1.10 times of the principal loan amount. These secured term loans are repayable in bullet payments/semi annual payments carrying interest rate ranging from 10.00% - 12.35% (March 31, 2022: 10.00% - 12.78%).

During the periods presented, there were no defaults in the repayment of principal and interest.
The Group has not been declared willful defaulter by any bank or financial institution.
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

Borrowings under securitisation arrangements
Represents securities issued by the special purpose vehicles ('SPVs') to the investors pursuant to the securitisation arrangement carrying a rate of interest in the rate of 9.00% & 12.00%. Since such arrangements do not fulfil the derecognition criteria under Ind AS 109, the Group has recognised the associated liabilities with a corresponding debit to loans and advances.

Utilisation of borrowings
Term loans were applied for the purpose for which the loans were obtained, other than INR 83,797 lakh which remain unutilized as at 31st March 2023 out of which term loan amounting to INR 30,697 lakhs were received towards the end of the year. The Group has temporarily invested such unutilized balance in fixed deposit as at 31st March 2023.

Note 17: Subordinated liabilities *(at amortised cost)* (In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Subordinate debt (unsecured)- debentures*	30,214	30,650
Subordinate debt (unsecured)- term loans#	2,500	2,500
Total	32,714	33,150
Borrowings in India	13,897	14,387
Borrowings outside India	18,817	18,763
Total	32,714	33,150

For subordinated liabilities maturity refer note 17.1 (March, 2022 : 17.2).

*Subordinate debt NCDs are repayable in bullet payment carrying interest rate ranging from 12.29% to 14.50% p.a. (March 31, 2022: 12.21% - 14.90% p.a.)
#Subordinate debt term loans are repayable in bullet payment carrying interest rate of 13.5% p.a.(March 31, 2022: 13.5% - 16.5% p.a.)
No subordinated debts is guaranteed by directors and /or others.
During the period presented there were no defaults in the repayment of principal and interest.

Subordinate debt (unsecured)- Debentures (at amortised cost)

Terms of debentures	Number of debentures		Face value	Amount in Lakhs	
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022
13.10% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 1 lakh each redeemable at par at the end of sixty five months from the date of allotment i.e. March 29, 2023	2,000	-	10,00,000	2,000	-
14.25% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. September 29, 2016.	-	250	10,00,000		2,500
13.05% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from the date of allotment i.e. March 24 2017	34,000	34,000	10,00,000	3,400	3,400
13.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of sixty six months from the date of allotment i.e. March 27 2016	150	150	10,00,000	1,500	1,500
10.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakhs each redeemable at par at the end of eighty four months from the date of allotment i.e. May 2 2019	30,00,000	30,00,000	100	3,000	3,000

13% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of eighty five months from the date of allotment i.e. March 24 2020	396	396	10,00,000	3,960	3,960
12.29% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of eighty five months from the date of allotment i.e. February 18 2028	28,500	28,500	25,000	7,125	7,125
12.21% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from the date of allotment i.e. March 31 2020	340	340	10,00,000	3,400	3,400
14.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from the date of allotment i.e. March 27, 2020	15,000	15,000	10,000	1,500	1,500
12.30% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. April 23, 2021	449	449	10,00,000	4,490	4,490
EIR adjustments				(161)	(225)
Total				30,214	30,650

Sub debt (unsecured)- Term Loans (at amortised cost) (In Rs. Lakhs)

Terms of term loan	Rate	As at March 31, 2023	As at March 31, 2022
13.5% Unsecured term loan, having tenure of 66 months, maturing on September 1st, 2023.	13.50%	2,500	2,500
Total		2,500	2,500

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Notes to the consolidated financial statements for the year ended March 31, 2023

Note 17.1 Terms of repayment of borrowings as on March 31, 2023

(In Rs. Lakhs)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 and 2 Years		Due between 2 and 3 Years		Due between 3 and 4 Years		Due between 4 and 5 Years		Due between 5 and 6 Years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly														
0-3 years	5.15%-12.69%	1,148	1,68,403	498	72,044	45	13,966	-	-	-	-	-	-	2,54,413
Above 3 years		-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly total		1,148	1,68,403	498	72,044	45	13,966	-	-	-	-	-	-	2,54,413
Quarterly														
0-3 years	6.60%-12.25%	171	1,29,235	123	86,626	18	15,809	-	-	-	-	-	-	2,31,670
Above 3 years		-	-	-	-	-	-	-	-	-	-	-	-	-
Quarterly total		171	1,29,235	123	86,626	18	15,809	-	-	-	-	-	-	2,31,670
Half yearly														
0-3 years	9.88%-12.75%	16	15,624	16	21,271	-	-	-	-	-	-	-	-	36,895
Above 3 years		-	-	-	-	-	-	-	-	-	-	-	-	-
Half yearly total		16	15,624	16	21,271	-	-	-	-	-	-	-	-	36,895
Annually														
0-3 years	11.50%-12.00%	2	1,789	-	-	-	-	-	-	-	-	-	-	1,789
Annually total		2	1,789	-	-	-	-	-	-	-	-	-	-	1,789
Bullet														
0-3 years	11.00%-13.99%	8	33,821	3	6,964	6	20,494	-	-	-	-	-	-	61,279
Above 3 years	10.60%-14.50%	-	795	2	10,351	3	15,689	8	23,497	7	12,775	2	6,964	70,071
Bullet total		8	34,616	5	17,315	9	36,183	8	23,497	7	12,775	2	6,964	1,31,350
Grand total		1,345	3,49,667	642	1,97,256	72	65,958	8	23,497	7	12,775	2	6,964	6,56,117

A. Debentures
Non-convertible debentures issued by the Group are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Group to the extent of security cover ratio of 1:1, 1.05:1, 1.1:1, 1.25:1 in favour of the debenture holders.

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

C. External commercial borrowings
The Group holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

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Notes to the consolidated financial statements for the year ended March 31, 2023

Note 17.2 Terms of repayment of borrowings as on March 31, 2022

(In Rs. Lakhs)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 and 2 Years		Due between 2 and 3 Years		Due between 3 and 4 Years		Due between 4 and 5 Years		Due between 5 and 6 Years		Total
		No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	
Monthly														
0-3 years	5.15%-12.50%	1,062	1,43,092	423	72,905	47	10,278	-	-	-	-	-	-	2,26,275
Above 3 years	9.45%-12.30%	27	4,241	3	406	-	-	-	-	-	-	-	-	4,647
Monthly total		1,089	1,47,333	426	73,311	47	10,278	-	-	-	-	-	-	2,30,922
Quarterly														
0-3 years	7.50%-12.25%	71	46,095	62	38,862	29	11,539	-	-	-	-	-	-	96,496
Above 3 years	10.00%-10.75%	4	2,652	3	1,761	-	-	-	-	-	-	-	-	4,413
Quarterly total		75	48,747	65	40,623	29	11,539	-	-	-	-	-	-	1,00,909
Half yearly														
0-3 years	7%-12.75%	3	9,740	3	4,810	3	9,459	-	-	-	-	-	-	24,009
Above 3 years	9.68%-12.49%	16	12,578	13	9,723	13	11,794	-	-	-	-	-	-	34,095
Half yearly total		19	22,318	16	14,533	16	21,253	-	-	-	-	-	-	58,104
Annually														
0-3 years	11.50%-12.00%	2	1,835	2	1,739	-	-	-	-	-	-	-	-	3,574
Annually total		2	1,835	2	1,739	-	-	-	-	-	-	-	-	3,574
Bullet														
0-3 years	9.50%-12.78%	11	31,979	3	13,915	-		-	-	-	-	-	-	45,894
Above 3 years	10.50%-18.50%	5	21,368	5	16,981	7	17,821	6	25,826	7	23,475	5	8,191	1,13,662
Bullet total		16	53,347	8	30,896	7	17,821	6	25,826	7	23,475	5	8,191	1,59,556
Grand total		1,201	2,73,580	517	1,61,102	99	60,891	6	25,826	7	23,475	5	8,191	5,53,065

A. Debentures

Non-convertible debentures issued by the Group are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Group to the extent of security cover ratio of 1:1,1.05:1,1.1:1,1.25:1 in favour of the debenture holders.

B. Term loans

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

C. External commercial borrowings

The Group holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

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Note 17.3: Other financial liabilities (In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Insurance premium payable	1,066	1,749
Employee dues	1,659	1,753
Payable towards securitisation transaction	23,956	9,274
Other payable*	1,028	734
Lease liability for Right of use assets	569	323
Total	28,217	13,833

* consists of payable to vendors

Note 17.4: Other non-financial liabilities (In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	724	543
Total	724	543

Note 18: Provisions (In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits:		
Gratuity (refer note 33)	409	484
Leave encashment and availment- Compensated absence	914	702
Total	1,323	1,186

Note 19: Equity Share Capital

The reconciliation of equity shares outstanding at the beginning and at the end of the year

(Amount in Rs. Lakhs except no. of shares)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
11,39,00,000 (March 31, 2022: 8,30,00,000) equity shares of Rs.10/- each	11,390	8,300
2,51,00,000 (March 31, 2023: 5,60,00,000) preference shares of Rs.10/- each	2,510	5,600
	13,900	13,900
Issued and subscribed		
9,22,27,865 (March 31, 2022: 7,20,85,168) equity shares of Rs.10/- each (in Rs Lakhs)	9,223	7,209
	9,223	7,209
Fully paid up		
8,80,89,843 (March 31, 2022: 6,87,81,148) equity shares of Rs.10/- each (in Rs Lakhs)	8,809	6,878
	8,809	6,878
Partly paid up		
41,34,012 (March 31, 2022: 41,34,012) equity shares of Rs.0.001/- each (in Rs Lakhs)	4	4
Total Paid up	8,813	6,882
Less: Share with Trust	7	6
Total share capital	8,806	6,874

Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

Particulars	In Nos.	Amount in Rs. Lakhs
As at March 31, 2021	6,87,15,048	6,872
Issued during the year	41,79,212	8
Less: Share with Trust	61,200	6
As at March 31, 2022	7,20,85,060	6,874
Issued during the year	1,93,32,595	1,933
Less: Share with Trust	10,400	1
As at March 31, 2023	9,21,56,255	8,806

Terms/ rights attached to equity shares

The Group has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share for matters other than "Investor Reserved Matters".

The Group declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Group, the investors at their sole discretion have the option to receive an amount equal to 100% of each investor's aggregate investment amount after distribution of all creditors and preferential amounts. Thereafter, the promoters and promoter shareholders other than the investor shall receive pro-rata distribution of all their entire subscription amounts in proportion to their shareholding in the Group. Remaining surplus, if any shall be distributed to all equity shareholders on a pro rata basis

Details of shareholders holding more than 5% shares in the Holding Company

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	% of holding in the class	No. of shares held	% of holding in the class
Equity shares of Rs.10 each fully paid				
Gobinda Chandra Pattanaik	80,00,546	8.68%	80,00,546	10.98%
Belgian Investment Company for Developing Countries NV - SA (Investor)	95,27,729	10.34%	95,27,729	13.08%
Oikocredit Baumenhiel Development Cooperative Society U.A. (Investor)	75,40,535	8.18%	75,40,535	10.35%
Women's World Banking Capital Partners, LP	58,00,000	6.29%	58,00,000	7.96%
Bamboo Finance Inclusion Fund 8	48,45,695	5.04%	46,45,695	6.38%
Ocean India Joint Investment Fund II	1,80,48,942	19.59%	1,80,48,942	24.78%
Asian Development Bank	1,16,88,792	12.68%	1,16,88,792	15.95%
Nuveen Global Impact Fund India S.A.R.L	1,33,54,419	14.49%	-	9.00%
SOCIETE DE PROMOTION ET DE PARTICIPATION POUR LA COOPERATION ECONOMIQUE S.A. (Proparco)	59,70,965	6.48%	-	0.00%
Total	8,48,74,638		6,52,92,144	
Compulsorily convertible preference shares of Rs. 10 each fully paid				
Pratap Chandra Dash on behalf of AIDS Awareness Trust of Orissa	30,00,000	11.94%	30,00,000	6.75%
Nuveen Global Impact Fund India S.A.R.L (*)	-		1,94,18,612	43.70%
Action Gateway Fund LLC (Sr A1 CCPS) (*)	84,92,469	33.84%	84,92,469	19.11%
ESF HOLDINGS II (Sr A1 CCPS) (*)	1,08,08,723	43.20%	1,08,08,723	24.32%
Oikocredit Baumenhiel Development Cooperative Society U.A (Sr A1 CCPS) (*)	27,17,622	10.82%	27,17,622	6.12%
Total	2,50,18,814		4,44,37,426	

As per records of the Holding 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.

* treated as financial liabilities in accordance with Ind AS 32 and hence disclosed under note 15.

Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) of the Holding Company, please refer Note 35.1 and 35.2.

Shareholding of promoters

Sr. No.	Promoter's name	As at March 31, 2023		As at March 31, 2022	
		No of shares	% of total shares	No of shares	% of total shares
1	Gobinda Chandra Pattanaik	80,00,546	8.67%	80,00,546	10.98%
2	Dibyalyoti Pattanaik	12,18,805	1.66%	17,18,805	2.36%

Information regarding issue of shares in the last five years

a. The Holding Company has not issued any shares without payment being received in cash
b. The Holding Company has not issued any bonus shares
c. The Holding Company has not undertaken any buyback of shares

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Note 20: Instruments entirely equity in nature (In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Compulsorily convertible preference shares (30,00,000 preference shares (March 31, 2022: 30,00,000 preference shares) of Rs 10 each fully paid up)	300	300
Total	**300**	**300**

Compulsorily convertible preference shares (CCPS) will be convertible at par at the option of the holder of the instrument and the dividend is at the discretion of board of directors, on account of which the Holding Company has this instruments as equity.

Note 21: Other equity (In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	5,204	4,549
Securities premium	73,589	39,853
Stock option outstanding	1,292	1,298
Retained earnings	20,306	17,625
Other comprehensive income	11,267	8,824
Total	**1,11,658**	**72,149**

(In Rs. Lakhs)

Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	Amount
Balance as at April 1, 2021	**4,205**
Transfer from retained earnings	344
Balance as at March 31, 2022	**4,549**
Transfer from retained earnings	655
Balance as at March 31, 2023	**5,204**

(In Rs. Lakhs)

Securities premium	Amount
Balance as at April 1, 2021	**40,076**
Share issue / debenture issues expenses	(187)
Amortisation of vesting expenses of Employee stock option plan	(66)
ESOP exercised	30
Balance as at March 31, 2022	**39,853**
Issue of shares	33,822
Share issue / debenture issues expenses	(86)
Amortisation of vesting expenses of Employee stock option plan	(19)
ESOP exercised	19
Balance as at March 31, 2023	**73,589**

(In Rs. Lakhs)

Stock option outstanding	Amount
Balance as at April 1, 2021	**1,295**
Amortisation of vesting expenses of employee stock option plan	33
ESOP exercised	(30)
Balance as at March 31, 2022	**1,298**
Amortisation of vesting expenses of employee stock option plan	10
ESOP exercised	(16)
Balance as at March 31, 2023	**1,292**

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(In Rs. Lakhs)

Retained Earnings	Amount
Balance as at April 1, 2021	**16,220**
Profit for the year	1,719
Other comprehensive income	30
Transfer to statutory reserve	(344)
Balance as at March 31, 2022	**17,625**
Profit for the year	3,291
Other comprehensive income	45
Transfer to statutory reserve	(655)
Balance as at March 31, 2023	**20,306**

(In Rs. Lakhs)

Other items of Comprehensive Income (Fair valuation on portfolio & hedging)	Amount
Balance as at April 1, 2021	**7,292**
Other comprehensive income	1,532
Balance as at March 31, 2022	**8,824**
Other comprehensive income	2,443
Balance as at March 31, 2023	**11,267**

2.1 **Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)**
Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 451C of Reserve Bank of India Act 1934.

2.2 **Securities premium reserve**
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

2.3 **Stock option outstanding**
The Holding Company has established various equity settled share-based payment plans for certain categories of employees of the Holding Company. See Note 35.1 and 35.2 for further details on these plans.

2.4 **Retained earnings**
Retained earnings represent the cumulative profit/(loss) of the Group and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013.

2.5 **Other comprehensive income**
The Holding Company recognises changes in the fair value of loan portfolio held with business objective of collect and sell in other comprehensive income and fair value of derivative contracts designated as cashflow hedges. These changes are accumulated within the FVOCI reserve in equity. The Holding Company transfers amounts from this reserve to the statement of profit and loss when the loan is repaid. Any impairment loss on such instruments is reclassified immediately to the statement of profit and loss.

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Note 22: Interest income

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total
Interest income on loans	1,09,153	5,170	1,14,323	64,575	28,779	93,354
Interest income on fixed deposits with Banks	-	6,451	6,451	-	5,660	5,660
Interest income on margin money deposits with NBFC/FI	-	90	90	-	79	79
Interest income on others	-	59	59	-	63	63
Total	1,09,153	11,770	1,20,923	64,575	34,581	99,156

Note 23.1: Fees and commission income

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Loan portfolio servicing fees	24	94
Total	24	94

Note 23.2: Net gain on fair value changes*

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net gain on financial instruments at fair value through profit or loss	1,111	314
Total	1,111	314
Total fair value changes:		
- Realised	1,111	314
- Unrealised	-	-
Total	1,111	314

*includes fair value changes for mutual fund.

Note 23.3: Net gain on assignment transactions

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net gain on assignment transactions*	33,747	15,164
Total	33,747	15,164

* represents net gain accounted on derecognition of loans (assignment transactions) during the year designated at FVOCI.

Note 24: Other income

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net gain on derecognition of property, plant and equipment	-	10
Bad debt recovery	337	188
Miscellaneous income	842	363
Total	1,179	561

Note 25: Finance costs

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Interest expenses on financial assets classified at amortised cost	Interest expenses on financial assets classified at fair value through profit or loss	Total	Interest expenses on financial assets classified at amortised cost	Interest expenses on financial assets classified at fair value through profit or loss	Total
Interest on debt securities #	14,084	2,164	16,248	17,419	2,003	19,422
Interest on borrowings other than debt securities	45,496	-	45,496	31,968	-	31,968
Interest on subordinated liabilities	4,252	-	4,252	4,597	-	4,597
Interest on lease liabilities	56	-	56	16	-	16
Other borrowing costs*	479	-	479	333	-	333
Total	64,367	2,164	66,531	54,353	2,003	56,356

* consists of credit rating fees, bank charges etc.

Note 26: Impairment of Financial instruments

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total
Impairment on loan portfolio (own portfolio)	19,103	13,333	32,436	15,974	3,297	19,271
Impairment on loan portfolio (managed portfolio)	-	-	-	112	-	112
Impairment on insurance receivable	-	254	254	-	-	-
Impairment on investments in SRs	3,494	-	3,494	-	-	-
Total	22,597	13,587	36,184	16,086	3,297	19,383

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Note 27: Employee benefit expenses (In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages*	35,038	25,651
Contributions to provident fund and other funds	2,152	1,595
Gratuity expense (refer note 33)	479	379
Expenses on employee stock option plan (refer note 35.1 and 35.2)	10	33
Staff welfare expenses	1,368	940
Total	39,062	28,798

* The Holding Company has claimed grants from NATS of Rs.234.08 lakhs against stipend expenses on the trainees registered with NATS of India. The grants has been set off against the stipend of trainees.

Note 28: Depreciation and amortisation expenses (In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	1,089	818
Amortisation on intangible assets	155	288
Total	1,244	1,106

Note 29: Other expenses (In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent, taxes and energy costs	2,720	2,150
Office maintenance	700	461
Office expenses	1,137	741
Director fees, allowance and expenses	23	20
Travelling and conveyance	605	162
Communication expenses	395	309
Printing and stationery	585	375
Legal and professional fees	1,024	1,209
Auditor's fees and expenses (refer note 29.1 below)	195	141
Insurance	76	61
Provision and other contingencies	-	272
Advertisement	15	12
Training and meeting expenses	623	494
Electricity charges	242	224
Corporate social responsibility expenses (refer note 29.2 below)	121	181
Miscellaneous expense	1,058	409
Total	9,519	7,261

Note 29.1: Auditor's fees and expenses (In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor:		
Audit fee (excluding taxes)	111	74
Tax audit fee	-	-
Limited review fee	66	52
Other services (certification fees etc.)	19	16
Total	195	141

Note 29.2: Corporate social responsibility

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
(a) Amount required to be spent by the Company during the year	84	127
(b) Amount spent during the year		
(i)Construction/ acquisition of any assets	-	-
(ii)Corporate social responsibility expenses	121	181
(c) Details of related party transactions	-	-
(d) Shortfall at the end of the year	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	-	-

Note 29.3: Excess amount spent as per Section 135 (5) of the Companies Act, 2013

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Opening Balance**	-	-
Amount required to be spent during the year	84	127
Amount spent during the year	121	161
Closing balance - excess amount spent	37	34

**brought forward CSR obligation of financial year 2020-21 is NIL

Note 29.4: Details of ongoing projects for financial year 2022-23

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Opening Balance	-	-
Amount required to be spent during the year	67	67
Amount spent during the year	67	79
Closing balance - excess amount spent	-	12

Nature of CSR expenses
Promoting towards integrated development of all sections of community life with special emphasis on weaker and vulnerable groups such as women, children, elderly people including [illegible]

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Note 30: Earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit after tax as per the statement of profit and loss (In Rs. Lakhs)	3,291	1,719
Weighted average number of ordinary shares for basic earnings per share (Nos.)	**8,31,17,557**	**7,17,30,256**
Effect of dilution:		
Stock options granted under ESOP (Nos.)	39,92,949	39,42,065
Compulsorily convertible preference shares (Nos.)	67,78,773	-
Partly paid shares (Nos.)	40,96,705	3,47,939
Weighted average number of ordinary shares adjusted for effect of dilution (Nos.)	**9,79,85,984**	**7,60,20,260**
Earnings per share		
Basic earnings per share (Rs.)	3.96	2.40
Diluted earnings per share (Rs.)	3.36	2.26
Nominal Value per share (Rs.)	10	10

Note 31: Segment information

The Group is solely engaged in providing financial services to borrowers and accordingly there is only reportable business segment i.e. financial services for the purpose of Ind AS 108 on 'Operating Segments'. The Group operates in a single geographical segment i.e. domestic.

Note 32: Transfer of financial assets

Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for de-recognition, together with the associated liabilities:

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Securitisations		
Carrying amount of transferred assets measured at FVOCI	4,838	363
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	4,838	363
Fair value of transferred assets	4,838	363
Fair value of associated liabilities	4,838	363
Net position at fair value	-	-

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Note 33 Defined benefit plan

33.1 Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/assets and its components:

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	1,268	982
Current service cost	460	357
Interest cost	90	63
Past service cost	-	-
Benefits settled	(47)	(25)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	(73)	(10)
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	8	1
Transfer in	-	-
Obligation at the end of the year	1,706	1,268
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	784	475
Interest income on plan assets	71	41
Re-measurement- actuarial gain / (loss)	1	(11)
Return on plan assets recognised in other comprehensive income	-	-
Contributions	486	304
Benefits settled	(47)	(25)
Plan assets at the end of the year, at fair value	1,297	784
Net defined benefit liability	409	484

33.2 Expense recognised in profit or loss

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	460	357
Interest cost	90	63
Interest income	(71)	(41)
Net gratuity cost	479	379

33.3 Re-measurement recognised in other comprehensive income

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Re-measurement of the net defined benefit liability		
- Changes in experience adjustments	(73)	(10)
- Changes in financial assumptions	8	1
Re-measurement of the net defined benefit asset		
Return on plan assets (greater) / less than discount rate	1	(11)
Total Actuarial (gain)/ loss included in OCI	(64)	(20)

33.4 Plan assets

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Funds managed by insurer (LIC, HDFC Life Insurance, Kotak life insurance and ICICI Prudential Life Insurance)	100%	100%

33.5 Defined benefit obligation - Actuarial assumptions

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.40%	7.10%
Future salary growth	7.00%	7.00%
Expected Rate of Return on Plan Assets	7.40%	7.10%
Attrition rate	Varying between 8% per annum to 1% per annum depending on duration and age of employees	Varying between 8% per annum to 1% per annum depending on duration and age of employees
Mortality rate	IALM (2012-14) Table Ultimate	IALM (2012-14) Table Ultimate
Retirement Age (in years)	58	58
Average Future Service (in years)	28.86	28.88

33.6 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:

(In Rs. Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	1,519	1,937	1,121	1,442
Future salary growth (1% movement)	1,935	1,515	1,442	1,118
Attrition rate (1% movement)	1,701	1,713	1,255	1,276
Mortality rate (1year movement)	1,705	1,704	-	-

33.7 Expected payments in future years

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Within the next 12 months (next annual reporting period)	67	43
Between 2 and 5 years	25	218
Between 5 and 10 years	86	536
Total expected payments	178	797

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Note 34: Related party transactions

Name of the related parties (as per Ind AS 24) (Refer Note (a) below)

Relationship	Name of the party
(i) Key management personnel	Mr. Gobinda Chandra Pattanaik - Managing Director Mr. Dibyajyoti Pattanaik - Director Ms. Christina Stefanie Juhasz - Nominee Director Ms. Laetitia Courye - Nominee Director (Resigned with effect from April 18, 2022) Mr. Ranganathan Varadarajan Dilip Kumar - Nominee Director Mr. Prakash Kumar - Nominee Director (Resigned with effect from September 28, 2022) Mr. Sunit Vasant Joshi - Nominee Director Mr. Venkiteswaran Mecherimadam Ramakrishnan - Nominee Director Ms. Radhika Jayant Sharoff - Nominee Director Mr. Abhishek Agarwal - Nominee Director Mr. Ashok Ranjan Samal- Independent Director Mr. K.K. Tiwary- Independent Director Mr. Sean Leslie Nossel - Independent Director Mr. Arup Kumar - Nominee Director (with effect from September 28, 2022) Mr. Guillaume Accarain -Nominee Director (with effect from April 18, 2022) Mr. Pushkar Jauhari -Nominee Director (with effect from May 27, 2022) Mr. Satish Chava - Nominee Director (till March 3, 2022)
(ii) Subsidiary Company	Annapurna SME Finance Private Limited (incorporated on December 16, 2020)
(iii) Trust	Annapurna Employees Welfare Trust (the 'Trust')

Related Party transactions during the year:

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Key management personnel		
Salary, incentives and perquisites (Refer Note (b) below)		
Mr. Gobinda Chandra Pattanaik	268	200
Mr. Dibyajyoti Pattanaik	125	101
	393	301
Sitting fees paid		
Mr. Ashok Ranjan Samal	10	8
Mr.K.K. Tiwary	6	6
Mr. Sean Leslie Nossel	7	6
	23	20
Long term benefits#	-	-
Post - employment benefit#	-	-

Note:

a) Related parties have been identified on the basis of the declaration received by the Holding Company and other records available.

b) The above remuneration to the key managerial personnel constitute the short term employee benefits and above does not include the provisions made towards post employment gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

c) All transactions with related parties are priced at arm's length and are in the ordinary course of business.

d) The remuneration of Mr. Gobinda Chandra Pattanaik and Mr. Dibyajyoti Pattanaik is determined by the Nomination and Remuneration Committee of the Holding Company.

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Note 35.1 Employees stock option plan (ESOP)

The Holding Company provides share-based payment schemes to its key management personnel. The plan in operation as on March 31, 2021 are ESOP Series- A and ESOP - Series -B.

Particulars	Series A	Series B (i)	Series B (ii)
Date of grant	June 29, 2012	March 19, 2014	March 19, 2014
Date of board approval	June 29, 2012	March 19, 2014	March 19, 2014
Date of shareholder's approval	June 29, 2012	March 19, 2014	March 19, 2014
Number of options expected to exercise within the vesting period	8,16,214	4,16,119	20,83,304
Exercise price per share (Rs.)	2.5	5	5
Method of settlement	Equity	Equity	Equity
Vesting period	March 31, 2013	March 31, 2015	March 31, 2016
Exercise period	Immediate after vesting period subject to shareholders' approval	Immediate after vesting period subject to shareholders' approval	Immediate after vesting period subject to shareholders' approval
Vesting conditions	Performance milestones as set out in shareholder agreement dated June 29, 2012	Performance milestones as set out in shareholder agreement dated March 19, 2014	Performance milestones as set out in shareholder agreement dated March 19, 2014

The detail of the plans have been summarised below:

Series A

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of options	Exercise price (Rs.)	No. of options	Exercise price (Rs.)
Outstanding at the beginning of the year	8,16,214	-	8,16,214	-
Adjustment of opening:	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	8,16,214	-	8,16,214	-
Exercisable at the end of the year	8,16,214	-	8,16,214	-
Weighted average remaining contractual life in years	-	-	-	-

Series B

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of options	Exercise price (Rs.)	No. of options	Exercise price (Rs.)
Outstanding at the beginning of the year	24,99,423	5.00	24,99,423	5.00
Adjustment of opening:	-	-	-	-
Granted during the year	-	-		-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	24,99,423	5.00	24,99,423	5.00
Exercisable at the end of the year	24,99,423	5.00	24,99,423	5.00
Weighted Average Remaining Contractual Life in Years	-	-	-	-

Effect of share-based payment plans (ESOP) on the statement of profit and loss:

Particulars	As at March 31, 2023	As at March 31, 2022
Stock options outstanding (gross)	1,292	1,298
Deferred compensation cost outstanding	-	-
Stock options outstanding (net)	1,292	1,298

The Stock option outstanding contains of Rs 544 lakhs for ESOP (A & B) as on March 31, 2023 (March 31, 2022: Rs. 544 lakhs).

Note : The issue of shares will be in accordance with the provisions of the Companies Act, 2013.

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Note 35.2 Employee stock option plan (ESOP)

On November 30, 2016 the board of directors approved the Annapurna stock option plan 2017 for issue of stock options to eligible employees of the Holding Company. The relevant terms of the grant are as below:

Description	Grant - 2	Grant - 1
Date of grant	01 July 2018	01 July 2017
Date of board approval	30 November 2016	30 November 2016
Number of options granted	18,17,461	10,90,477
Method of settlement	Equity	Equity
Graded vesting	Vesting of the option will take place in equal proportion over a period of 3 years from the date of grant of options	
Exercise period		

The vested options can be exercised within a period of 6 years as per the table below:

End of the year	Exercise period	Exercise period
1	Within 4 years of 1st Vesting	Within 5 years of 1st Vesting
2	Within 3 years of 2nd Vesting	Within 4 years of 2nd Vesting
3	Within 2 years of 3rd Vesting	Within 3 years of 3rd Vesting

Vesting conditions	Continuous service with the Group and has not served any notice of resignation	
Weighted average remaining contractual life (years)	3 years	3 years
Weighted average exercise price per option (Rs.)	49	41

The details of activity under the plan 2017 are summarized below:

Grant 1

Description	March 31, 2023 (No. of options)	March 31, 2022 (No. of options)
Outstanding at the beginning of the year	9,05,700	9,52,800
Granted during the year	-	-
Forfeited during the year	16,600	16,100
Exercised during the year	7,700	31,000
Outstanding at the end of the year	8,79,200	9,05,700
Exercisable at the end of the year	8,79,200	9,05,700
Weighted average remaining contractual life of options (years)	-	-
Weighted average share price during the exercise period (Rs.)	41	41

Grant 2

Description	March 31, 2023 (no. of options)	March 31, 2022 (no. of options)
Outstanding at the beginning of the year	4,09,900	4,32,600
Granted during the year	-	-
Forfeited during the year	17,200	8,700
Exercised during the year	2,700	14,000
Outstanding at the end of the year	3,90,000	4,09,900
Exercisable at the end of the year	3,90,000	4,09,900
Weighted average remaining contractual life of options (years)	-	-
Weighted average share price during the exercise period (Rs.)	49	49

The black scholes valuation model has been used for computing the weighted average fair value considering the following inputs -

Particulars	Grant 2	Grant 1
Share price on the date of grant (Rs.)	90.64	76.09
Exercise price (Rs.)	49.00	41.00
Dividend yield (%)	-	-
Expected volatility (%)	56.14-57.59%	43.88% - 46.22%
Risk-free interest rate (%)	7.28-7.32%	6.60% - 6.74%
Weighted average fair value of stock options (Rs.)	61.13	48.29
Weighted average share price (Rs.)	90.64	76.09

The expected volatility reflects the assumption that is indicative of future trends, which may also not necessarily be the actual outcome. The cost of employee stock option plan has been recognised at fair value.

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Note 41.1: Risk management

1 Introduction and risk profile

Annapurna Finance Private Limited ('Group') is one of the leading microfinance institutions in India focused on providing financial support to women from low income households engaged in economic activity with limited access to financial services. The Group predominantly offers collateral free loans to women from low income households, willing to borrow in a group and agreeable to take joint liability. The wide range of lending products address the critical needs of customers throughout their lifecycle and include income generation, home improvement, sanitation and personal emergency loans. With a view to diversifying the product profile, the Group has introduced individual loans for matured group lending customers. These loans are offered to customers having requirement of larger loans to expand an existing business in their individual capacity.

The common risks for the Group are operational, business environment, political, regulatory, concentration, expansion and liquidity. As a matter of policy, these risks are assessed and steps as appropriate, are taken to mitigate the same.

1.1 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 Risk Management framework approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Group. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organisation and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Group's policy is that risk management processes throughout the Group are audited quarterly by the Internal Audit function, which examines 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 Audit Committee.

1.2 Risk mitigation and risk culture

Risk assessments shall be conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Group. Procedures shall be established to update risk assessments at appropriate intervals and to review these assessments regularly. Based on the Risk Control and Self Assessment (RCSA), the Group shall formulate its Risk Management Strategy / Risk Management plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation can be planned using the following key strategies:

Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

Risk Reduction: Employing methods/solutions that reduce the severity of the loss

Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible.

1.3 Risk measurement and reporting systems

The Management would review the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting.

- Review of business growth and portfolio quality.
- Discuss and review the reported details of PAR, Key Risk Threshold breaches (KRI's), consequent responses and review of operational loss events, if any.
- Review of process compliances including audit performance across organisation
- Review of HR management, training and employee attrition
- Review of new initiatives and product/policy/process changes
- Discuss and review performance of IT systems
- Review the status of strategic projects initiated
- Review, where necessary, policies that have a bearing on the operational risk management and recommend amendments.
- Discuss and recommend suitable controls/mitigations for managing operational risk and assure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing/mitigating the same.

1.4 Risk management strategies

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.
The following management strategies and policies shall be adopted by the Group to manage the various key risks.

Political Risk mitigation measures:
- Low cost operations and Low pricing for customers
- Customer centric Approach, High Customer Retention
- Rural Focus
- Systematic customer awareness activities
- High Social Focused Activities
- Adherence to client protection guidelines
- Robust Grievance Redressal Mechanism
- Adherence to regulatory guidelines in letter and spirit

Concentration Risk mitigation measures:
- District Centric Approach
- District Exposure Cap
- Restriction on growth in urban locations
- Maximum Disbursement Cap per loan account
- Maximum loan exposure Cap per customer
- Diversified Funding Resources

Operational & HR Risk mitigation measures:
- Stringent customer enrolment process
- Multiple products
- Proper recruitment policy and appraisal system
- Adequately trained field force
- Weekly & fortnightly collections – higher customer touch, lower amount instalments
- Multilevel monitoring framework
- Strong, independent and fully automated Internal Audit Function
- Strong IT system with access to real time client and loan data

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Note 37: Maturity analysis of assets and liabilities

The table below shows assets and liabilities analysed according to when they are expected to be recovered or settled.

(In Rs. Lakhs)

Particulars	Within 12 months	After 12 months	Total
As at March 31, 2023			
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	75,710	-	75,710
(b) Bank balance other than (a) above	52,844	31,696	84,540
(c) Derivative financial instruments	2,187	-	2,187
(d) Receivables	-	-	-
(i) Trade receivables	-	-	-
(ii) Other receivables			
(e) Loans	3,61,678	2,70,947	6,32,625
(f) Investments	-	9,549	9,549
(g) Other financial assets	16,252	23,453	39,705
Subtotal - Financial assets (A)	5,08,671	3,35,645	8,44,316
(2) Non-financial Assets			
(a) Current tax assets (net)	-	4,003	4,003
(b) Deferred tax assets (net)	-	2,822	2,822
(c) Property, plant and equipment	937	1,449	2,386
(d) Intangible assets	264	158	422
(e) Other non-financial assets	2,817	952	3,769
Subtotal - Non- financial assets (B)	4,018	9,384	13,402
Total Assets (A+B)	5,12,689	3,45,029	8,57,718
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	-	-	-
(b) Payables			
(I) Trade Payables			
(i)Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	1,836	-	1,836
(c) Debt securities	64,202	88,806	1,53,008
(d) Borrowings (other than debt securities)	3,08,908	2,10,224	5,19,132
(e) Subordinated liabilities	7,599	25,115	32,714
(f) Other financial liabilities	27,801	416	28,217
Subtotal - Financial liabilities (A)	4,10,346	3,24,562	7,34,907
(2) Non-financial liabilities			
(a) Provisions	528	795	1,323
(b) Other non-financial liabilities	724	-	724
Subtotal - Non - financial liabilities (B)	1,252	795	2,047
(3) Equity			
(a) Equity share capital	-	8,806	8,806
(b) Instruments entirely equity in nature	-	300	300
(c) Other equity	-	1,11,658	1,11,658
Subtotal - Equity (C)	-	1,20,764	1,20,764
Total Liabilities and Equity (A+B+C)	4,11,598	4,46,121	8,57,718

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(In Rs. Lakhs)

Particulars	Within 12 months	After 12 months	Total
As at March 31, 2022			
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	95,151	-	95,151
(b) Bank balance other than (a) above	34,129	61,258	95,387
(c) Derivative financial instruments	1,355	-	1,355
(d) Receivables	5	-	5
(i) Trade receivables			
(ii) Other receivables			
(e) Loans	3,55,206	1,41,476	4,96,682
(f) Other financial assets	13,405	4,846	18,251
Subtotal - Financial assets (A)	4,99,251	2,07,580	7,06,831
(2) Non-financial Assets			
(a) Current tax assets (net)		2,248	2,248
(b) Deferred tax assets (net)	-	4,810	4,810
(c) Property, plant and equipment	703	1,084	1,787
(d) Intangible assets	98	58	156
(e) Other non-financial assets	1,453	712	2,165
Subtotal - Non- financial assets (B)	2,254	8,912	11,166
Total Assets (A+B)	5,01,505	2,16,492	7,17,997
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	475	-	475
(a) Payables			
(I) Trade Payables			
(i)Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	1,397	-	1,397
(b) Debt securities	56,950	1,28,727	1,85,677
(c) Borrowings (other than debt securities)	1,79,714	2,22,699	4,02,413
(d) Subordinated liabilities	3,578	29,572	33,150
(e) Other financial liabilities	13,830	3	13,833
Subtotal - Financial liabilities (A)	2,55,944	3,81,001	6,36,945
(2) Non-financial liabilities			
(a) Provisions	417	769	1,186
(b) Other non-financial liabilities	543	-	543
Subtotal - Non - financial liabilities (B)	960	769	1,729
(3) Equity			
(a) Equity share capital	-	6,874	6,874
(b) Instruments entirely equity in nature	-	300	300
(c) Other equity	-	72,149	72,149
Subtotal - Equity (C)	-	79,323	79,323
Total Liabilities and Equity (A+B+C)	2,56,904	4,61,093	7,17,997

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Notes to the Consolidated financial statements for the year ended March 31, 2023

Note 38: Changes in liability arising from financing activities

(In Rs. Lakhs)

Particulars	As at April 1, 2022	Cash flows	Other	As at March 31, 2023
Debt securities	1,85,483	(9,004)	(23,472)	1,53,007
Borrowings other than debt securities	4,02,413	1,16,074	646	5,19,133
Subordinated liabilities	33,150	(500)	64	32,714
Lease liabilities	323	(194)	459	588
Total liabilities from financing activities	**6,21,369**	**1,06,376**	**(22,303)**	**7,05,442**

(In Rs. Lakhs)

Particulars	As at April 1, 2021	Cash flows	Other	As at March 31, 2022
Debt securities	1,73,854	11,629	-	1,85,483
Borrowings other than debt securities	2,82,307	1,20,106	-	4,02,413
Subordinated liabilities	32,275	875	-	33,150
Lease liabilities	35	(78)	366	323
Total liabilities from financing activities	**4,88,471**	**1,32,532**	**366**	**6,21,369**

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Note 39: Financial instruments – fair values

39.1 Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
There have been no transfers between Level 1 and Level 2 during the year .

(In Rs. Lakhs)

As at March 31, 2023	Carrying amount			
	FVTPL	FVTOCI	Amortised cost	Total
(1) Financial assets				
(a) Cash and cash equivalents	-	-	75,710	75,710
(b) Bank balance other than (a) above	-	-	84,540	84,540
(c) Derivative financial instruments	-	2,187	-	2,187
(d) Receivables				
(i) Trade receivables	-	-	-	-
(ii) Other receivables	-	-	-	-
(e) Loans	-	5,79,016	53,610	6,32,626
(f) Investment	-	9,549	-	9,549
(g) Other financial assets	-	-	39,705	39,705
Total - financial assets	-	**5,90,751**	**2,53,565**	**8,44,316**
(2) Financial liabilities				
(a) Derivative financial instruments	-	-	-	-
(b) Payables				
(I) Trade payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	1,836	1,836
(II) Other payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
(c) Debt securities	42,070	-	1,10,938	1,53,008
(d) Borrowings (other than debt securities)	-	-	5,19,132	5,19,132
(e) Subordinated liabilities	-	-	32,714	32,714
(f) Other financial liabilities	-	-	28,217	28,217
Total - financial liabilities	**42,070**	-	**6,92,838**	**7,34,907**

(In Rs. Lakhs)

As at March 31, 2022	Carrying amount			
	FVTPL	FVTOCI	Amortised cost	Total
(1) Financial assets				
(a) Cash and cash equivalents	-	-	95,151	95,151
(b) Bank balance other than (a) above	-	-	95,387	95,387
(c) Derivative financial instruments		1,355		1,355
(d) Receivables				
(i) Trade receivables	-	-	5	5
(ii) Other receivables	-	-	-	-
(e) Loans	-	4,08,754	87,928	4,96,682
(f) Investment	-			-
(g) Other financial assets	-	-	18,251	18,251
Total - financial assets	-	**4,10,109**	**2,96,722**	**7,06,831**
(2) Financial liabilities				
(a) Derivative financial instruments	-	475	-	475
(b) Payables				
(I) Trade payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises			1,397	1,397
(II) Other payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
(c) Debt securities	66,000	-	1,19,877	1,85,877
(d) Borrowings (other than debt securities)	-	-	4,02,413	4,02,413
(e) Subordinated liabilities	-	-	33,150	33,150
(f) Other financial liabilities	-	-	13,833	13,833
Total	66,000	475	5,70,470	6,36,945

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets/ liabilities, payables are considered to be the same as their face values, due to their short-term nature.

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39.2 **Measurement of fair values:**

Valuation techniques and significant unobservable inputs:

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

As at March 31, 2023 (In Rs. Lakhs)

Financial assets (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Loans	-	5,79,015	-	5,79,015	-
Investments	9,549				9,549
Derivative financial instruments	-	2,187	-	2,187	-
Total	**9,549**	**5,81,202**	-	**5,81,202**	**9,549**

As at March 31, 2022 (In Rs. Lakhs)

Financial assets (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Loans	-	4,08,754	-	4,08,754	-
Investments	-				
Derivative financial instruments		1,355		1,355	
Total	-	**4,10,109**	-	**4,10,109**	-

As at March 31, 2023 (In Rs. Lakhs)

Financial liabilities (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Derivative financial instruments	-	-	-	-	-
Debt securities	42,070	-	-	42,070	-
Total	**42,070**	-	-	**42,070**	-

As at March 31, 2022 (In Rs. Lakhs)

Financial liabilities (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Derivative financial instruments	-	475	-	475	-
Debt securities	66,000	-	-	66,000	-
Total	**66,000**	475	-	**66,475**	-

Valuation technique used for Loan Portfolio:

The scheduled future cash flows (including principal and interest) are discounted using the lending rate prevailing as at the balance sheet date. The discounting factor is applied assuming the cash flows will be evenly received in a month.

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Note 40: Capital management:

The Group maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Group.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Group ensures to maintain a healthy CRAR at all the times.

Capital management

The primary objectives of the Group's capital management policy are 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. The Group monitors its capital to risk weighted assets ratio (CRAR) on a monthly basis.

Note 40.1: Additional disclosures given in terms of Notification dated March 24, 2021 issued by Ministry of Corporate affairs:

(a) Title deed of immovable properties
The title deed of properties (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Group.

(b) As at March 31, 2023 and as at March 31, 2022, the Group does not have any loans and advances outstanding to promoters, directors, KMPs and the related parties, that are repayable on demand or without specifying any terms of repayment.
(c) The Group has not revalued its property, plant and equipment's (including right-of-use assets) during the current or previous year
(d) The Group has revalued its intangible assets during the current or previous year.
(e) Capital work in progress & intangible assets under development amounts to Nil as at March 31, 2023 and March 31, 2022.

(f) During the year the Group has not granted loans or advances in the nature of loans to promoters, directors, key managerial personnel's and related parties (as defined under the Act), either severally or jointly
(i) repayable on demand or
(ii) without specifying any terms or period of repayment
(g) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group.
(h) The Group has not been sanctioned any working capital limits in excess of Five crores rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, no quarterly returns filed by the Group with the banks or financial institutions.

(i) The Group has not been declared as Wilful Defaulter by any bank or financial institution or any lender.
(j) During FY2023 and FY2022, the Group did not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
(k) There is no charge which is yet to be created with ROC. Where any charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof shall be disclosed. The Group shall provide the details in relation to each charge or satisfaction that are not registered by the statutory date. Such details may include a brief description of the charges or satisfaction, the location of the Registrar, the period (in days or months) by which such charge had to be registered and the reason for delay in registration.

(l) The Group has complied with the number of layers for investments made as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(m) (i) The Group has not advanced or loaned or invested (either from borrowed fund or share premium or any other sources or other kinds of funds) in or in any other person or entities, including foreign entity ('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 ('Ultimate Beneficiaries');
- or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.

(ii) The Group has not received any funds (which are material either individually or in aggregate) from any person or entity, including foreign entity ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Group 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.

(n) The Group has not traded or invested in crypto currencies during the financial year.

(o) During the year, the Group has not entered into scheme of arrangements.

(p) The Group does not have transactions 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 Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

(q) The Holding Company has breached covenants of 18 loan facilities/ debentures with a carrying amount of INR 84,835 lakhs as at March 31, 2023. These loan facilities/ debentures are repayable in tranches within 7 years. However, these loan facilities/ debentures contained covenants like the Holding Company's GNPA, NNPA, PAR ratio, etc. at the defined intervals cannot exceed threshold mentioned in each of the agreements otherwise the lenders/ debenture holders have right to recall the loan facilities/ debentures.

The Holding Company exceeded GNPA, NNPA, PAR ratio, etc. as at March 31, 2023. However, management obtained waivers for 16 loan facilities/ debentures. Accordingly, loan facilities/ debentures with a carrying amount of INR 84,835 lakhs were not payable on demand as at March 31, 2023. The Group has performed an assessment of its liquidity position taking into account the impact of the loan covenant breaches, current liquid funds held and expected inflows from various sources of borrowings. Based on the foregoing assessment, management of the Holding Company believes that the Holding Company will be able to pay its obligations as and when these become due in the foreseeable future.

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Liquidity Risk mitigation measures:
- Diversified funding resources
- Asset Liability management
- Effective Fund management
- Maximum Cash holding Cap

Expansion Risk mitigation measures:
- Contiguous growth
- District centric approach
- Rural focus
- Branch selection based on Census Data & Credit Bureau Data
- Three level survey of the location selected

2 Impairment assessment/ credit risk (Also refer Note 8a)

Credit risk is the risk of loss that may occur from defaults by our Borrowers under our loan agreements. In order to address credit risk, we have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. We also follow a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area. Further, our client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to confirm that they meet our criteria.

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.

2.1 Definition of default, significant increase in credit risk and stage assessment

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1 includes loans for which the credit risk at the reporting date is in line with the credit risk at the initial recognition (i.e. disbursement date)

Stage 2 includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk)

Stage 3 includes default loans. A loan is considered default at the earlier of (i) the bank considers that the obligor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing collateral (if held); or (ii) the obligor is past due 90 days or more on any material credit obligation to the Group.

The Group offers products with monthly repayment frequency, and has identified the following stage classification to be the most appropriate for its Loans:
Stage 1: Low credit risk, i.e. 0 to 30 days past due
Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due (SICR)
Stage 3: Credit impaired assets, i.e. more than 90 days past due or cases where the company suspects fraud and legal proceedings are initiated (default).

2.2 Probability of default

PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each state separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of all loans in stage 1 moving into stage 3 in 12-months' time.
PD for stage 2: is derived as %age of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.
PD for stage 3: is derived as 100% considering that the default occurs as soon as the loan becomes overdue for 90 days which matches the definition of stage 3.

-Probability of default (PD) using 12 months static pool methodology is computed for each 12-month period of observation starting from March 2016 till March 2022 which is 7-years period of historical information.

2.3 Exposure at default (EAD)

EAD represents gross carrying amount at the reporting date adjusted for future estimated prepayments in case of stage 1 and stage 2. In case of stage 3 loans EAD represents gross carrying amount at the time when the default occurred for first time.

2.4 Loss given default

LGD is the opposite of recovery rate. LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.
The set of cash flow from the date of default, discounted at the contractual interest rate and divided by the exposure at default gives the LGD estimate. The default weighed historic LGD are used to align the ECL calculation to the actual scenario and to improve the predictive power of the model.

2.5 Grouping financial assets measured on a collective basis

The Group believes that the all loans disbursed in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio are treated as separate groups and the Group will separately calculate credit losses for them.

2.6 Analysis of inputs to the ECL model under multiple economic scenarios

Adjusting the ECL to reflect the expected changes (if any) in the economic environment for forward looking information in the form of management overlay.

3 Liquidity risk and funding management

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate cost and tenure. The Group may face an asset-liability mismatch caused by a difference in the maturity profile of our assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet all borrower and lender-related funding requirements.

There are liquidity risk mitigation measures put in place which helps in maintaining the following:

3.1 Diversified funding resources:

The Group treasury department secures funds from multiple sources, including banks, financial institutions and is responsible for diversifying our capital sources, managing interest rate risks and maintaining strong relationships with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies. The Group continuously seek to diversify its sources of funding to facilitate flexibility in meeting our funding requirements. Due to the composition of our loan portfolio, which also qualifies for priority sector lending, it also engages in securitization and assignment transactions.

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4 **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Group is exposed to interest rate risk as follows:

4.1 **Interest rate risk (IRR)**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We are subject to interest rate risk, principally because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately. The Group has board approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is affected through the impact on floating rate borrowings, as follows:

(In Rs. Lakhs)

	Impact on profit		Impact on pre tax equity	
Finance cost	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
0.50 % Increase	(333)	(282)	(333)	(282)
0.50 % Decrease	333	282	333	(282)

5.0 **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 arise majorly on account of foreign currency borrowings. The Group manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge. The Group currently does not have any exposure to foreign currency.

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Note 42: Additional disclosure in terms of Schedule III to the Companies Act, 2013

(In Rs. Lakhs)

Name of the entity in the Group	Net assets i.e.total assets minus total liabilities		Share in profit (or loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Holding company								
Annapurna Finance Private Limited	99.49%	1,20,765	99.44%	3,273	100.00%	2,488	100.00%	5,761
Subsidiaries								
Annapurna SME Finance Private Limited	0.43%	527	0.56%	19	0.00%	-	0.00%	-
Annapurna Employee Welfare Trust	0.08%	98	0.00%	-	0.00%	-	0.00%	-
Total	100.00%	1,21,389	100.00%	3,291	100.00%	2,488	100.00%	5,761
a) Adjustment arising out of consolidation	-	-	-	-	-	-	-	-
b) Non controlling interest in Annapurna SME Finance Private Limited	-	-	0.04%	0	-	-	-	-
Total	100.00%	1,21,389	0.60%	3,291	100.00%	2,488	100.00%	5,761

Note 43:There have been no events after the reporting date that require adjustment/ disclosure in these financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109929

Bhubaneswar
May 26, 2023

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 26, 2023

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Notes to the Consolidated financial statements for the year ended March 31, 2023

Note 35 Asset liability management:

Maturity pattern of assets and liabilities as on March 31, 2023:

(In Rs. Lakhs)

Particulars	1 to 7 days	8 to 14 days	15 days to 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Liabilities											
Borrowings	10,271	7,640	26,615	31,668	32,340	1,27,230	1,44,943	2,66,401	35,781	21,964	7,04,853
Assets											
Advances (gross)	17,007	9,312	9,643	31,044	30,199	90,956	1,73,091	2,55,660	14,697	18,880	6,50,601
Investment in fixed deposit	5,432	24,295	8,379	4,482	4,842	10,925	22,163	34,217	-	-	1,14,735

Maturity pattern of assets and liabilities as on March 31, 2022:

(In Rs. Lakhs)

Particulars	1 to 7 days	8 to 14 days	15 days to 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Liabilities											
Borrowings	4,039	6,547	14,449	23,335	21,223	1,27,177	1,26,265	2,23,360	49,604	23,241	5,21,240
Assets											
Advances (gross)	22,394	12,299	13,289	27,694	35,100	1,14,647	1,29,763	1,64,735	9,606	11,684	5,40,731
Investment in fixed deposit	20,541	37,112	9,438	9,466	16,423	13,149	21,499	24,343	1,115	-	1,83,086

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Note 40.1: Ratios

Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance	Reasons
(a) Debt Equity Ratio	Total Debts	Shareholder's fund	5.84	7.83	-25.48%	Due to conversion of CCPS into equity, shareholder's fund increased which reduced debt equity ratio.
(b) Debt service coverage ratio	-	-	NA	NA		
(c) Interest service coverage ratio	-	-	NA	NA		
(d) Outstanding redeemable preference shares (quantity and value)	-	-	-	-		
(e) Debenture redemption reserve/ capital redemption reserve	-	-	NA	NA		
(f) Net worth (Rs in Lakhs) (Total equity)	-	-	1,20,764	79,323	52.24%	The CCPS amounting Rs. has been converted into equity.
(g) Current ratio	-	-	NA	NA		
(h) Long term debt to working capital	-	-	NA	NA		
(i) Bad debts to Account receivable ratio	-	-	NA	NA		
(j) Current liability ratio	-	-	NA	NA		
(k) Total debts to total assets	Total Debts	Total assets	0.82	0.87	-5.54%	
(l) Debtors turnover	-	-	NA	NA		
(m) Inventory turnover	-	-	NA	NA		
(n) Gross non performing asset (GNPA)*	Gross Stage-III portfolio	Total gross advances	3.84%	10.03%	-61.72%	The gross stage III loans has been decreased due to loans written off.
(o) Net non performing asset (NNPA)	Net Stage-III portfolio	Total net advances	1.35%	2.86%	-52.71%	The net NPA (stage III loans) has been decreased due to loans written off.
(p) Provision coverage ratio (PCR)	Stage-III provision	Stage-III portfolio	65.78%	71.49%	-7.98%	
(q) Capital risk adequacy ratio (CRAR)	Tier I and Tier II capital	Risk weighted assets	24.65%	29.78%	-17.23%	

* Gross and net stage III loans do not include accrued interest of INR 8,993 lakhs as at March 31, 2023 (INR 7,868 lakhs as at March 31, 2022).

Note: Certain ratios/ line items marked with remark "NA" are not applicable since the Holding Company is a non banking financial company registered with RBI.

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Note 41.1: Risk management

1 **Introduction and risk profile**

Annapurna Finance Private Limited ('Group') is one of the leading microfinance institutions in India focused on providing financial support to women from low income households engaged in economic activity with limited access to financial services. The Group predominantly offers collateral free loans to women from low income households, willing to borrow in a group and agreeable to take joint liability. The wide range of lending products address the critical needs of customers throughout their lifecycle and include income generation, home improvement, sanitation and personal emergency loans. With a view to diversifying the product profile, the Group has introduced individual loans for matured group lending customers. These loans are offered to customers having requirement of larger loans to expand an existing business in their individual capacity.

The common risks for the Group are operational, business environment, political, regulatory, concentration, expansion and liquidity. As a matter of policy, these risks are assessed and steps as appropriate, are taken to mitigate the same.

1.1 **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 Risk Management framework approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Group. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organisation and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Group's policy is that risk management processes throughout the Group are audited quarterly by the Internal Audit function, which examines 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 Audit Committee.

1.2 **Risk mitigation and risk culture**

Risk assessments shall be conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Group. Procedures shall be established to update risk assessments at appropriate intervals and to review these assessments regularly. Based on the Risk Control and Self Assessment (RCSA), the Group shall formulate its Risk Management Strategy / Risk Management plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation can be planned using the following key strategies:

Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

Risk Reduction: Employing methods/solutions that reduce the severity of the loss

Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible.

1.3 **Risk measurement and reporting systems**

The Management would review the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting.

- Review of business growth and portfolio quality.
- Discuss and review the reported details of PAR, Key Risk Threshold breaches (KRI's), consequent responses and review of operational loss events, if any.
- Review of process compliances including audit performance across organisation
- Review of HR management, training and employee attrition
- Review of new initiatives and product/policy/process changes
- Discuss and review performance of IT systems
- Review the status of strategic projects initiated
- Review, where necessary, policies that have a bearing on the operational risk management and recommend amendments.
- Discuss and recommend suitable controls/mitigations for managing operational risk and assure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing/mitigating the same.

1.4 **Risk management strategies**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.
The following management strategies and policies shall be adopted by the Group to manage the various key risks.

Political Risk mitigation measures:
- Low cost operations and Low pricing for customers
- Customer centric Approach, High Customer Retention
- Rural Focus
- Systematic customer awareness activities
- High Social Focused Activities
- Adherence to client protection guidelines
- Robust Grievance Redressal Mechanism
- Adherence to regulatory guidelines in letter and spirit

Concentration Risk mitigation measures:
- District Centric Approach
- District Exposure Cap
- Restriction on growth in urban locations
- Maximum Disbursement Cap per loan account
- Maximum loan exposure Cap per customer
- Diversified Funding Resources

Operational & HR Risk mitigation measures:
- Stringent customer enrolment process
- Multiple products
- Proper recruitment policy and appraisal system
- Adequately trained field force
- Weekly & fortnightly collections – higher customer touch, lower amount instalments
- Multilevel monitoring framework
- Strong, independent and fully automated Internal Audit Function
- Strong IT system with access to real time client and loan data

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Liquidity Risk mitigation measures:
- Diversified funding resources
- Asset Liability management
- Effective Fund management
- Maximum Cash holding Cap

Expansion Risk mitigation measures:
- Contiguous growth
- District centric approach
- Rural focus
- Branch selection based on Census Data & Credit Bureau Data
- Three level survey of the location selected

2 Impairment assessment/ credit risk (Also refer Note 8a)

Credit risk is the risk of loss that may occur from defaults by our Borrowers under our loan agreements. In order to address credit risk, we have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. We also follow a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area. Further, our client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to confirm that they meet our criteria.

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.

2.1 Definition of default, significant increase in credit risk and stage assessment

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1 includes loans for which the credit risk at the reporting date is in line with the credit risk at the initial recognition (i.e. disbursement date)

Stage 2 includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk)

Stage 3 includes default loans. A loan is considered default at the earlier of (i) the bank considers that the obligor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing collateral (if held); or (ii) the obligor is past due 90 days or more on any material credit obligation to the Group.

The Group offers products with monthly repayment frequency, and has identified the following stage classification to be the most appropriate for its Loans:
Stage 1: Low credit risk, i.e. 0 to 30 days past due
Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due (SICR)
Stage 3: Credit impaired assets, i.e. more than 90 days past due or cases where the company suspects fraud and legal proceedings are initiated (default).

2.2 Probability of default

PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each state separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of all loans in stage 1 moving into stage 3 in 12-months' time.
PD for stage 2: is derived as %age of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.
PD for stage 3: is derived as 100% considering that the default occurs as soon as the loan becomes overdue for 90 days which matches the definition of stage 3.

•Probability of default (PD) using 12 months static pool methodology is computed for each 12-month period of observation starting from March 2016 till March 2022 which is 7-years period of historical information.

2.3 Exposure at default (EAD)

EAD represents gross carrying amount at the reporting date adjusted for future estimated prepayments in case of stage 1 and stage 2. In case of stage 3 loans EAD represents gross carrying amount at the time when the default occurred for first time.

2.4 Loss given default

LGD is the opposite of recovery rate. LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.
The set of cash flow from the date of default, discounted at the contractual interest rate and divided by the exposure at default gives the LGD estimate. The default weighed historic LGD are used to align the ECL calculation to the actual scenario and to improve the predictive power of the model.

2.5 Grouping financial assets measured on a collective basis

The Group believes that the all loans disbursed in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio are treated as separate groups and the Group will separately calculate credit losses for them.

2.6 Analysis of inputs to the ECL model under multiple economic scenarios

Adjusting the ECL to reflect the expected changes (if any) in the economic environment for forward looking information in the form of management overlay.

3 Liquidity risk and funding management

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate cost and tenure. The Group may face an asset-liability mismatch caused by a difference in the maturity profile of our assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet all borrower and lender-related funding requirements.

There are liquidity risk mitigation measures put in place which helps in maintaining the following:

3.1 Diversified funding resources:

The Group treasury department secures funds from multiple sources, including banks, financial institutions and is responsible for diversifying our capital sources, managing interest rate risks and maintaining strong relationships with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies. The Group continuously seek to diversify its sources of funding to facilitate flexibility in meeting our funding requirements. Due to the composition of our loan portfolio, which also qualifies for priority sector lending, it also engages in securitization and assignment transactions.

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4 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Group is exposed to interest rate risk as follows:

4.1 Interest rate risk (IRR)

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We are subject to interest rate risk, principally because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately. The Group has board approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is affected through the impact on floating rate borrowings, as follows:

(In Rs. Lakhs)

	Impact on profit		Impact on pre tax equity	
Finance cost	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
0.50 % Increase	(333)	(282)	(333)	(282)
0.50 % Decrease	333	282	333	(282)

5.0 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 arise majorly on account of foreign currency borrowings. The Group manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge. The Group currently does not have any exposure to foreign currency.

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Annapurna Finance Private Limited
Notes to the Consolidated financial statements for the year ended March 31, 2023

Note 42: Additional disclosure in terms of Schedule III to the Companies Act, 2013

(In Rs. Lakhs)

Name of the entity in the Group	Net assets i.e.total assets minus total liabilities		Share in profit (or loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Holding company								
Annapurna Finance Private Limited	99.49%	1,20,765	99.44%	3,273	100.00%	2,488	100.00%	5,761
Subsidiaries								
Annapurna SME Finance Private Limited	0.43%	527	0.56%	19	0.00%	-	0.00%	-
Annapurna Employee Welfare Trust	0.08%	98	0.00%	-	0.00%	-	0.00%	-
Total	100.00%	1,21,389	100.00%	3,291	100.00%	2,488	100.00%	5,761
a) Adjustment arising out of consolidation	-	-	-	-	-	-	-	-
b) Non controlling interest in Annapurna SME Finance Private Limited	-	-	0.04%	0	-	-	-	-
Total	100.00%	1,21,389	0.60%	3,291	100.00%	2,488	100.00%	5,761

Note 43: There have been no events after the reporting date that require adjustment/ disclosure in these financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 26, 2023

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 26, 2023

ANNAPURNA FINANCE PVT. LTD. INDIA

B S R & Co. LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of Annapurna Finance Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Annapurna Finance 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 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.

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.

Impairement of loans to customers

Refer to the accounting policies in "Note 3 (12) (A) (III)" to the standalone financial statements: Impairment of financial assets", "Note 3 (2.5) to the standalone financial statements: Significant Accounting Policies - use of estimates and judgments" and "Note 8 to the standalone financial statements: Loans"

Charge: INR 17,406 lakhs for the year ended 31 March 2023 Provision: INR 18,397 lakhs as at 31 March 2023	**How the matter was addressed in our audit**
Subjective Estimate Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss ("ECL") estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: a) Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data used to create assumptions in the model. b) Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. c) Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant judgement is applied in determining the economic scenarios used and the probability weights applied to them. 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 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 audit procedures in this area, among others to obtain sufficient audit evidence: **Testing of design and operating effectiveness of controls:** Performing end to end process walkthroughs to identify the key systems, applications and controls used in computation of ECL. Testing the relevant manual control, general IT and application controls over information used in the computation of ECL. Key aspects of our controls testing involved the following: a) Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models. b) Testing the 'Governance Framework' controls over evaluation, implementation and model monitoring in line with the guidelines issued by Reserve Bank of India. c) Testing the design and operating effectiveness of the key controls over the application of the staging criteria. d) Testing key controls relating to selection and implementation of key macro-economic variables and the controls over the scenario selection and application of probability weights. e) Testing key controls operating over the information used in the computation of ECL including system access, change management, program development and computer operations. **Involvement of specialists -** We involved financial risk modelling specialists for the following: a) Evaluating the Company's Ind AS 109 impairment methodologies and assumptions used. b) Evaluating the relevance of inputs used in the model for computation of ECL. **Test of details:** Key aspects of our testing included:

	a) Testing samples over key inputs, data and assumptions impacting ECL computations to assess the completeness, accuracy and relevance of data, economic forecasts, weights, and model assumptions applied. b) Testing model computations through re-performance on sample basis, where applicable.

Information Technology	
The key audit matter Information Technology (IT) systems and controls	**How the matter was addressed in our audit**
The Company's key financial accounting and reporting processes are dependent on the automated controls in the information systems. There exists a risk in the IT control environment which could result in the financial accounting and reporting records being misstated.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient audit evidence for scoped in application: a) Evaluating the design, implementation and operating effectiveness of the scoped-in IT systems. b) Testing a sample of key controls operating over the information technology in relation to financial accounting and reporting systems. c) Testing the design and operating effectiveness of a sample of key controls over user access management. Access management includes granting access rights, access right modification, removal of user rights and preventative controls designed to enforce segregation of duties. d) Reperforming procedures to determine the operating effectiveness of application controls over financial and reporting systems. e) Testing change management control for information technology application / General IT controls which were changed during the year. f) Assessing other areas including password policies, system configurations, controls over changes to applications, privileged access to applications and operating system or databases is restricted to authorized personnel. g) Performing alternate procedures by testing compensatory controls for areas where IT systems and controls were not relied upon.

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 Company's annual report, but does not include the financial statements and auditor's report thereon. The Company's 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.

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 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 of the Company as on 31 March 2023 taken on record by the Board of Directors of the Company , none of the directors of the Company 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 does not have any pending litigations which would impact its financial position.

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 Note 6 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 their knowledge and belief, as disclosed in the Note 40(m)(i) 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 their knowledge and belief, as disclosed in the Note 40(m)(ii) 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.

Independent Auditor's Report *(Continued)*

Annapurna Finance Private Limited

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

Sameer Mota

Partner

Membership No.: 109928

ICAI UDIN:23109928BGYAYC9055

Place: Bhubaneswar

Date: 26 May 2023

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Annapurna Finance 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 year. In accordance with this programme, all 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 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) The Company is a non deposit taking NBFC, primarily providing loans. Accordingly, it does not hold any physical inventories. Accordingly, clause 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 a financial institution on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such financial institution 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 not provided any guarantee or security or advances in the nature of loans to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments and granted secured or unsecured loans to companies, firms, limited liability partnership or any other party during the year in respect of which the requisite information is as below.

(a) As the Company's principal business is to give loans, clause 3(iii)(a) of the Order is not applicable.

(b) According to the information and explanantions given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company, has not provided any gurantee or security or advances in the nature of loans to companies, firms, limited liability partnership, or other parties, 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 Annapurna Finance Private Limited for the year ended 31 March 2023 *(Continued)*

principal and payment of interest has been stipulated and the receipts have been regular except for the following:

Amount in Lakhs	Number of delays	Extent of delay
10,402	432,188	1-29 days
1,478	64,789	30-59 days
1,471	36,619	60-89 days
88,532	607,166	90 days and above

For the following case, where there is no stipulation of schedule of repayment of principal, we are unable to comment on the regularity of repayment of principal:

Name of the entity	Amount as at 31 March 2023	Remarks
Annapurna Employees welfare trust	9,855,075	There is not stipulation of schedule of repayment of principal

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 Rs. 24,632 lakh (principal amount) and Rs 1,208 lakh (interest) overdue for more than ninety days 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) As the Company's principal business 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, in our opinion 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 except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act");.

	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan - Repayable on demand (A)	-	-	-
- Agreement does not specify any terms or period of	9,855,075	-	9,855,075

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Annapurna Finance Private Limited for the year ended 31 March 2023 *(Continued)*

	All Parties	Promoters	Related Parties
Repayment (B)			
Total (A+B)	9,855,075	-	9,855,075
Percentage of loans/advances in nature of loan to the total loans	0.02%	-	0.02%

(iv) 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 given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(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, Duty of customs, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

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, 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 professional tax.

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, 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, statutory dues relating to Goods and Service Tax and Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,666	Assessment year 2017 - 2018	Commissionerof Income Tax (Appeals)

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Annapurna Finance Private Limited for the year ended 31 March 2023 *(Continued)*

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Goods and Service Tax and Central Excise, Bhubaneswar	Service Tax	86	Assessment year 2014 - 2015	Customs, Excise and Service tax appellate Tribunal, East Zonal Bench, Kolkata

(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 management, term loans were applied for the purpose for which the loans were obtained, other than Rs 83,800 lakhs which remain unutilized as at 31 March 2023 out of which term loans amounting to Rs 35,700 lakhs were received towards the end of the year. The Company has temporarily invested such unutilized balance in fixed deposits as at 31 March 2023.

(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 short-term funds have been raised 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 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 (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 made preferential allotment of compulsory convertible preference shares ('CCPS') on a private placement basis during the year. In our opinion, in respect of preferential allotment on a private placement basis of CCPS made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of CCPS 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, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

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Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Annapurna Finance Private Limited for the year ended 31 March 2023 *(Continued)*

(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) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(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 guarantee nor any assurance that all liabilities falling due within a period of one year from the

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Annapurna Finance Private Limited for the year ended 31 March 2023 *(Continued)*

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

Sameer Mota

Partner

Membership No.: 109928

ICAI UDIN:23109928BGYAYC9055

Place: Bhubaneswar

Date: 26 May 2023

Annexure B to the Independent Auditor's Report on the standalone financial statements of Annapurna Finance 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 Annapurna Finance 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.

Annexure B to the Independent Auditor's Report on the standalone financial statements of Annapurna Finance 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 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

Sameer Mota

Partner

Membership No.: 109928

ICAI UDIN:23109928BGYAYC9055

Place: Bhubaneswar

Date: 26 May 2023

Annapurna Finance Private Limited
Standalone Balance Sheet as at March 31, 2023

(In Rs. Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	4	75,679	95,134
(b) Bank balance other than (a) above	5	84,034	94,889
(c) Derivative financial instruments	6	2,187	1,355
(d) Receivables			
(i)Trade receivables	7	-	5
(ii)Other receivables		-	-
(e) Loans	8	6,32,625	4,96,682
(f) Investments	9	10,049	500
(g) Other financial assets	9.1	39,800	18,327
Subtotal - financial assets (A)		**8,44,374**	**7,06,892**
(2) Non-financial assets			
(a) Current tax assets (net)	10.1	4,007	2,251
(b) Deferred tax assets (net)	10.2	2,828	4,810
(c) Property, plant and equipment	11	2,386	1,787
(d) Intangible assets	13	422	156
(e) Other non-financial assets	9.2	3,768	2,165
Subtotal - non- financial assets (B)		**13,411**	**11,169**
Total assets (A+B)		**8,57,785**	**7,18,061**
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	6	-	475
(b) Payables			
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	14	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,836	1,398
(II) Other Payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt securities	15	1,53,008	1,85,677
(d) Borrowings (other than debt securities)	16	5,19,132	4,02,413
(e) Subordinated liabilities	17	32,714	33,150
(f) Other financial liabilities	17.3	28,217	13,830
Subtotal - financial liabilities (A)		**7,34,907**	**6,36,943**
(2) Non-financial liabilities			
(a) Provisions	18	1,323	1,186
(b) Other non-financial liabilities	17.4	724	543
Total non- financial liabilities (B)		**2,047**	**1,729**
Total liabilities		**7,36,954**	**6,38,672**
(3) Equity			
(a) Equity share capital	19	8,813	6,880
(b) Instruments entirely equity in nature	20	300	300
(c) Other equity	21	1,11,718	72,209
Subtotal - equity (C)		**1,20,831**	**79,389**
Total liabilities and equity (A+B+C)		**8,57,785**	**7,18,061**

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 26, 2023

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

ANNAPURNA FINANCE PVT. LTD. INDIA

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 26, 2023

Annapurna Finance Private Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2023

(In Rs. Lakhs)

	Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
	Revenue from operations			
	(i) Interest income	22	1,20,896	99,144
	(ii) Fees and commission income	23.1	24	94
	(iii) Net gain on fair value changes	23.2	1,111	314
	(iv) Net gain on assignment transactions	23.3	33,747	15,164
(I)	**Total revenue from operations**		1,55,778	1,14,716
(II)	Other Income	24	1,179	561
(III)	**Total income (I + II)**		1,56,957	1,15,277
	Expenses			
	Finance costs	25	66,531	56,356
	Impairment of financial instruments	26	36,184	19,383
	Employee benefits expenses	27	39,062	28,798
	Depreciation, amortisation and impairment	28	1,244	1,106
	Other expenses	29	9,518	7,259
(IV)	**Total expenses**		1,52,539	1,12,902
(V)	**Profit before tax (III-IV)**		4,418	2,375
(VI)	**Tax expense:**			
	Current tax	10.3	-	3,220
	Deferred tax		1,146	(2,558)
(VII)	**Profit for the year (V-VI)**		3,272	1,713
(VIII)	**Other comprehensive income (OCI)**			
	A Items that will not be reclassified to profit or loss			
	Remeasurement of the defined benefit liabilities	33.3	60	40
	Income tax relating to items that will not be reclassified to profit or loss	10.3	(15)	(10)
	Subtotal (A)		45	30
	B Items that will be reclassified to profit or loss			
	Fair value of loans and advances and cash flow hedges through other comprehensive income		3,264	2,047
	Income tax relating to items that will be reclassified to profit or loss	10.3	(821)	(515)
	Subtotal (B)		2,443	1,532
	Other Comprehensive Income (A+B)		2,488	1,562
(IX)	**Total comprehensive income for the year (VII)+(VIII)**		5,760	3,275
(X)	**Earnings per equity share (face value of ₹10 each)**			
	Basic (Rs.)	30	3.93	2.39
	Diluted (Rs.)		3.34	2.25

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 26, 2023

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 26, 2023

Annapurna Finance Private Limited
Standalone Statement of Cash Flows for the year ended March 31, 2023

(In Rs. Lakhs)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Cash flows from operating activities		
Profit before tax	4,418	2,375
Adjustments for:		
Depreciation, amortisation and impairment	1,244	1,106
Impairment on financial instruments	36,184	19,383
Provision for insurance claim receivable and others	-	272
Profit on sale of current investments	(1,111)	(314)
Profit on sale of property, plant and equipment	-	(10)
Net gain on derecognition of financial instruments	(33,747)	(15,164)
Share based payments to employees	10	33
Interest income	(1,14,382)	(99,144)
Finance cost	66,475	56,356
Operating loss before working capital changes	(40,909)	(35,107)
Movements in working capital:		
Decrease in other financial and non financial assets	10,670	2,292
Increase/ (Decrease) in bank balance other than cash and cash equivalents	10,855	(12,708)
Decrease in trade receivables	5	32
Increase in loans	(1,81,975)	(1,19,474)
Increase in other financial and non financial liabilities	17,245	5,914
Increase in provisions	137	152
Increase in trade payables	438	64
Cash used in operations	(1,83,634)	(1,68,835)
Interest received	1,15,793	97,136
Finance cost paid	(67,301)	(52,013)
Income tax paid (net of refunds)	(1,756)	(5,346)
Net cash flows used in operating activities (A)	(1,36,798)	(1,19,058)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,282)	(1,109)
Proceeds from sale of property, plant and equipment	-	34
Purchase of intangible assets	(424)	(344)
Purchase of current investments	(3,80,300)	(2,28,100)
Proceeds from sale of current investments	3,81,411	2,28,414
Net cash flows used in investing activities (B)	(595)	(1,105)
Cash flows from financing activities		
Proceeds from issuance of equity share capital (including securities premium)	11,648	38
Proceeds from debt securities	33,563	22,779
Repayment of debt securities	(42,567)	(12,312)
Repayment of lease liabilities	(194)	(81)
Proceeds from borrowings (other than debt securities)	4,09,781	3,21,344
Repayment of borrowings (other than debt securities)	(2,93,707)	(2,03,095)
Proceeds of subordinated liabilities	2,000	4,490
Repayment of subordinated liabilities	(2,500)	(3,614)
Share issue expenses	(86)	(187)
Net cash flows generated from financing activities (C)	1,17,938	1,29,162
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(19,455)	8,999
Cash and cash equivalents at the beginning of the year	95,134	86,135
Cash and cash equivalents at the end of the year (Refer note 4)	75,679	95,134
Components of cash and cash equivalents at the end of the year		
Balances with banks:		
on current accounts	48,355	37,950
deposit with original maturity of less than three months	27,102	56,687
Cash on hand	222	497
Total cash and cash equivalents at the end of the year	75,679	95,134

Note:

The above cash flow statement has been prepared under the indirect method set out in Ind-AS 7 - Statement of Cash Flow.
Refer note 36 for cash flow related disclosure as per Ind-AS 7.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 26, 2023

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 26, 2023

Annapurna Finance Private Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2023

a. Equity share capital

Current reporting period
Refer Note 19

(In Rs. Lakhs)

Balance at the beginning of April 01, 2022	Changes in equity share capital due to prior period errors	Restated balance at the beginning of April 01, 2022	Changes in equity share capital during April 01, 2022 to March 31, 2023	Balance at the end of March 31, 2023
6,880	-	-	1,933	8,813

Previous reporting period

(In Rs. Lakhs)

Balance at the beginning of April 01, 2021	Changes in equity share capital due to prior period errors	Restated balance at the beginning of April 01, 2021	Changes in equity share capital during April 01, 2021 to March 31, 2022	Balance at the end of March 31, 2022
6,872	-	-	8	6,880

b. Instruments entirely equity in nature

Current reporting period
Refer Note 20

(In Rs. Lakhs)

Balance at the beginning of April 01, 2022	Changes in compulsorily convertible preference shares due to prior period errors	Restated balance at the beginning of April 01, 2022	Changes in compulsorily convertible preference shares during April 01, 2022 to March 31, 2023	Balance at the end of March 31, 2023
300	-	-	-	300

Previous reporting period

(In Rs. Lakhs)

Balance at the beginning of April 01, 2021	Changes in compulsorily convertible preference shares due to prior period errors	Restated balance at the beginning of April 01, 2021	Changes in compulsorily convertible preference shares during April 01, 2021 to March 31, 2022	Balance at the end of March 31, 2022
300	-	-	-	300

c. Other equity
Refer Note 21

(In Rs. Lakhs)

Reserves and surplus	Statutory reserve (as required by Sec 45-IC of Reserve Bank of India Act, 1934)	Securities premium	Stock option outstanding	Retained earnings	Other items of comprehensive income (fair valuation on portfolio and cashflow hedges)	Total
Balance as at April 1, 2021	4,206	40,076	1,295	16,220	7,292	69,088
Profit for the year	-	-	-	1,713	-	1,713
Other comprehensive income	-	-	-	30	1,532	1,562
Total comprehensive income for the year	-	-	-	1,743	1,532	3,275
Transfer to/ from retained earnings	343	-	-	(343)	-	-
Share issue/ debenture issues expenses	-	(187)	-	-	-	(187)
Amortization of vesting expenses of Employee Stock Option Plan ('ESOP')	-	-	33	-	-	33
ESOP exercised	-	30	(30)	-	-	-
Balance as at March 31, 2022	4,648	39,919	1,298	17,620	8,824	72,209
Profit for the year	-	-	-	3,272	-	3,272
Other comprehensive income	-	-	-	45	2,443	2,488
	-	-	-	3,317	2,443	5,760
Transfer to/ from retained earnings	654	-	-	(654)	-	-
Issue of shares		33,822				33,822
Share issue / debenture issues expenses	-	(86)	-	-	-	(86)
Amortization of vesting expenses of Employee Stock Option Plan ('ESOP')	-	-	10	-	-	10
ESOP exercised	-	19	(16)	-	-	3
Balance as at March 31, 2023	5,202	73,674	1,292	20,283	11,267	1,11,718

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 26, 2023

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
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Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 26, 2023

ANNAPURNA FINANCE PVT. LTD. INDIA

1 Corporate information

Annapurna Finance Private Limited ('the Company') is a private Company incorporated in India. The Company is registered as a non-deposit taking Non-Banking Financial Company ('NBFC-ND') with Reserve Bank of India ('RBI') and classified as a Non-Banking Financial Company – Micro Finance Institution ("NBFC-MFI") with effect from October 22, 2013.

The Company's registered office is at Bhubaneswar, Odisha, India. Its debentures are listed on a recognised stock exchange in India.

The Company is engaged primarily in providing micro finance services to women in rural areas of India, who are enrolled as members and organized as Self Help Groups ('SHG') and Joint Liability Group ('JLG').

The Board of Directors approved the standalone financial statements (the 'financial statements') for the year ended March 31, 2023 and authorized for issue on May 26, 2023.

2 Basis of preparation of financial statements

2.1 Statement of compliance

The financial statements of the Company 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 the Companies Act, 2013 (the 'Act') and the other relevant provisions of the Act. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The preparation of the financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 3.1 - Significant accounting judgements, estimates and assumptions.

2.2 Basis of measurement

The financial statements have been prepared on historical cost basis except for the following items, which are measured on an alternative basis on each reporting date

Items basis	Measurement
Derivative financial instruments	Fair value
Equity securities at FVTPL	Fair value
Liabilities for share based payments arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligation

2.3 Functional and presentation currency

The financial statements are presented in Indian rupees, which is the functional currency of the Company. All amounts have been rounded off to nearest lakhs, unless otherwise indicated.

2.4 Presentation of financial statements

The financial statements of the Company are presented as per Schedule III (Division III) of the Act applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). The statement of cash flows has been presented using indirect method as per the requirements of Ind AS 7 statement of cash flows.

2.5 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities and disclosures of contingent liabilities at the date of the financial statements and reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised prospectively.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in following notes :

(i) Judgements

Information about judgements 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 :

Business model assessment

Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Classification and measurement of financial assets depends on the results of the SPPI and the business model 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 amortized cost or fair value through other comprehensive income that are derecognized 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.

Impairment of financial assets

The Company establishes criteria for determining whether credit risk of the financial assets has increased significantly since initial recognition, determines methodology for incorporating forward looking information into the measurement of expected credit loss ('ECL') and selection of models used to measure ECL.

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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 carried out in establishing fair values. Judgments and estimates take into account liquidity and model inputs associated with such items as credit risk (own and counterparty), funding value adjustments, correlation and volatility.

(ii) Assumption and estimation uncertainties

Information about assumption and estimation uncertainties at the reporting date that have a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities within the next financial year is included in the following notes :

a) Note 3 (12)(A)(III) - Impairment allowances of financial assets based on the expected credit loss model.
b) Note 3(6)(i) and 3(6)(ii)- Useful lives of property, plant and equipment and intangible assets.
c) Note 3(9) and 33- Measurement of assets and obligations of defined benefit employee plans.
d) Note 3(3)(b) and 10 - Recoverability and recognition of deferred tax assets.
e) Note 3(10) - Measurement of provisions, contingent liabilities and contingent assets
f) Note 2(6) and 39 - Fair value measurement of financial instruments.
g) Note 3(12)(A)(I)(a)- Effective interest rate ('EIR') methodology that represents the best estimate of a constant rate of return over the expected behavioural life of financial instruments.
h) Note 3(7)- Determination of lease term where the Company is a lessee.

2.5 Measurement of fair value

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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.

Fair value measurements under Ind AS 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: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date.

3 Significant accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Foreign currency transactions

The financial statements are presented in Indian rupees, which is the functional currency of the Company.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences are recognised in the statement of profit and loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalised as part of borrowing costs.

3.2 Revenue recognition

Revenue from operations

(a) Income on loans arising from financing activities

Interest income is recognised by applying the effective interest rate ('EIR') to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset.
The EIR in case of a financial asset is computed as follows :

- the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

- by considering all the contractual terms of the financial instrument in estimating the cash flows.

- including all fees/ service charges and incentives paid and received between parties to the contract that are an integral part of the EIR , transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

(b) Net gain on assignment transactions

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS is based on the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

(c) Fees and commission income

Fees and commissions which do not form part of the EIR calculation are recognised when the Company satisfies the performance obligation over time and are accrued as and when they are due.

(d) Government Grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to the grant and the grant will be received. The grants are recognised as income in the statement of profit and loss over the periods necessary to match them with the related costs that they are intended to compensate. The grants received, if any, against any reimbursement of expenses are set off against such expenses in the year they occur with meeting the specific conditions or restrictions, if any.

Other Income

Other income are recognised when the Company satisfies the performance obligation over time and are accrued as and when they are due.

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3.3 Income taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the statement of profit and loss except when they relate to items that are recognised outside the statement of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside the statement of profit and loss.

(a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the current year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the assets and settle the liability on net basis or simultaneously

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between carrying amount 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 losses and tax credits.
Temporary difference in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising the deferred tax.

Deferred tax assets are recognised for unused tax losses, unused tax credit and deductible temporary difference to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary difference is insufficient to recognise a deferred tax asset in full ,then future taxable profits, adjusted for reversals of existing temporary difference, are considered. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improve.

Deferred tax assets are 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 which the Company expects, at the reporting date, to recover or settle the carrying amount of assets or 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, but they intend to settle current tax liabilities and assets on a net basis or tax tax assets and liabilities will be realised simultaneously.

3.4 Cash and cash equivalents

Cash and cash equivalents, comprise cash on hand, cash at bank and deposits with an original maturity of three months or less, that are readily convertible to insignificant risk of changes in value.

3.5 Earning per share

Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

3.6 Property, plant and equipment (PPE) and intangible assets

(i) Recognition and measurement

Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. Cost includes purchase price, non-refundable taxes and levies and other directly attributable costs of bringing the assets to its location and working condition for its intended use.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods, and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses, are charged to the statement of profit and loss during the period in which they are incurred.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss, arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

(ii) Depreciation and amortization

Depreciation

Depreciation on property, plant and equipment is measured using the written down value method at the rates arrived based on the useful lives of the assets, prescribed under Schedule II of the Act, which also represents the estimate of the useful life of the assets by the management. The useful life estimated by the management is as under:

Category of asset	Useful life (Years)
Furniture and fittings	10
Office equipments	5
Vehicles	8
Computers	3

Amortisation

Intangible assets are amortized on a written down value method over the estimated useful economic life. Management has determined its estimate of useful economic life as 1-3 years. The useful lives of intangible assets are reviewed at each financial year and adjusted prospectively.

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Change in estimate

After initial recognition of its intangible assets, the Company has chosen to follow Cost Model as its accounting policy for subsequent recognition wherein it has adapted reducing balance method to amortise its assets systematically over its useful life.

The intangible assets held by the Company have a finite useful life. The residual value of an intangible asset with a finite useful life has been assumed to be zero unless there is a commitment by a third party to purchase the asset at the end of its useful life; or there is an active market for the asset and:
(i) residual value can be determined by reference to that market; and

(ii) it is probable that such a market will exist at the end of the asset's useful life .

Previously, the Company has been estimating the residual value to be zero as a result of which amortisation expense during the year stood at 98% of carrying value during the first year itself. Whereas the pattern of consumption of the future economic benefits embodied in the asset is spread over a period greater than a year. It has been now assessed that the correctness of measurement of residual value cannot be validated. It now deems it appropriate to amortize its intangible assets using the straight line method systematically over its useful life. Change in accounting estimate has been carried out in the current year in adherence with Ind AS 38.The change has been accounted for as a change in accounting estimate as it is a modification of carrying amount resulting from evaluation of current status of, and expected future advantages linked with the asset.

Further, with reference to Ind AS 8, a change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors.

Such change in estimate would result in more accurate accounting with respect to intangible asset thereby ensuring preparation and presentation of financial statements in true and fair manner.

3.7 Leases :

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.
Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, ranging from 1 to 10 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3.8 Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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Short term lease and leases of low value assets

Company(lessee) chooses to apply recognition exemption option under Ind AS 116 for lease of branch office spaces fulfilling the required criteria. As per Ind AS 116, the lessee can elect not to apply Ind AS 116's recognition requirements to:

1) Short-term leases and
2) Leases for which underlying asset is of low value

In such cases the lessee shall recognise the lease payments associated with those leases as an expense on a straight-line basis over the lease term or another systematic basis that faithfully represents pattern of lessee's benefit.

Short term lease, as defined by the standard, is a lease that at the commencement date has a lease term of 12 months or less and does not include an option to purchase the underlying asset. Such determination is made at the commencement date and cannot be subsequently reduced to less than 12 months. Ind AS 116 does not explicitly define the leases of low value assets. However it must fulfil both the criteria : (i) benefit flows to the lessee from the use of underlying asset (ii) underlying asset is not highly dependant or interrelated with other assets.

Company lease assets are in adherence with both the above criteria as lease term for such assets is defined at 11 months. Also, branch offices are cognate to business activities and are neither dependant or interrelated to other business activities.

Therefore, to ascertain the second criteria unambiguously, the company proposes to establish the maximum value exceeding which a leased asset would be recognised as per Ind AS 116.

Such value has been set at Rs 30,000 per month per branch viz. assets where lease rental is below the set limit would be eligible for recognition exemption under Ind AS 116.

3.8 Impairment of non financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

3.9 Employee benefits

(A) Short term employee benefits
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include salaries and performance incentives/ bonuses which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

(B) Post employment/retirement benefit Plans

(1) Defined contribution plans
Retirement benefit in the form of provident fund is defined contribution scheme. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognises contribution payable to the respective funds as expenditure, when an employee renders the related service.

(2) Defined benefit plans

(a) Gratuity

For defined benefit schemes in the form of gratuity plan, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each year end. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The Company has an obligation towards gratuity, post employment/ retirement defined benefit plan covering eligible employees. The benefit is in the form of lump sum payments to eligible employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days' basic salary and dearness allowance payable for each completed year of service. Vesting occurs upon completion of five years of service. The liability determined based on actuarial valuation is compared with the fair value of plan assets and the shortfall or excess is accounted for as a liability or an asset respectively.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability is recognised in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(C) Other long term employee benefit plans

(1) Defined benefit plans

(a) Compensated absences
The liabilities for compensated absences upto 10 days are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit or Loss. The liabilities in excess of 10 days accumulated compensated absences are to be encashed in the next financial year and therefore they are measured at the present basic salary with number of days of compensated absences in excess of 10 days are recognised in the statement of profit and loss.

b) Employee stock option plan

The employee stock option plan provides for the grant of options to acquire equity shares of the Company to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes. The fair value at the grant date of the equity settled share based payment options granted to the employees is recognized as an employee benefit expenses with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the options. At the end of each reporting period, the Company revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to share based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.10 Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.
If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to the net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company.

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.11 Segment information

The Company is solely engaged in providing loans to borrowers and accordingly there is only reportable business segment i.e. financial services for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

3.12 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument.

(A) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.
Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Classification and Subsequent measurement

For the purposes of initial recognition, financial assets are classified in the following categories :-
a. at amortised cost, or
b. at fair value through other comprehensive income (FVOCI), or
c. at fair value through profit or loss (FVTPL)

The above classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flow.

(i) Debt instruments

Initial classification of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

(a) At amortised cost:

A debt instrument is measured at amortised cost, if both the following conditions are satisfied/ fulfilled

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans arising from financing activities and investments.

(b) At FVTOCI:

A debt instrument is classified at FVTOCI, if both of the following criteria are met:
- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Company recognises interest income, impairment losses and reversals in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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(c) At FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as "accounting mismatch").

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(ii) Equity instruments/investments

Investments in equity instruments are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For equity instruments, other than held for trading, the Company has irrevocable option to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

(iii) Impairment of financial assets

The Company applies the Expected Credit Loss (ECL) model in accordance with Ind AS 109 for recognising impairment loss on financial assets except for
- equity instruments which are not subject to impairment under Ind AS 109, and
- other debt financial assets held at fair value through profit or loss (FVTPL)

The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial assets ("lifetime ECL), unless there had been no significant increase in credit risk of a default occurring since origination or initial recognition, in which case, the impairment allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL (both life time and 12 months) are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company believes that the all loans disbursed (MFI and MSME loans) in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio (segregated at MFI and MSME loans) are treated as separate groups for the purpose of Expected credit loss computation.

The impairment methodology applies depends on whether there has been significant increase in credit risk. When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

The expected credit loss is a product of exposure at default ("EAD"), probability of default ("PD") and loss given default ("LGD"). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial assets. The Company categorises financial assets at the reporting date into stages based on the days past due ("DPD") status as under:

- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Credit impaired assets, i.e. more than 90 days past due or cases where the Company suspects fraud and legal proceedings are initiated.

Definition of default

The Company considers a financial asset to be in 'default' and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

Stage 3 loans are upgraded as Stage 1 loans if the arrears of the entire interest and principal are paid by the borrower and no longer exhibit any evidence of being credit impaired.

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. It is usually expressed as a percentage of the EAD.

The set of cash flow from the date of default, discounted at the contractual interest rate and divided by the exposure at default gives the LGD estimate. The default weighed historic LGD are used to align the ECL calculation to the actual scenario and to improve the predictive power of the model.

PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. PD estimation process is done based on historical internal data available with the Company.

EAD represents gross carrying amount at the reporting date adjusted for future estimated prepayments in case of stage 1 and future estimated sale of loans through direct assignments in case of stage 1 and stage 2. In case of stage 3 loans EAD represents gross carrying amount at the time when the default occurred for first time.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like money supply, gross domestic product (GDP), private consumption, gross fixed investments (% real change p.a.), agriculture rate (% change p.a.), industry (% change p.a.), service (% change p.a.), budget balance (% of GDP), lending interest rate (%), deposit interest rate (%), inflation and unemployment rate with the estimate of PD determined by the Company based on its internal data. While the internal estimates of PD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Based on the consideration of external actual and forecast information, the Company forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all the categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows 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 ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The Company regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material.

The amount of ECL (or reversal) at the reporting date is recognised as an impairment loss/(gain) in the statement of profit and loss.

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ECL on Debt instruments measured at amortised cost
The ECLs for debt instrumenis measured at amortised cost is reduced from the gross carrying amount of these financial assets in the balance sheet.

ECL on Debt instruments measured at fair value through OCI
The ECLs for debt instruments measured at FVOCI do not reduce the gross 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.

Write-off
The gross carrying amount of a financial assets is written- off (either partially or fully) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any subsequent recoveries against such financial assets are credited to the statement of profit and loss.

(IV) Derecognition of financial assets
The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability as collateralised borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI, and accumulated in equity is recognised in the Statement of Profit and Loss.

(B) Financial liabilities and equity instruments

Classification as debt or equity
Debt and equity instruments, issued by the Company, are classified as either financial liabilities or as equity, in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(I) Financial liabilities

Initial recognition and measurement
All financial liabilities are recognised initially at fair value. However, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of financial liabilities. The transaction costs directly attributable to the issue of financial liabilities at fair value through profit or loss are immediately recognised in profit or loss.

The Company's financial liabilities majorly comprise of trade and other payables, loans and borrowings, including bank overdrafts and cash credit facility and derivative financial instruments.

Subsequent measurement
All financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method or at fair value through profit or loss (FVTPL).

(a) At FVTPL:
Financial liabilities includes derivative financial instruments entered into by the Company that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Financial liabilities, designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

(b) At amortised cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance cost in the profit or loss.

Derecognition of financial liabilities:
The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Modification/ renegotiation that do not result in derecognition

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the statement of profit and loss. Any subsequent changes in the estimation of the future cash flows of financial liability is recognised under finance cost in the statement of profit or loss with the corresponding adjustment to the carrying amount of the financial liability.

(II) Equity instrument
An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities.
Incremental costs incurred which are directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from the proceeds.

3.13 Derivatives and hedging activities
The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk, including cross currency interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument (Refer sub note (a) below), in which event the timing of recognition in profit or loss depends on the nature of the hedging relationship and nature of the hedge item.

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Embedded derivatives
Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host and accordingly, are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(a) Hedge accounting
The Company designates foreign currency forward derivative contracts as hedges of foreign exchange risk associated with the cash flows of foreign currency risks associated with the borrowings denominated in foreign currency (referred to as 'cash flow hedges').

The Company documents at the inception of the hedging transaction the economic relationship between the hedging instruments and hedge items including whether the hedging instrument is expected to offset changes in the cash flows of hedge items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of the hedging relationship.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity to effective portion (as described above) are reclassified to profit or loss in the periods when the hedge item affects profit or loss, in the same line as the recognised hedge item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

3.14 Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

3.15 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) and are recognized using the effective interest rate (EIR).

All other borrowing costs are charged to expenses in the period in which they arise.

3.16 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.

3.17 Offsetting financial instruments
Financial assets and financial liabilities are offset when it currently has a legally enforceable right (not contingent on future events) to off-set the recognised amounts and the Company intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.18 Standards issued but not yet effective
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.

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Notes to the Standalone financial statements for the year ended March 31, 2023

Note 4: Cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	222	497
Balances with banks	48,355	37,950
Fixed deposit with original maturity of less than 3 months	27,102	56,687
Total	75,679	95,134

Note 5: Bank balance other than cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposit with original maturity of more than 3 months		
Fixed deposit with banks (security against bank guarantee)	43,818	33,252
Other fixed deposits	38,561	60,519
Interest accrued on fixed deposits*	2,859	2,719
Total	85,034	96,889

(*) Included interest accrued of Rs. 1,898 lakhs (March 31, 2022: Rs. 1,869 lakhs) on fixed deposits marked as lien towards term loans availed from banks, as cash collateral placed in connection with portfolio loans securitised.

Note 6: Derivative financial instruments

(In Rs. Lakhs)

Part I	As at March 31, 2023				As at March 31, 2022			
	Notional Amounts	Fair value- assets	Notional Amounts	Fair value- liabilities	Notional Amounts	Fair value- assets	Notional Amounts	Fair value- liabilities
(i)Currency derivatives:								
Cross currency swaps	20,444	846	-	-	12,613	704	10,873	322
Subtotal (i)	20,444	846	-	-	12,613	704	10,873	322
(ii)Interest rate derivatives	-	-	-	-	-	-	-	-
(iii)Credit derivatives	-	-	-	-	-	-	-	-
(iv) Equity linked derivatives	-	-	-	-	-	-	-	-
(v) Other								
Cross currency interest rate swaps	11,630	1,341	-	-	18,521	651	9,708	153
Total derivative financial instruments	32,074	2,187	-	-	31,134	1,355	20,581	475
PART II								
Included in above are derivatives held for hedging and risk management as follows								
(i)Fair value hedging	-	-	-	-	-	-	-	-
(ii) Cashflow hedging								
Cross currency interest rate swaps	11,630	1,341	-	-	18,521	651	9,708	153
Cross currency swaps	20,444	846	-	-	12,613	704	10,873	322
(iii) Net investment hedging	-	-	-	-	-	-	-	-
(iv) Undesignated derivatives	-	-	-	-	-	-	-	-
Total derivative financial instruments	32,074	2,187	-	-	31,134	1,355	20,581	475

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

Note 7: Trade receivables

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Receivables considered good - unsecured	-	5
Total	-	5

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in

Ageing of trade receivables as at March 31, 2023

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments					Total
	<6 months	6 months- 1 year	1-2 years	2-3 years	>3 years	
(i) Undisputed trade receivables considered good	-	-	-	-	-	-
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables considered good	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-

Ageing of trade receivables as at March 31, 2022

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments					Total
	<6 months	6 months- 1 year	1-2 years	2-3 years	>3 years	
(i) Undisputed trade receivables considered good	5	-	-	-	-	5
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables considered good	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-

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Note 6: Loans

Considered good unless stated otherwise

(In Rs. Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortised cost	At fair value Through other comprehensive income	Total	Amortised cost	At fair value Through other comprehensive income	Total
i) Term loans						
Considered good	47,408	5,77,353	6,24,761	80,670	4,06,784	4,87,454
Credit impaired	14,967	18,874	25,841	14,843	38,434	53,277
Total term loans	62,375	5,86,227	6,50,602	95,513	4,45,218	5,40,731
ii) Staff loan	420	-	420	412	-	412
Total (A) - Gross	62,795	5,86,227	6,51,022	95,925	4,45,218	5,41,143
Less: Impairment loss allowance	9,185	9,212	18,397	7,997	36,464	44,461
Total (A) - Net	53,610	5,79,015	6,32,625	87,928	4,08,754	4,96,682
Term loans						
i) Secured by tangible assets (refer note below)	2,188	54,918	57,106	2,670	31,151	33,821
ii) Unsecured	60,187	5,33,309	5,93,496	92,843	4,14,067	5,06,910
Sub-total - Term loans	62,375	5,88,227	6,50,602	95,513	4,45,218	5,40,731
Staff loan						
i) Secured*	-	-	-	-	-	-
-Unsecured	420	-	420	412	-	412
Sub-total - Staff loan	420	-	420	412	-	412
Total (B) - Gross	62,795	5,88,227	6,51,022	95,925	4,45,218	5,41,143
Less : Impairment loss allowance	9,185	9,212	18,397	7,997	36,464	44,461
Total (B) - Net	53,610	5,79,015	6,32,625	87,928	4,08,754	4,96,682
Loans in India						
i) Public Sector	-	-	-	-	-	-
ii) Others	62,795	5,88,227	6,51,022	95,925	4,45,218	5,41,143
Total - Gross	62,795	5,88,227	6,51,022	95,925	4,45,218	5,41,143
Less: Impairment loss allowance	9,185	9,212	18,397	7,997	36,464	44,461
Total - Net	53,610	5,79,015	6,32,625	87,928	4,08,754	4,96,682
Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total - Net	-	-	-	-	-	-
Total (C)	53,610	5,79,015	6,32,625	87,928	4,08,754	4,96,682

Note:

* The Company covers/secures the credit risks associated with the loans given to customer by creating a charge/ hypothecation/ security on the assets as mentioned in the loan agreements with customers.

During the year the Company has not granted loans or advances in the nature of loans to promoters, directors, key managerial personnel's and related parties (as defined under the Act), either severally or jointly with any other person, that are:

(i) repayable on demand or
(ii) without specifying any terms or period of repayment

Reconciliation of impairment allowance

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortised cost	At fair value Through other comprehensive Income	Total	Amortised cost	At fair value Through other comprehensive income	Total
Opening provision	7,997	36,464	44,461	4,700	18,847	23,547
Add: Impairment provision created during the year (Refer note 26)	13,333	19,103	32,436	3,297	16,086	19,383
Add: Receivable by guarantee scheme/ CGTMSE disclosed under other financial assets	-	2,411	2,411	-	1,643	1,643
Less: Loan portfolio written off during the year	(18,005)	(42,906)	(60,911)	-	-	-
Less:- Provision for managed portfolio disclosed under 'provisions' (refer note 18)	-	-	-	-	(112)	(112)
Closing provision	3,325	15,072	18,397	7,997	36,464	44,461

Note 8A

Gross carrying value of assets as at March 31, 2023

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Loans	6,20,447	4,314	25,841	6,50,602
Total	6,20,447	4,314	25,841	6,50,602

Steps taken for recovering overdues balances

To reduce the exposure and increasing collection in the stage - III assets, a special team is deployed in the field to monitor and follow up with the Stage III (NPA) customers to

Gross carrying value of assets as at March 31, 2022

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Loans	4,75,701	11,753	53,277	5,40,731
Total	4,75,701	11,753	53,277	5,40,731

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans:

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at April 1, 2022	4,75,701	11,753	53,277	5,40,731
Add: New assets originated during the year (net of collections)	5,02,854	-	-	5,02,854
Less: Collections	(3,18,654)	(11,704)	(1,524)	(3,32,072)
Less: assets written off during the year	-	-	(60,911)	(60,911)
Movement between stages				
Transfer from stage 1	(39,497)	6,501	32,996	-
Transfer from stage 2	36	(2,161)	2,125	-
Transfer from stage 3	8	13	(21)	-
Gross carrying value of assets as at March 31, 2023	6,20,448	4,314	25,840	6,50,602

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(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2022	4,482	2,741	37,238	44,461
Provision created / (reversed) during the year	(2,888)	(2,142)	39,677	34,847
Assets written off during the year	-	-	(60,911)	(60,911)
ECL allowance as at March 31, 2023	1,594	599	16,204	18,397

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at April 1, 2021	3,41,161	35,878	30,052	4,09,891
Add: New assets originated during the year (net of collections)	1,22,974			1,22,974
Less: assets written off during the year	-	-	-	-
Movement between stages				
Transfer from stage 1	(19,862)	12,047	7,815	-
Transfer from stage 2	23,517	(36,971)	13,454	-
Transfer from stage 3	46	1	(47)	-
Gross carrying value of assets as at March 31, 2022	4,67,836	11,755	53,274	5,32,865

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2021	749	4,494	18,304	23,547
Provision created / (reversed) during the year	3,733	(1,753)	18,934	20,914
Assets written off during the year	-	-	-	-
ECL allowance as at March 31, 2022	4,482	2,741	37,238	44,461

Sensitivity analysis on ECL

Reasonably possible changes at the reporting date to the relevant macroeconomic assumptions, holding other assumptions constant, would have affected the defined ECL provisions by the amounts shown below:

(In Rs. Lakhs)

Scenario	Conditions	ECL provision as per model	+/- from normal case
Extreme scenario	100% probability of high stress 0% probability of low stress 0% probability of normal situation	19,190	783
Low stress scenario	0% probability of high stress* 100% probability of low stress 0% probability of a normal situation	17,257	(1,140)
1% increase in PD		19,914	1,517
1% increase in LGD		18,668	271

High-stress and low-stress scenarios are one standard deviation(+/- 1 SD) change in the macroeconomic parameters such as unemployment rate, consumer price index, Money Supply (Change per annum), and Industry growth(Change per annum).

Note 9: Investments

Investment	As at March 31, 2023				As at March 31, 2022		
	Amortised cost	Fair value through OCI	Fair value through P&L	Total	Amortised cost	Fair value through OCI	Fair value through P&L
Investment							
A) In India	-	-	-	-	-	-	-
(1) Equity instruments							
(a) Investment in subsidiary (at cost)							
49,98,000 (March 31, 2022: 49,98,000) equity shares of Rs. 10 each fully paid in Annapurna SME Finance Private Limited	-	-	500	500	-	-	500
(2) Security receipts (SRs) investments *							
Phoenix Trust - FY 23-18	-	28,790	-	28,790	-	-	-
Less: Impairment loss allowance	-	19,241	-	19,241	-	-	-
Total	-	9,549	500	10,049	-	-	500
Above amount includes							
Investment in India	-	9,549	500	10,049	-	-	500
Investment outside India	-	-	-	-	-	-	-
Total	-	9,549	500	10,049	-	-	500

The Company has sold loans to an Asset Reconstruction Company (ARC) on March 28, 2023 and SRs were received as considerations for the transfer of loans. The sale of loans to ARC did not meet the derecognition requirement as per Ind AS 109. However, as the legal form of the asset has changed from loans to investments, it is accounted under investments. SRs have followed the same measurement / classification approach and ECL has been recognized in a similar manner as applicable to the underlying loan.

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An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to investments:

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of investments as at March 29, 2023	25	30	28,735	28,790
Additions/Deletions	-	-	-	-
Movement between stages	-	-	-	-
Gross carrying value of investments as at March 31, 2023	25	30	28,735	28,790

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at March 29, 2023	-	-	15,747	15,747
Provision created / (reversed) during the year	-	6	3,488	3,494
ECL allowance as at March 31, 2023	-	6	19,235	19,241

Sensitivity analysis on ECL

Reasonably possible changes at the reporting date to the relevant macroeconomic assumptions, holding other assumptions constant, would have affected the defined ECL provisions by the amounts shown below:

(In Rs. Lakhs)

Scenario	Conditions	ECL provision as per model	+/- from normal case
Extreme scenario	100% probability of high stress	19,243	2
	0% probability of low stress		
	0% probability of normal situation		
Low stress scenario	0% probability of high stress*	19,238	(3)
	100% probability of low stress		
	0% probability of a normal situation		
1% Increase in PD		19,241	0
1% Increase in LGD		19,531	-290

High-stress and low-stress scenarios are one standard deviation(+/- 1 SD) change in the macroeconomic parameters such as unemployment rate, consumer price index, Money Supply (Change pa), and industry growth(Change pa).

Note 9.1: Other financial assets

(at amortised cost)

(Unsecured, considered good unless stated otherwise)

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	438	342
Retained interest on assets assigned	28,840	13,509
Accrued interest on SR	1,800	-
Fixed deposit with financial institutions*	3,093	1,513
Insurance claim receivable	1,179	826
Receivable from financial guarantees$	4,054	1,643
Other financial assets- others**	596	494
Total	39,890	18,327

*deposit with non banking financial companies and financial institutions marked as lien towards term loans availed.

**includes advances recoverable in cash.

$The Company has availed the benefits of credit guarantee fund trust for micro and small enterprises (CGTMSE) scheme and Assam microfinance incentives and relief scheme 2021 to secure credit default.

Note 9.2:Other non- financial assets

(at amortised cost)

(Unsecured, considered good unless stated otherwise)

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	2,632	1,308
Capital advance	199	183
Other Advances *	412	266
GST assets	525	408
Total	3,768	2,165

*includes advances to vendor.

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Note 10.1:
Current tax assets (net)

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax includes TDS (net of provision)	4,007	2,251

Note 10.2: Deferred tax assets/ liabilities (net)
Effects of deferred tax assets and deferred tax liabilities

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets:		
Impairment loss allowance on loan portfolio	4,798	10,697
Difference of written down value property, plant and equipment	395	352
Provision for defined benefit obligation and leave encashment	323	288
Difference of lease liabilities and right of use asset	1	(7)
Impact due to amortization of processing fees income	978	143
Provision for irrecoverable advances	4	4
Fair value loss on debt securities	42	49
Business loss c/f	8,260	-
Deferred tax liabilities:		
Upfront recognition of gain on direct assignment transactions	(7,206)	(3,238)
Impact due to amortization of processing fees expenses	(863)	(395)
Fair value gain on loans	(3,904)	(3,063)
Deferred tax relating to origination and reversal of temporary	3,828	4,810

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 10.3: Income tax expense

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax expense in the statement of profit and loss consists of:		
Current income tax:		
Income tax	-	3,220
Deferred tax	1,146	(2,558)
Income tax expense reported in respect of current year	1,146	662
Tax in respect of earlier years	-	-
Total income tax expense reported in the statement of profit or loss	1,146	662
Income tax recognised in other comprehensive income		
Deferred tax arising on re-measurement gains/ (losses) on defined benefit plans	15	10
Deferred tax arising on fair value gain/ (losses) on loan portfolio	821	515
Total	836	525

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 year ended 31 March 2023 and 31 March 2022 are, as follows:

(In Rs. Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	4,418	2,376
At India's statutory income tax rate of 25.17%	1,113	598
Change in tax rates	-	-
Income not subject to tax		
Others		
Non-deductible expenses		
Expenditure on CSR	30	40
Donation & Charity	3	-
Interest on preference share capital	-	306
Additional tax allowances	-	(282)
Income tax expense reported in the statement of profit or loss	1,146	662
Income tax adjustment in respect of current income tax of prior years	-	-
Total income tax expense reported in the statement of profit or loss	1,146	662

The effective income tax rate for March 31, 2023 is 25.93% (March 31, 2022: 27.87%).

Movement in deferred tax balances for the year ended March 31, 2023

(In Rs. Lakhs)

Particulars	Net balance April 1, 2022	(Charge)/ Credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2023	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Difference of written down value of property, plant and equipment	352	43	-	-	395	395	-
Provision for defined benefit obligation and leave encashment	288	50	(15)	-	323	338	(15)
Impairment loss allowance on loan portfolio	10,697	(5,899)	-	-	4,798	4,798	-
Impact of amortisation of expense, offered to tax on upfront basis	(395)	(468)	-	-	(863)	-	(863)
Impact of amortisation of processing fee income, offered to tax on upfront basis	143	835	-	-	978	978	-
Gain on direct assignment deals, accounted for upfront, offered to tax on accrual basis	(3,238)	(3,968)	-	-	(7,206)		(7,206)
Fair value gain on loans	(3,063)		(821)	-	(3,904)	1	(3,905)
Difference of lease liabilities and right of use asset	(7)	8	-		1		1
Fair value loss on CCPS	49	(7)	-	-	42	42	
Provision for irrecoverable advances	4	-	-	-	4	4	-
Business loss c/f	-	-	-	-	8,260	8,260	
Net deferred tax assets / (liabilities)	4,810	(9,406)	(836)	-	3,828	14,816	(11,988)

Movement in deferred tax balances for the year ended March 31, 2022

(In Rs. Lakhs)

Particulars	Net balance April 1, 2021	(Charge)/ Credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2022	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Difference of written down value of property, plant and equipment	271	81	-	-	352	352	-
Provision for defined benefit obligation and leave encashment	230	68	(10)	-	288	298	(10)
Impairment loss allowance on loan portfolio	5,935	4,762	-	-	10,697	10,697	-
Impact of amortisation of expense, offered to tax on upfront basis	(51)	(344)	-	-	(395)	(395)	-
Impact of amortisation of processing fee income, offered to tax on upfront basis	(64)	197	-	-	143	-	143
Gain on direct assignment deals, accounted for upfront, offered to tax on accrual basis	(985)	(2,253)	-	-	(3,238)		(3,238)
Fair value gain on loans	(2,569)		(515)	-	(3,063)	-	(3,063)
Difference of lease liabilities and right of use asset	1	(8)	-	-	(7)		(7)
Fair value loss on CCPS	-	49	-	-	49	49	
Provision for irrecoverable advances	-	4	-	-	4	4	-
Net deferred tax assets / (liabilities)	2,778	2,556	(525)	-	4,810	11,005	(6,195)

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Note 11: Property, plant and equipment

(In Rs. Lakhs)

Particulars	Freehold land	Office equipment	Furniture and fixtures	Vehicles	Computers	Right of use assets under leases	Total
Cost:							
As at March 31, 2021	14	1,128	902	154	1,272	148	3,816
Additions	-	535	141	89	344	352	1,461
Disposals	-	-	-	(52)	-	(10)	(62)
As at March 31, 2022	14	1,663	1,043	191	1,616	488	5,015
Additions	-	308	446	-	529	403	1,686
Disposals	-	-	-	-	-	-	-
As at March 31, 2023	14	1,971	1,489	191	2,145	891	6,701
Accumulated depreciation:							
As at March 31, 2021	-	794	459	109	970	107	2,439
Depreciation charge for the year		292	132	24	304	67	819
Disposal	-	-	-	(28)	-	-	(28)
As at March 31, 2022	-	1,085	591	105	1,274	174	3,229
Depreciation charge for the year	-	329	173	27	390	167	1,086
Disposal	-	-	-	-	-	-	-
As at March 31, 2023	-	1,414	764	132	1,664	341	4,315
Net book value:							
As at March 31, 2022	14	578	452	86	342	314	1,787
As at March 31, 2023	14	557	725	59	481	550	2,386

The details of property, plant and equipment hypothecated against borrowings are presented in Note 15.

Note 12: Leases (where the Company is lessee)

The Company also has certain leases with lease terms of 12 months or less and leases with low-value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	314	39
Adjustment due to change in lease agreement and security deposit reclassification	-	(10)
Additions during the year	404	352
Depreciation expense	(168)	(67)
Closing balance	550	314

Set out below are the carrying amounts of lease liabilities and the movements during

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	323	36
Additions during the year	404	352
Accretion of interest	56	16
Payments	(194)	(81)
Closing balance	589	323

The effective interest rate for lease liabilities is from 10.57% to 11.15% with maturity between 2024 and 2031.

The following are the amounts recognised in the statement of profit or loss:

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest expense on lease liabilities (refer note 25)	56	16
Expense relating to short-term leases and other low value assets leases (included in other expenses)	1,984	2,149
Total amount recognised in the statement of profit and loss	2,040	2,165

The following is the maturity profile of lease liability:

(In Rs. Lakhs)

Maturity of lease liability	As at March 31, 2023	As at March 31, 2022
Current	173	61
Non current	415	263
Total	588	324

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Note 13: Intangible assets

(In Rs. Lakhs)

Particulars	Computer software
Deemed cost:	
As at March 31, 2021	810
Additions	345
Disposals	-
As at March 31, 2022	1,155
Additions	424
Disposals	-
As at March 31, 2023	1,579
Accumulated amortisation:	
As at March 31, 2021	711
Amortisation charge for the year	288
Disposal	-
As at March 31, 2022	999
Amortisation charge for the year	158
Disposal	-
As at March 31, 2023	1,157
Net book value:	
As at March 31, 2022	156
As at March 31, 2023	422

Note 14: Trade payables:

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,836	1,398
Total	1,836	1,398

Trade payables ageing schedule as at March 31, 2023

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments						Total
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	1,836	-	-	-	1,836
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-

Trade payables ageing schedule as at March 31, 2022

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments						Total
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	1,392	6	-	-	1,398
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-

Note 14.1: Dues to the micro enterprises and small enterprises:

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) the principal amount and the interest due thereon (to be shown seperately) remaining unpaid to any supplier at the end of each accounting year;	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Total	-	-

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Note 15: Debt securities

(In Rs. Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	At amortised cost	At fair value through Profit and loss	Total	At amortised cost	At fair value through Profit and loss	Total
Redeemable, Non- convertible Debentures (secured)*	90,434	-	90,434	1,09,553	-	1,09,553
Compulsorily Convertible Preference Shares #	-	26,275	26,275	-	50,205	50,205
Redeemable Non- convertible Debentures (unsecured)**	20,504	-	20,504	10,124	-	10,124
Compulsorily Convertible Debentures (Unsecured)##		15,795	15,795		15,795	15,795
Total	1,10,938	42,070	1,53,008	1,19,677	66,000	1,85,677
Debt securities in India	29,557	-	29,557	34,367	-	34,367
Debt securities outside India	81,381	42,070	1,23,451	85,310	66,000	1,51,310
Total	1,10,938	42,070	1,53,008	1,19,677	66,000	1,85,677

For NCD maturity refer note 17.1 (March, 2022 : 17.2).

* Redeemable non- convertible debentures (secured) (at amortised cost)

Terms of debentures	Number of debentures		Face value	Amount in Lakhs		Charge details
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022	
12% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of 36 months from the date of allotment i.e. December 22, 2020.	275	275	10,00,000	917	1,833	110%
10.95% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of Sixty months from the date of allotment i.e. October 19, 2022.	460	-	10,00,000	4,600	-	105%
BSE Sensex Rate Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of 37 months 4 days from the date of allotment i.e. September 27, 2022.	350	-	10,00,000	3,500	-	110%
12.49 % Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par every six months from March 2021 with the date of allotment i.e. August 30, 2017.	325	325	1,66,667	542	1,625	110%
12.376% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. September 22, 2020, subject to exercise of put option by the lender or call option by the Company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	700	700	10,00,000	7,000	7,000	110%
12.1113% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from the date of allotment i.e. November 15, 2018, subject to exercise of put option by the lender or call option by the Company at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	-	460	10,00,000	-	4,600	105%
10.90% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 0.01 lakhs each redeemable at par at the end of Sixty months from the date of allotment i.e. November 4, 2022.	46,874	-	10,000	4,687	-	100%
12.01% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of Seventy two months from the date of allotment i.e. July 7, 2022 subject to exercise of put option by the lender or call option by the Company at the end of thirty six months from the date of allotment Redeemable on maturity if option not exercised.	500	-	10,00,000	5,000	-	100%
11.8468% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from the date of allotment i.e. March 01, 2019, subject to exercise of put option by the lender or call option by the Company at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	-	1,000	10,00,000	-	10,000	105%
11.9525% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from the date of allotment i.e. August 31, 2020, subject to exercise of put option by the lender or call option by the Company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	1,000	1,000	10,00,000	10,000	10,000	100%
12.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every six month from the date of allotment i.e. June 16, 2020.	1,000	1,000	1,66,667	1,667	5,000	100%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every year from the date of allotment i.e. July 30, 2020.	250	250	3,33,333	833	1,667	110%
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every quarter from the date of allotment i.e. November 18, 2020.	-	1,000	10,00,000	-	2,500	110%
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. November 18, 2020.	-	350	10,00,000	-	3,500	110%
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. November 18, 2020.	-	100	10,00,000	-	1,000	110%
10.39% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par partially beginning from the end of sixty month from the date of allotment i.e. March 30, 2021.	600	600	8,80,000	5,280	5,640	110%
11.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. July 29, 2020.	250	250	10,00,000	2,500	2,500	115%
11.46% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of 36 months from the date of allotment i.e. July 29, 2020.	220	-	10,00,000	2,200		100%

12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakh each redeemable at par at the end of 84 months from the date of allotment i.e. December 19, 2018.	15,00,000	15,00,000	100	1,500	1,500	110%
10.60% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. December 04, 2020.	-	250	10,00,000	-	2,500	110%
11.60% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty three months from the date of allotment i.e. July 15, 2020.	1,000	1,000	10,00,000	10,000	10,000	125%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. June 26, 2020.	150	150	10,00,000	1,500	1,500	100%
9.68% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every six month from the date of allotment i.e. July 12, 2019.	695	695	3,00,000	2,085	3,475	110%
12.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of sixty months from the date of allotment i.e. July 07, 2020.	18,750	18,750	25,000	4,688	4,688	100%
12.20% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of fifty nine months from the date of allotment i.e. October 16, 2019.		730	10,00,000	-	7,300	100%
11.8926% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of Sixty months from the date of allotment i.e. July 09, 2021.	400	400	10,00,000	4,000	4,000	105%
11.8468% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of Sixty months from the date of allotment i.e. July 13, 2021.	370	370	10,00,000	3,700	3,700	105%
11% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 7500 each redeemable at par at the end of Fourty two months from the date of allotment i.e. September 24, 2021.	66,654	66,654	7,500	4,999	4,999	100%
11.30% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1lakh each redeemable at par at the end of Sixty months from the date of allotment i.e. December 20, 2021.	6,330	6,330	1,00,000	6,330	6,330	100%
11.50% Seniorly Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of severely two months from the date of allotment i.e. April 23, 2021.	75	75	10,00,000	750	750	100%
EIR adjustments				2,156	1,946	
Total				**90,434**	**1,09,563**	

Notes to Non convertible debentures (Secured)

(a) Non convertible debentures are secured against hypothecation of all the underlying receivables/book debts to the extent 1.0/1.05/1.10/1.25 times of the principal loan amount.

(b) The Secured Listed Non-Convertible Debentures of the Company are fully secured by way of a first ranking, exclusive and continuing charge on identified receivables created pursuant to the deed of hypothecation as identified by the Company except for three debentures where additional pari-passu charge has been created by way of mortgage of immovable property.

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** Redeemable non- convertible debentures (Unsecured) (at amortised cost)

Terms of debentures	Number of debentures		Face value	Amount in Lakhs		Charge details
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022	
12.164% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of Seventy two months from the date of allotment i.e. December 24, 2021.	300	300	10,00,000	3,000	3,000	NA
12.11% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 1 million each redeemable at par at the end of seventy two months from the date of allotment i.e. March 20, 2019, subject to exercise of put option by the lender or call option by the Company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	700	700	10,00,000	7,000	7,000	NA
11.25% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 5 lakh each redeemable at par at the end of 12 months 1days from the date of allotment i.e. September 26, 2022	350	-	5,00,000	1,750	-	NA
12.20% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 7.5 lakh each redeemable at par at the end of 24 months from the date of allotment i.e. September 26, 2022	600	-	7,50,000	4,500	-	NA
10% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs 1 lakh each redeemable at par at the end of 44 months and 4 days from the date of allotment i.e. November 4, 2022.	4,076	-	1,00,000	4,076	-	NA
EIR adjustments				178	124	
Total				20,504	10,124	

Compulsorily Convertible Preference Shares ('CCPS') (FVTPL)

Terms	Number of CCPS		Face value	Amount in Lakhs		Charge details
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022	
5%, 1,94,18,612 Series A compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.76 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)		1,94,18,612	10.00		22,866	0%
0%, 8492469 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.76 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	84,92,469	84,92,469	10.00	10,000	10,000	0%
0%, 10808723 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.76 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	1,08,08,723	1,08,08,723	10.00	12,727	12,727	0%
0%, 2717822 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.76 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	27,17,822	27,17,822	10.00	3,200	3,200	0%
EIR adjustments				346	1,413	
Total				26,275	50,206	

Notes to Non convertible debentures
(a) No non-convertible debentures are guaranteed by directors and / or others.
(b) During the period presented, there were no defaults in the repayment of principal and interest.

Terms	Number of CCD		Face value	Amount in Lakhs		Charge details
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022	
15% Cumulative Compulsorily Convertible Debentures of face value of Rs. 10 each convertible at conversion rate the end of Eighty four months from the date of allotment i.e. November 23, 2021.	15,00,00,000	15,00,00,000	10.00	15,000	15,000	0%
EIR adjustments				796	796	
Total				15,796	15,796	

Note: terms of conversion for CCPS
The Company has applied to the RBI for the approval of conversion of CCPS into equity.

Note: terms of conversion for CCD

Mandatory conversion
All the CCDs shall mandatorily convert into equity shares on the earlier of the following dates:
(a) Where the Company is undertaking an Initial Public Offer ('IPO'), on the investor business day immediately preceding the date of filing of the red herring prospectus with SEBI in connection with such IPO; or
(b) the final maturity date.

Voluntary Conversion
Without prejudice to the mandatory conversion events, DEG and/or any holder shall have right, exercisable by issuing a notice in writing to the Company, to convert such number of CCDs as specified in such notice, into equity shares in the following manner and on the following dates:
(a) at any time with the consent of the Company, on such date as may be mutually agreed with the Company; or
(b) in the event that DEG and/or any holder transfer their CCDs in accordance with the provisions of the shareholder's agreement on the date immediately prior to the date of consummation of the transfer of the securities.

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Note 16: **Borrowings other than debt securities** *(at amortised cost)*

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Term loans (secured)*		
Banks	3,41,260	2,86,279
Financials institutions	81,834	46,285
Non banking financial companies	58,663	15,276
External commercial borrowings**	25,557	42,802
Term loans (unsecured)		
External commercial borrowings**	6,180	11,409
Borrowings from Securitisation arrangement (secured)		
Securitisation transactions	4,838	363
Total	**5,19,132**	**4,02,413**
Borrowings in India	4,89,018	3,48,202
Borrowings outside India	30,114	54,211
Total	**5,19,132**	**4,02,413**

For term loans maturity refer note 17.1 (March, 2022 : 17.2).

*Term loans are secured against hypothecation of all the underlying receivables/ loan assets/ book debts to the extent 1.0/ 1.05/ 1.10/1.11/1.12/1.15 times of the principal loan amount and margin money deposits. These secured term loans are repayable in equated principal plus interest as well as in equated instalments carrying interest rate ranging from 5.15% to 12.75% (March 31, 2022: 6.38% - 12.50%).

**External commercial borrowings are secured against hypothecation of all the underlying receivables/loan assets/book debts to the extent 1.0/1.05/1.10 times of the principal loan amount. These secured term loans are repayable in bullet payments/semi annual payments carrying interest rate ranging from 10.00% - 12.35% (March 31, 2022: 10.00% - 12.78%).

During the periods presented, there were no defaults in the repayment of principal and interest.

The Company has not been declared wilful defaulter by any bank or financial institution.
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

Borrowings under securitisation arrangements
Represents securities issued by the special purpose vehicles ('SPVs') to the investors pursuant to the securitisation arrangement carrying a rate of interest in the rate of 9.00% & 12.00%. Since such arrangements do not fulfil the derecognition criteria under Ind AS 109, the Company has recognised the associated liabilities with a corresponding debit to loans and advances.

Utilisation of borrowings
Term loans were applied for the purpose for which the loans were obtained, other than INR 83,797 lakh which remain unutilized as at 31st March 2023 out of which term loan amounting to INR 30,697 lakhs were received towards the end of the yaar. The company has temporarily invested such unutilized balance in fixed deposit as at 31st March 2023.

Note 17: **Subordinated liabilities** *(at amortised cost)*

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Subordinate debt (unsecured)- debentures*	30,214	30,650
Subordinate debt (unsecured)- term loans#	2,500	2,500
Total	**32,714**	**33,150**
Borrowings in India	13,897	14,387
Borrowings outside India	18,817	18,763
Total	**32,714**	**33,150**

For subordinated liabilities maturity refer note 17.1 (March, 2022 : 17.2).

*Subordinate debt NCDs are repayable in bullet payment carrying interest rate ranging from 12.29% to 14.50% p.a. (March 31, 2022: 12.21% - 14.90% p.a.)
#Subordinate debt term loans are repayable in bullet payment carrying interest rate of 13.5% p.a.(March 31, 2022: 13.5% - 16.5% p.a.)
No subordinated debts is guaranteed by directors and /or others.
During the period presented there were no defaults in the repayment of principal and interest.

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Subordinate debt (unsecured)- Debentures (at amortised cost)

Terms of debentures	Number of debentures		Face value	Amount in Lakhs	
	March 31, 2023	March 31,		March 31, 2023	March 31, 2022
13.10% Unsecured Redeemable, Non - Convertible Debentures of	2,000	-	1,00,000	2,000	-
14.25% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. September 28, 2016.	-	250	10,00,000		2,500
13.99% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from the date of allotment i.e. March 24 2017	34,000	34,000	10,000	3,400	3,400
13.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of sixty six months from the date of allotment i.e. March 27 2018	150	150	10,00,000	1,500	1,500
12.87% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakhs each redeemable at par at the end of eighty four months from the date of allotment i.e. May 2 2019	30,00,000	30,00,000	100	3,000	3,000
13% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of eighty five months from the date of allotment i.e. March 24 2020	396	396	10,00,000	3,960	3,960
12.29% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of eighty five months from the date of allotment i.e. February 18 2028	28,500	28,500	25,000	7,125	7,125
12.21% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from the date of allotment i.e. March 31 2020	340	340	10,00,000	3,400	3,400
14.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from the date of allotment i.e. March 27, 2020	15,000	15,000	10,000	1,500	1,500
12.30% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. April 23, 2021	449	449	10,00,000	4,490	4,490
EIR adjustments				(161)	(225)
Total				30,214	30,650

Sub debt (unsecured)- Term Loans (at amortised cost)

(In Rs. Lakhs)

Terms of term loan	Rate	As at March 31, 2023	As at March 31, 2022
13.5% Unsecured term loan, having tenure of 66 months, maturing on September 1st, 2023.	13.50%	2,500	2,500
Total		2,500	2,500

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2023

Note 17.1 Terms of repayment of borrowings as on March 31, 2023

(In Rs. Lakhs)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 and 2 Years		Due between 2 and 3 Years		Due between 3 and 4 Years		Due between 4 and 5 Years		Due between 5 and 6 Years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly														
0-3 years	5.15%-12.69%	1,148	1,68,403	498	72,044	45	13,966	-	-	-	-	-	-	2,54,413
Above 3 years		-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly total		1,148	1,68,403	498	72,044	45	13,966	-	-	-	-	-	-	2,54,413
Quarterly														
0-3 years	8.60%-12.25%	171	1,29,235	123	86,626	18	15,809	-	-	-	-	-	-	2,31,670
Above 3 years		-	-	-	-	-	-	-	-	-	-	-	-	-
Quarterly total		171	1,29,235	123	86,626	18	15,809	-	-	-	-	-	-	2,31,670
Half yearly														
0-3 years	9.68%-12.75%	16	15,624	16	21,271	-	-	-	-	-	-	-	-	36,895
Above 3 years		-	-	-	-	-	-	-	-	-	-	-	-	-
Half yearly total		16	15,624	16	21,271	-	-	-	-	-	-	-	-	36,895
Annually														
0-3 years	11.50%-12.00%	2	1,789	-	-	-	-	-	-	-	-	-	-	1,789
Annually total		2	1,789	-	-	-	-	-	-	-	-	-	-	1,789
Bullet														
0-3 years	11.00%-13.99%	8	33,821	3	6,964	6	20,494	-	-	-	-	-	-	61,279
Above 3 years	10.60%-14.50%	-	795	2	10,351	3	15,689	8	23,497	7	12,775	2	6,964	70,071
Bullet total		8	34,616	5	17,316	9	36,183	8	23,497	7	12,775	2	6,964	1,31,350
Grand total		1,345	3,49,667	642	1,97,256	72	65,958	8	23,497	7	12,775	2	6,964	6,56,117

A. Debentures
Non-convertible debentures issued by the Company are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Company to the extent of security cover ratio of 1:1, 1.05:1, 1.1:1, 1.25:1 in favour of the debenture holders.

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

C. External commercial borrowings
The Company holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

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Notes to the Standalone financial statements for the year ended March 31, 2023

Note 17.2 Terms of repayment of borrowings as on March 31, 2022

(In Rs. Lakhs)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 and 2 Years		Due between 2 and 3 Years		Due between 3 and 4 Years		Due between 4 and 5 Years		Due between 5 and 6 Years		Total
		No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	
Monthly														
0-3 years	5.15%-12.50%	1,062	1,43,092	423	72,905	47	10,278	-	-	-	-	-	-	2,26,275
Above 3 years	9.45%-12.30%	27	4,241	3	406	-	-	-	-	-	-	-	-	4,647
Monthly total		1,089	1,47,333	426	73,311	47	10,278	-	-	-	-	-	-	2,30,922
Quarterly														
0-3 years	7.50%-12.25%	71	46,095	62	38,862	29	11,539	-	-	-	-	-	-	96,496
Above 3 years	10.00%-10.75%	4	2,652	3	1,761	-	-	-	-	-	-	-	-	4,413
Quarterly total		75	48,747	65	40,623	29	11,539	-	-	-	-	-	-	1,00,909
Half yearly														
0-3 years	7%-12.75%	3	9,740	3	4,810	3	9,459	-	-	-	-	-	-	24,009
Above 3 years	9.68%-12.49%	16	12,578	13	9,723	13	11,794	-	-	-	-	-	-	34,095
Half yearly total		19	22,318	16	14,533	16	21,253	-	-	-	-	-	-	58,104
Annually														
0-3 years	11.50%-12.00%	2	1,835	2	1,739	-	-	-	-	-	-	-	-	3,574
Annually total		2	1,835	2	1,739	-	-	-	-	-	-	-	-	3,574
Bullet														
0-3 years	9.50%-12.78%	11	31,979	3	13,915	-		-	-	-	-	-	-	45,894
Above 3 years	10.50%-16.50%	5	21,368	5	16,981	7	17,821	6	25,826	7	23,475	5	8,191	1,13,662
Bullet total		16	53,347	8	30,896	7	17,821	6	25,826	7	23,475	5	8,191	1,59,556
Grand total		1,201	2,73,580	517	1,61,102	99	60,891	6	25,826	7	23,475	5	8,191	5,53,065

A. Debentures
Non-convertible debentures issued by the Company are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Company to the extent of security cover ratio of 1:1,1.05:1,1.1:1,1.25:1 in favour of the debenture holders.

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

C. External commercial borrowings
The Company holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

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Notes to the Standalone financial statements for the year ended March 31, 2023

Note 17.3: Other financial liabilities

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Insurance premium payable	1,085	1,748
Employee dues	1,659	1,763
Payable towards securitisation transaction	23,856	9,274
Other payable*	1,028	732
Lease liability for Right of use assets	589	323
Total	28,217	13,830

* consists of payable to vendors

Note 17.4: Other non-financial liabilities

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	724	543
Total	724	543

Note 18: Provisions

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits:		
Gratuity (refer note 33)	409	484
Leave encashment and availment- Compensated absences	914	702
Total	1,323	1,186

Note 19: Equity Share Capital

(Amount in Rs. Lakhs except no. of shares)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
11,39,00,000 (March 31, 2022: 8,30,00,000) equity shares of Rs.10/- each	11,390	8,300
2,51,00,000 (March 31, 2022: 5,60,00,000) preference shares of Rs.10/- each	2,510	5,600
	13,900	13,900
Issued and subscribed		
9,22,27,855 (March 31, 2022: 7,28,95,160) equity shares of Rs.10/- each (in Rs Lakhs)	9,223	7,289
	9,223	7,289
Fully paid up		
8,80,93,843 (March 31, 2022: 6,87,61,148) equity shares of Rs.10/- each (in Rs Lakhs)	8,809	6,876
	8,809	6,876
Partly paid up		
41,34,012 (March 31, 2022: 41,34,012) equity shares of Rs.0.09/- each (in Rs Lakhs)	4	4
Total Paid up	8,813	6,880

Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

Particulars	In Nos.	Amount in Rs. Lakhs
As at March 31, 2021	6,87,19,948	6,872
Issued during the year	41,70,212	8
As at March 31, 2022	7,28,95,160	6,880
Issued during the year	1,93,32,695	1,933
As at March 31, 2023	9,22,27,855	8,813

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share for matters other than "Investor Reserved Matters".

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the investors at their sole discretion have the option to receive an amount equal to 100% of each investor's aggregate investment amount after distribution of all creditors and preferential amounts. Thereafter, the promoters and promoter shareholders other than the investor shall receive pro-rata distribution of all their entire subscription amounts in proportion to their shareholding in the Company. Remaining surplus, if any shall be distributed to all equity shareholders on a pro rata basis.

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Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	% of holding in the class	No. of shares held	% of holding in the class
Equity shares of Rs.10 each fully paid				
Gobinda Chandra Pattanaik	80,00,546	8.67%	80,00,546	10.99%
Belgian Investment Company for Developing Countries NV - SA	95,27,723	10.33%	95,27,723	13.07%
Oikocredit Ecumenical Development Cooperative Society U.A.	75,40,538	8.18%	75,40,538	10.34%
Women's World Banking Capital Partners, LP	58,00,000	6.29%	58,00,000	7.96%
Bamboo Financial Inclusions Fund II	46,45,695	5.04%	46,45,695	6.37%
Orian India Joint Investment Fund II	1,80,48,942	19.57%	1,80,48,942	24.76%
Asian Development Bank	1,16,88,702	12.67%	1,16,88,702	16.03%
Nuveen Global Impact Fund India S.A.R.L	1,33,51,410	14.48%	-	0.00%
Societe De Promotion Et De Participation Pour La Cooperation Economique S.A.	59,70,985	6.47%	-	0.00%
Total	8,45,74,539		6,82,52,144	
Compulsory convertible preference shares of Rs. 10 each fully paid				
Pratap Chandra Dash on behalf of AIDS Awareness Trust of Orissa	30,00,000	11.99%	30,00,000	6.75%
Nuveen Global Impact Fund India S.A.R.L (*)	-	-	1,94,18,612	43.70%
Action Gateway Fund LLC (Sr A1 CCPS) (*)	84,92,469	33.94%	84,92,469	19.11%
ESF Holdings II (Sr A1 CCPS) (*)	1,08,08,723	43.20%	1,08,08,723	24.32%
Oikocredit Ecumenical Development Cooperative Society U.A.(Sr A1 CCPS) (*)	27,17,622	10.86%	27,17,622	6.12%
Total	2,50,18,814		4,44,37,426	

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.

* treated as financial liabilities in accordance with Ind AS 32 and hence disclosed under note 16.

Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) of the Company, please refer Note 35.1 and 35.2.

Shareholding of promoters

Sr. No.	Promoter's name	As at March 31, 2023		As at March 31, 2022	
		No of shares	% of total shares	No of shares	% of total shares
1	Gobinda Chandra Pattanaik	80,00,546	8.67%	80,00,546	10.99%
2	Dibyajyoti Pattanaik	17,19,805	1.86%	17,19,805	2.36%

Information regarding issue of shares in the last five years

a. The Company has not issued any shares without payment being received in cash.

b. The Company has not issued any bonus shares.

c. The Company has not undertaken any buyback of shares.

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Note 20: Instruments entirely equity in nature (In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Compulsorily convertible preference shares (30,00,000 preference shares (March 31, 2022: 30,00,000 preference shares) of Rs 10 each fully paid up)	300	300
Total	**300**	**300**

Compulsorily convertible preference shares (CCPS) will be convertible at par at the option of the holder of the instrument and the dividend is at the discretion of board of directors, on account of which the Company has this instruments as equity.

Note 21: Other equity (In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	5,202	4,548
Securities premium	73,674	39,919
Stock option outstanding	1,292	1,298
Retained earnings	20,283	17,620
Other comprehensive income	11,267	8,824
Total	**1,11,718**	**72,209**

(In Rs. Lakhs)

Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	Amount
Balance as at April 1, 2021	**4,205**
Transfer from retained earnings	343
Balance as at March 31, 2022	**4,548**
Transfer from retained earnings	654
Balance as at March 31, 2023	**5,202**

(In Rs. Lakhs)

Securities premium	Amount
Balance as at April 1, 2021	**40,076**
Share issue / debenture issues expenses	(187)
ESOP exercised	30
Balance as at March 31, 2022	**39,919**
Issue of shares	33,822
Share issue / debenture issues expenses	(86)
ESOP exercised	19
Balance as at March 31, 2023	**73,674**

(In Rs. Lakhs)

Stock option outstanding	Amount
Balance as at April 1, 2021	**1,295**
Amortisation of vesting expenses of employee stock option plan	33
ESOP exercised	(30)
Balance as at March 31, 2022	**1,298**
Amortisation of vesting expenses of employee stock option plan	10
ESOP exercised	(16)
Balance as at March 31, 2023	**1,292**

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(In Rs. Lakhs)

Retained Earnings	Amount
Balance as at April 1, 2021	**16,220**
Profit for the year	1,713
Other comprehensive income	30
Transfer to statutory reserve	(343)
Balance as at March 31, 2022	**17,620**
Profit for the year	3,272
Other comprehensive income	45
Transfer to statutory reserve	(654)
Balance as at March 31, 2023	**20,283**

(In Rs. Lakhs)

Other items of Comprehensive Income (Fair valuation on portfolio & hedging)	Amount
Balance as at April 1, 2021	**7,292**
Other comprehensive income	1,532
Balance as at March 31, 2022	**8,824**
Other comprehensive income	2,443
Balance as at March 31, 2023	**11,267**

21.1 **Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)**
Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 451C of Reserve Bank of India Act,1934.

21.2 **Securities premium reserve**
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

21.3 **Stock option outstanding**
The Company has established various equity settled share-based payment plans for certain categories of employees of the Company. See Note 35.1 and 35.2 for further details on these plans.

21.4 **Retained earnings**
Retained earnings represent the cumulative profit/(loss) of the Company and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013.

21.5 **Other comprehensive income**
The Company recognises changes in the fair value of loan portfolio held with business objective of collect and sell in other comprehensive income and fair value of derivative contracts designated as cashflow hedges. These changes are accumulated within the FVOCI reserve in equity. The Company transfers amounts from this reserve to the statement of profit and loss when the loan is repaid. Any impairment loss on such instruments is reclassified immediately to the statement of profit and loss.

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Note 22: Interest income

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023			For the year ended 31 March, 2022		
	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total
Interest income on loans	1,09,153	5,170	1,14,323	64,575	28,779	93,354
Interest income on fixed deposits with Banks	-	6,424	6,424	-	5,648	5,648
Interest income on margin money deposits with NBFC/FI	-	90	90	-	79	79
Interest income on others	-	59	59	-	63	63
Total	1,09,153	11,743	1,20,896	64,575	34,569	99,144

Note 23.1: Fees and commission income

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Loan portfolio servicing fees	24	94
Total	24	94

Note 23.2: Net gain on fair value changes*

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Net gain on financial instruments at fair value through profit or loss	1,111	314
Total	1,111	314
Total fair value changes:		
- Realised	1,111	314
- Unrealised	-	-
Total	1,111	314

*includes fair value changes for mutual fund.

Note 23.3: Net gain on assignment transactions

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Net gain on assignment transactions*	33,747	15,164
Total	33,747	15,164

* represents net gain accounted on derecognition of loans (assignment transactions) during the year designated at FVOCI

Note 24: Other income

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Net gain on derecognition of property, plant and equipment	-	10
Bad debt recovery	337	186
Miscellaneous income	842	365
Total	1,179	561

Note 25: Finance costs

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023			For the year ended 31 March, 2022		
	Interest expenses on financial liabilities classified at amortised cost	Interest expenses on financial liabilities classified at fair value through profit or loss	Total	Interest expenses on financial liabilities classified at amortised cost	Interest expenses on financial liabilities classified at fair value through profit or loss	Total
Interest on debt securities	14,084	2,164	16,248	17,419	2,003	19,422
Interest on borrowings other than debt securities	45,496	-	45,496	31,988	-	31,988
Interest on subordinated liabilities	4,262	-	4,262	4,597	-	4,597
Interest on lease liabilities	56	-	56	18	-	18
Other borrowing costs*	479	-	479	333	-	333
Total	64,367	2,164	66,531	54,353	2,003	56,356

* consists of credit rating fees, bank charges, etc.

Note 26: Impairment of Financial Instruments

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023			For the year ended 31 March, 2022		
	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total
Impairment on loan portfolio (own portfolio)	19,103	13,333	32,436	15,974	3,297	19,271
Impairment on loan portfolio (managed portfolio)	-	-	-	112	-	112
Impairment on insurance receivable	-	254	254	-	-	-
Impairment on investments in SRs	3,494	-	3,494	-	-	-
Total	22,597	13,587	36,184	16,086	3,297	19,383

Note 27: Employee benefit expenses

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Salaries and wages*	35,035	25,851
Contributions to provident fund and other funds	2,162	1,595
Gratuity expense (refer note 33)	479	379
Expenses on employee stock option plan (refer note 35 and 36(2))	10	33
Staff welfare expenses	1,366	940
Total	39,062	28,798

* The Company has claimed grants from NATS of Rs.238.06 lakhs against stipend expenses on the trainees registered with NATS of India. The grants has been set off against the stipend of trainees.

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Note 28: Depreciation and amortisation expenses

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Depreciation on property, plant and equipment	1,088	818
Amortisation on intangible assets	156	288
Total	1,244	1,106

Note 29: Other expenses

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Rent, taxes and energy costs	2,720	2,149
Office maintenance	700	461
Office expenses	1,137	741
Director fees, allowance and expenses	23	30
Travelling and conveyance	805	162
Communication expenses	395	309
Printing and stationery	585	375
Legal and professional fees	1,024	1,269
Auditor's fees and expenses (refer note 29.1 below)	194	140
Insurance	76	61
Provision and other contingencies*	-	272
Advertisement	15	12
Training and meeting expenses	823	494
Electricity charges	242	224
Corporate social responsibility expenses (refer note 29.2 below)	121	161
Miscellaneous expense	1,058	409
Total	9,518	7,269

Note 29.1: Auditor's fees and expenses

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
As auditor:		
Audit fee (excluding taxes)	110	73
Tax audit fee	-	-
Limited review fee	65	52
Other services (certification fees etc.)	19	15
Total	194	140

Note 29.2: Corporate social responsibility

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
(a) Amount required to be spent by the Company during the year	84	127
(b) Amount spent during the year		
(i)Construction/ acquisition of any assets	-	-
(ii)Corporate social responsibility expenses	121	161
(c) Details of related party transactions	-	-
(d) Shortfall at the end of the year	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	-	-

Note 29.3: Excess amount spent as per Section 135 (5) of the Companies Act, 2013

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Opening Balance**	-	-
Amount required to be spent during the year	84	127
Amount spent during the year	121	161
Closing balance - excess amount spent	37	34

**brought forward CSR obligation of financial year 2021-22 is NIL

Note 29.4: Details of ongoing projects for financial year 2022-23

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Opening Balance	-	-
Amount required to be spent during the year	87	87
Amount spent during the year	87	79
Closing balance - excess amount spent	-	12

Nature of CSR expenses :
Promoting integrated development in all spheres of community life with special emphasis on weaker and vulnerable groups such as women, children, elderly people including skill development.

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Note 30: Earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit after tax as per the statement of profit and loss (In Rs. Lakhs)	3,272	1,713
Weighted average number of ordinary shares for basic earnings per share (Nos.)	**8,31,81,015**	**7,17,30,256**
Effect of dilution:		
Stock options granted under ESOP (Nos.)	39,92,949	39,42,065
Compulsorily convertible preference shares (Nos.)	67,78,773	-
Partly paid shares (Nos.)	40,96,705	3,47,939
Weighted average number of ordinary shares adjusted for effect of dilution (Nos.)	**9,80,49,442**	**7,60,20,260**
Earnings per share		
Basic earnings per share (Rs.)	3.93	2.39
Diluted earnings per share (Rs.)	3.34	2.25
Nominal Value per share (Rs.)	10	10

Note 31: Segment information

The Company is solely engaged in providing loans to borrowers and accordingly there is only reportable business segment i.e. financial services for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

Note 32: Transfer of financial assets

Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for de-recognition, together with the associated liabilities:

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Securitisations		
Carrying amount of transferred assets measured at FVOCI	4,838	363
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	4,838	363
Fair value of transferred assets	4,838	363
Fair value of associated liabilities	4,838	363
Net position at fair value	-	-

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Note 33 Defined benefit plan

33.1 Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/assets and its components:

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	1,268	862
Current service cost	460	357
Interest cost	90	63
Past service cost	-	-
Benefits settled	(47)	(25)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	(73)	(10)
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	8	1
Transfer in	-	-
Obligation at the end of the year	1,706	1,268
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	784	475
Interest income on plan assets	71	41
Re-measurement- actuarial gain / (loss)	1	(11)
Return on plan assets recognised in other comprehensive income	-	-
Contributions	488	304
Benefits settled	(47)	(25)
Plan assets at the end of the year, at fair value	1,297	784
Net defined benefit liability	409	484

33.2 Expense recognised in profit or loss

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	460	357
Interest cost	90	63
Interest income	(71)	(41)
Net gratuity cost	479	379

33.3 Re-measurement recognised in other comprehensive income

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Re-measurement of the net defined benefit liability		
- Changes in experience adjustments	(73)	(10)
- Changes in financial assumptions	8	1
Re-measurement of the net defined benefit asset		
Return on plan assets (greater) / less than discount rate	1	(11)
Total Actuarial (gain)/ loss included in OCI	(64)	(20)

33.4 Plan assets

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Funds managed by insurer (LIC, HDFC Life Insurance, Kotak life insurance and ICICI Prudential Life Insurance)	100%	100%

33.5 Defined benefit obligation - Actuarial assumptions

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.40%	7.10%
Future salary growth	7.00%	7.00%
Expected Rate of Return on Plan Assets	7.40%	7.10%
Attrition rate	Varying between 8% per annum to 1% per annum depending on duration and age of employees	Varying between 8% per annum to 1% per annum depending on duration and age of employees
Mortality rate	IALM (2012-14) Table Ultimate	IALM (2012-14) Table Ultimate
Retirement Age (in years)	58	58
Average Future Service (in years)	28.86	28.88

33.6 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:

(In Rs. Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	1,519	1,937	1,121	1,442
Future salary growth (1% movement)	1,935	1,515	1,442	1,118
Attrition rate (1% movement)	1,701	1,713	1,255	1,276
Mortality rate (10% movement)	1,705	1,704	-	-

33.7 Expected payment for future years

(In Rs. Lakhs)

	As at March 31, 2023	As at March 31, 2022
Within the next 12 months (next annual reporting period)	67	43
Between 2 and 5 years	25	218
Between 5 and 10 years	86	536
Total expected payments	178	797

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Note 34: Related party transactions

Name of the related parties (as per Ind AS 24) (Refer Note (a) below)

Relationship	Name of the party
(i) Key management personnel	Mr. Gobinda Chandra Pattanaik - Managing Director Mr. Dibyajyoti Pattanaik - Director Ms. Christina Stefanie Juhasz - Nominee Director Ms. Laetitia Counye - Nominee Director (Resigned with effect from April 18, 2022) Mr. Ranganathan Varadarajan Dilip Kumar - Nominee Director Mr. Prakash Kumar - Nominee Director (Resigned with effect from September 28, 2022) Mr. Sunit Vasant Joshi - Nominee Director Mr. Venkiteswaran Mecherimadam Ramakrishnan - Nominee Director Ms. Radhika Jayant Sharoff - Nominee Director Mr. Abhishek Agarwal - Nominee Director Mr. Ashok Ranjan Samal- Independent Director Mr. K.K. Tiwary- Independent Director Mr. Sean Leslie Nossel - Independent Director Mr. Arup Kumar - Nominee Director (with effect from September 28, 2022) Mr. Guillaume Accarain -Nominee Director (with effect from April 18, 2022) Mr. Pushkar Jauhari -Nominee Director (with effect from May 27, 2022) Mr. Satish Chava - nominee Director(till March 03, 2022)
(ii) Subsidiary Company	Annapurna SME Finance Private Limited (incorporated on December 18, 2020)
(iii) Trust	Annapurna Employees Welfare Trust (the 'Trust')

Related Party transactions during the year:

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Key management personnel		
Salary, incentives and perquisites (Refer Note (b) below)		
Mr. Gobinda Chandra Pattanaik	268	200
Mr. Dibyajyoti Pattanaik	125	101
	393	301
Sitting fees paid		
Mr. Ashok Ranjan Samal	10	8
Mr.K.K. Tiwary	6	6
Mr. Sean Leslie Nossel	7	6
	23	20
Long term benefits#	-	-
Post - employment benefit#	-	-

Outstanding balances at the year end:	As at March 31, 2023	As at March 31, 2022
(i) Subsidiary Company		
Investment in Annapurna SME Finance Private Limited	500	500
(ii) The Trust		
Loan to the Trust	99	76
Equity shares of the Company held by the Trust	92	72

Does not include gratuity and compensated absences as these are provided on the company as a whole.

Note:

a) Related parties have been identified on the basis of the declaration received by the Company and other records available.

b) The above remuneration to the key managerial personnel constitute the short term employee benefits and above does not include the provisions made towards post employment gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

c) All transactions with related parties are priced at arm's length and are in the ordinary course of business.

d) The remuneration of Mr. Gobinda Chandra Pattanaik and Mr. Dibyajyoti Pattanaik is determined by the Nomination and Remuneration Committee.

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Note 35.1 Employees stock option plan (ESOP)

The Company provides share-based payment schemes to its key management personnel. The plan in operation as on March 31, 2021 are ESOP Series - A and ESOP - Series -B.

Particulars	Series A	Series B (i)	Series B (II)
Date of grant	June 29, 2012	March 19, 2014	March 19, 2014
Date of board approval	June 29, 2012	March 19, 2014	March 19, 2014
Date of shareholder's approval	June 29, 2012	March 19, 2014	March 19, 2014
Number of options expected to exercise within the vesting period	8,16,214	4,16,119	20,83,304
Exercise price per share (Rs.)	2.5	5	5
Method of settlement	Equity	Equity	Equity
Vesting period	March 31, 2013	March 31, 2015	March 31, 2016
Exercise period	Immediate after vesting period subject to shareholders' approval	Immediate after vesting period subject to shareholders' approval	Immediate after vesting period subject to shareholders' approval
Vesting conditions	Performance milestones as set out in shareholder agreement dated June 29, 2012	Performance milestones as set out in shareholder agreement dated March 19, 2014	Performance milestones as set out in shareholder agreement dated March 19, 2014

The detail of the plans have been summarised below:

Series A

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of options	Exercise price (Rs.)	No. of options	Exercise price (Rs.)
Outstanding at the beginning of the year	8,16,214	-	8,16,214	-
Adjustment of opening:	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	8,16,214	-	8,16,214	-
Exercisable at the end of the year	8,16,214	-	8,16,214	-
Weighted average remaining contractual life in years	-	-	-	-

Series B

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of options	Exercise price (Rs.)	No. of options	Exercise price (Rs.)
Outstanding at the beginning of the year	24,99,423	5.00	24,99,423	5.00
Adjustment of opening:	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	24,99,423	5.00	24,99,423	5.00
Exercisable at the end of the year	24,99,423	5.00	24,99,423	5.00
Weighted Average Remaining Contractual Life in Years	-	-	-	-

Effect of share-based payment plans (ESOP) on the statement of profit and loss:

Particulars	As at March 31, 2023	As at March 31, 2022
Stock options outstanding (gross)	1,292	1,298
Deferred compensation cost outstanding	-	-
Stock options outstanding (net)	1,292	1,298

The Stock option outstanding contains of Rs 544 lakhs for ESOP (A & B) as on March 31, 2023 (March 31, 2022; Rs. 544 lakhs).

Note :
The Issue of shares will be in accordance with the provisions of the Companies Act, 2013.

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Note 35.2 Employee stock option plan (ESOP)

On November 30, 2016 the board of directors approved the Annapurna stock option plan 2017 for issue of stock options to eligible employees of the Company. The relevant terms of the grant are as below:

Description	Grant - 2	Grant - 1
Date of grant	01 July 2018	01 July 2017
Date of board approval	30 November 2016	30 November 2016
Number of options granted	18,17,461	10,90,477
Method of settlement	Equity	Equity
Graded vesting	Vesting of the option will take place in equal proportion over a period of 3 years from the date of grant of options	
Exercise period The vested options can be exercised within a period of 5 years as per the table below:		

End of the year	Exercise period	Exercise period
1	Within 4 years of 1st Vesting	Within 5 years of 1st Vesting
2	Within 3 years of 2nd Vesting	Within 4 years of 2nd Vesting
3	Within 2 years of 3rd Vesting	Within 3 years of 3rd Vesting

Vesting conditions	Continuous service with the Company and has not served any notice of resignation	
Weighted average remaining contractual life (years)	3 years	3 years
Weighted average exercise price per option (Rs.)	49	41

The details of activity under the plan 2017 are summarized below:

Grant 1

Description	March 31, 2023 (No. of options)	March 31, 2022 (No. of options)
Outstanding at the beginning of the year	9,05,700	9,52,800
Granted during the year	-	-
Forfeited during the year	18,800	16,100
Exercised during the year	7,700	31,000
Outstanding at the end of the year	8,79,200	9,05,700
Exercisable at the end of the year	8,79,200	9,05,700
Weighted average remaining contractual life of options (years)	-	-
Weighted average share price during the exercise period (Rs.)	41	41

Grant 2

Description	March 31, 2023 (no. of options)	March 31, 2022 (no. of options)
Outstanding at the beginning of the year	4,09,900	4,32,600
Granted during the year	-	-
Forfeited during the year	17,200	8,700
Exercised during the year	2,700	14,000
Outstanding at the end of the year	3,90,000	4,09,900
Exercisable at the end of the year	3,90,000	4,09,900
Weighted average remaining contractual life of options (years)	-	-
Weighted average share price during the exercise period (Rs.)	49	49

The black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs -

Particulars	Grant 2	Grant 1
Share price on the date of grant (Rs.)	90.64	76.09
Exercise price (Rs.)	49.00	41.00
Dividend yield (%)	-	-
Expected volatility (%)	56.14-57.69%	43.88% - 46.22%
Risk-free interest rate (%)	7.23-7.32%	6.60% - 6.74%
Weighted average fair value of stock options (Rs.)	61.13	48.29
Weighted average share price (Rs.)	90.64	76.09

The expected volatility reflects the assumption that is indicative of future trends, which may also not necessarily be the actual outcome. The cost of employee stock option plan has been recognised at fair value.

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Notes to the Standalone financial statements for the year ended March 31, 2023

Note 36 Asset liability management:

Maturity pattern of assets and liabilities as on March 31, 2023: (In Rs. Lakhs)

Particulars	1 to 7 days	8 to 14 days	15 days to 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Liabilities											
Borrowings	10,271	7,640	26,615	31,668	32,340	1,27,230	1,44,943	2,55,401	38,781	21,964	**7,04,853**
Assets											
Advances (gross)	17,007	9,312	9,843	31,044	30,169	90,958	1,73,091	2,55,660	14,657	18,860	**6,50,601**
Investment in fixed deposit	5,432	24,296	8,379	4,482	4,842	10,925	21,657	34,217	-	-	**1,14,230**

Maturity pattern of assets and liabilities as on March 31, 2022: (In Rs. Lakhs)

Particulars	1 to 7 days	8 to 14 days	15 days to 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Liabilities											
Borrowings	4,039	6,547	14,449	23,335	21,223	1,27,177	1,28,265	2,23,360	49,604	23,241	**6,21,240**
Assets											
Advances (gross)	22,394	12,299	13,289	27,694	35,100	1,14,647	1,29,783	1,64,235	9,806	11,684	**5,40,731**
Investment in fixed deposit	20,541	37,112	9,439	9,468	16,423	13,149	21,499	24,343	1,115	-	**1,53,089**

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Note 37: Maturity analysis of assets and liabilities

The table below shows assets and liabilities analysed according to when they are expected to be recovered or settled.

(In Rs. Lakhs)

Particulars	Within 12 months	After 12 months	Total
As at March 31, 2023			
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	75,679	-	**75,679**
(b) Bank balance other than (a) above	52,338	31,696	**84,034**
(c) Derivative financial instruments	2,187	-	**2,187**
(d) Receivables	-	-	-
(I) Trade receivables	-	-	-
(ii) Other receivables			
(e) Loans	3,61,678	2,70,947	**6,32,625**
(f) Investments	-	10,049	**10,049**
(g) Other financial assets	28,008	11,792	**39,800**
Subtotal - Financial assets (A)	**5,19,890**	**3,24,484**	**8,44,374**
(2) Non-financial Assets			
(a) Current tax assets (net)	-	4,007	**4,007**
(b) Deferred tax assets (net)	-	2,828	**2,828**
(c) Property, plant and equipment	937	1,449	**2,386**
(d) Intangible assets	264	158	422
(e) Other non-financial assets	2,817	951	**3,768**
Subtotal - Non- financial assets (B)	**4,018**	**9,393**	**13,411**
Total Assets (A+B)	**5,23,908**	**3,33,877**	**8,57,785**
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	-	-	-
(b) Payables			
(I) Trade Payables			
(i)Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	1,836	-	**1,836**
(c) Debt securities	64,202	88,806	**1,53,008**
(d) Borrowings (other than debt securities)	3,08,908	2,10,224	**5,19,132**
(e) Subordinated liabilities	7,599	25,115	**32,714**
(f) Other financial liabilities	27,801	416	**28,217**
Subtotal - Financial liabilities (A)	**4,10,346**	**3,24,561**	**7,34,907**
(2) Non-financial liabilities			
(a) Provisions	528	795	1,323
(b) Other non-financial liabilities	724	-	724
Subtotal - Non - financial liabilities (B)	**1,252**	**795**	**2,047**
(3) Equity			
(a) Equity share capital	-	8,813	**8,813**
(b) Instruments entirely equity in nature	-	300	**300**
(c) Other equity	-	1,11,718	**1,11,718**
Subtotal - Equity (C)	**-**	**1,20,831**	**1,20,831**
Total Liabilities and Equity (A+B+C)	**4,11,598**	**4,46,187**	**8,57,785**

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(In Rs. Lakhs)

Particulars	Within 12 months	After 12 months	Total
As at March 31, 2022			
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	95,134	-	**95,134**
(b) Bank balance other than (a) above	34,129	60,760	**94,889**
(c) Derivative financial instruments	1,355	-	**1,355**
(d) Receivables	-	-	-
(i) Trade receivables	5	-	**5**
(ii) Other receivables			
(e) Loans	3,55,206	1,41,476	**4,96,682**
(f) Investments	-	500	**500**
(g) Other financial assets	13,481	4,846	**18,327**
Subtotal - Financial assets (A)	**4,99,310**	**2,07,582**	**7,06,892**
(2) Non-financial Assets			
(a) Current tax assets (net)	-	2,251	**2,251**
(b) Deferred tax assets (net)	-	4,810	**4,810**
(c) Property, plant and equipment	703	1,084	**1,787**
(d) Intangible assets	98	58	**156**
(e) Other non-financial assets	1,453	712	**2,165**
Subtotal - Non- financial assets (B)	**2,254**	**8,915**	**11,169**
Total Assets (A+B)	**5,01,564**	**2,16,497**	**7,18,061**
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	475	-	**475**
(b) Payables			
(I) Trade Payables			
(i)Total outstanding dues of micro enterprises and small enterprises	-	-	
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	1,398	-	**1,398**
(c) Debt securities	87,101	98,576	**1,85,677**
(d) Borrowings (other than debt securities)	2,33,838	1,68,575	**4,02,413**
(e) Subordinated liabilities	2,700	30,450	**33,150**
(f) Other financial liabilities	13,568	262	**13,830**
Subtotal - Financial liabilities (A)	**3,39,080**	**2,97,863**	**6,36,943**
(2) Non-financial liabilities			
(a) Provisions	421	765	**1,186**
(b) Other non-financial liabilities	543	-	**543**
Subtotal - Non - financial liabilities (B)	**964**	**765**	**1,729**
(3) Equity			
(a) Equity share capital	-	6,880	**6,880**
(b) Instruments entirely equity in nature	-	300	**300**
(c) Other equity	-	72,209	**72,209**
Subtotal - Equity (C)	-	**79,389**	**79,389**
Total Liabilities and Equity (A+B+C)	**3,40,044**	**3,78,017**	**7,18,061**

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Notes to the Standalone financial statements for the year ended March 31, 2023

Note 38: Changes in liability arising from financing activities

(In Rs. Lakhs)

Particulars	As at April 1, 2022	Cash flows	Other	As at March 31, 2023
Debt securities	1,85,483	(9,004)	(23,472)	1,53,007
Borrowings other than debt securities	4,02,413	1,16,074	646	5,19,133
Subordinated liabilities	33,150	(500)	64	32,714
Lease liabilities	323	(194)	459	588
Total liabilities from financing activities	**6,21,369**	**1,06,376**	**(22,303)**	**7,05,442**

(In Rs. Lakhs)

Particulars	As at April 1, 2021	Cash flows	Other	As at March 31, 2022
Debt securities	1,73,854	11,629	-	1,85,483
Borrowings other than debt securities	2,82,307	1,20,106	-	4,02,413
Subordinated liabilities	32,275	875	-	33,150
Lease liabilities	35	(78)	366	323
Total liabilities from financing activities	**4,88,471**	**1,32,532**	**366**	**6,21,369**

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Note 39: Financial instruments – fair values

39.1 Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
There have been no transfers between Level 1 and Level 2 during the year .

(In Rs. Lakhs)

As at March 31, 2023	Carrying amount			
	FVTPL	FVTOCI	Amortised cost	Total
(1) Financial assets				
(a) Cash and cash equivalents	-	-	75,679	75,679
(b) Bank balance other than (a) above	-	-	84,034	84,034
(c) Derivative financial instruments	-	2,187	-	2,187
(d) Receivables				
(i) Trade receivables	-	-	-	-
(ii) Other receivables	-	-	-	-
(e) Loans		5,79,015	53,610	6,32,625
(f) Investment	500	9,549	-	10,049
(g) Other financial assets	-	-	39,800	39,800
Total - financial assets	**500**	**5,90,751**	**2,53,123**	**8,44,374**
(2) Financial liabilities				
(a) Derivative financial instruments	-	-	-	-
(b) Payables				
(I) Trade payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	1,836	1,836
(II) Other payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
(c) Debt securities	42,070	-	1,10,938	1,53,008
(d) Borrowings (other than debt securities)	-	-	5,19,132	5,19,132
(e) Subordinated liabilities	-	-	32,714	32,714
(f) Other financial liabilities	-	-	28,217	28,217
Total - financial liabilities	**42,070**	**-**	**6,92,837**	**7,34,907**

(In Rs. Lakhs)

As at March 31, 2022	Carrying amount			
	FVTPL	FVTOCI	Amortised cost	Total
(1) Financial assets				
(a) Cash and cash equivalents	-	-	95,134	95,134
(b) Bank balance other than (a) above	-	-	94,889	94,889
(c) Derivative financial instruments	-	1,355	-	1,355
(d) Receivables				
(i) Trade receivables	-	-	5	5
(ii) Other receivables	-	-	-	-
(e) Loans	-	4,08,754	87,928	4,96,682
(f) Investment	500	-	-	500
(g) Other financial assets	-	-	18,327	18,327
Total - financial assets	**500**	**4,10,109**	**2,96,283**	**7,06,892**
(2) Financial liabilities				
(a) Derivative financial instruments	-	475	-	475
(b) Payables				
(I) Trade payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises			1,398	1,398
(II) Other payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
(c) Debt securities	66,000	-	1,19,677	1,85,677
(d) Borrowings (other than debt securities)	-	-	4,02,413	4,02,413
(e) Subordinated liabilities	-	-	33,150	33,150
(f) Other financial liabilities	-	-	13,830	13,830
Total - financial liabilities	**66,000**	**475**	**5,70,468**	**6,36,943**

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets / liabilities, payables are considered to be the same as their face values, due to their short-term nature.

39.2 Measurement of fair values:

Valuation techniques and significant unobservable inputs:

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

As at March 31, 2023 (In Rs. Lakhs)

Financial assets (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Loans	-	5,79,015	-	5,79,015	-
Investments	500	9,549	-	-	10,049
Derivative financial instruments	-	2,187	-	2,187	-
Total	500	5,90,751	-	5,81,202	10,049

As at March 31, 2022 (In Rs. Lakhs)

Financial assets (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Loans	-	4,08,754	-	4,08,754	-
Investments	500	-	-	-	500
Derivative financial instruments		1,355		1,355	-
Total	500	4,10,109	-	4,10,109	500

As at March 31, 2023 (In Rs. Lakhs)

Financial liabilities (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Derivative financial instruments	-	-	-	-	-
Debt securities	42,070	-	-	42,070	-
Total	42,070	-	-	42,070	-

As at March 31, 2022 (In Rs. Lakhs)

Financial liabilities (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Derivative financial instruments	-	475	-	475	-
Debt securities	66,000	-	-	66,000	-
Total	66,000	475	-	66,475	-

Valuation technique used for Loan Portfolio:

The scheduled future cash flows (including principal and interest) are discounted using the lending rate prevailing as at the balance sheet date. The discounting factor is applied assuming the cash flows will be evenly received in a month.

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Note 40 Additional disclosures given in terms of Notification dated March 24, 2021 issued by Ministry of Corporate affairs.

(a) Title deed of immovable properties.

The title deed of properties(other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(b) As at March 31, 2023 and as at March 31, 2022, the Company does not have any loans and advances outstanding to promoters, directors, KMPs and the related parties, that are repayable on demand or without specifying any terms of repayment.

(c) The Company has not revalued its property, plant and equipment's (including right-of-use assets) during the current or previous year.

(d) The Company has revalued its intangible assets during the current or previous year.

(e) Capital work in progress & intangible assets under development amounts to Nil as at March 31, 2023 and March 31, 2022.

(f) During the year the Company has not granted loans or advances in the nature of loans to promoters, directors, key managerial personnel's and related parties (as defined under the Act), either severally or jointly with any other person, that are:

(i) repayable on demand or

(ii) without specifying any terms or period of repayment

(g) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company.

(h) The Company has not been sanctioned any working capital limits in excess of Five crores rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, no quarterly returns filed by the Company with the banks or financial Institutions.

(i) The Company has not been declared as Wilful Defaulter by any bank or financial institution or any lender.

(j) During FY2023 and FY2022, the Company did not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

(k) There is no charge which is yet to be created with ROC. Where any charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof shall be disclosed. The Company shall provide the details in relation to each charge or satisfaction that are not registered by the statutory date. Such details may include a brief description of the charges or satisfaction, the location of the Registrar, the period (in days or months) by which such charge had to be registered and the reason for delay in registration.

(l) The Company has complied with the number of layers for investments made as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(m) (i) The Company has not advanced or loaned or invested (either from borrowed fund or share premium or any other sources or other kinds of funds) to or in any other person or entities, including foreign entity ('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 the Ultimate Beneficiaries.

(ii) The Company has not received any funds (which are material either individually or in aggregate) from any person or entity, including foreign entity ('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.

(n) The Company has not traded or invested in crypto currencies during the financial year.

(o) During the year, the Company has not entered into scheme of arrangements.

(p) The Company does not have transactions 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 Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(q) The Company has debt securities from financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with financial institutions are in agreement with the books of accounts.

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2023

Note 49.1: Ratios

Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance	Reasons
(a) Debt Equity Ratio	Total Debts	Shareholder's fund	5.83	7.83	-25.50%	Due to conversion of CCPS into equity, shareholder's fund increased which reduced debt equity ratio.
(b) Debt service coverage ratio	-	-	NIL	NIL		
(c) Interest service coverage ratio	-	-	NA	NA		
(d) Outstanding redeemable preference shares (quantity and value)	-	-	-	-		
(e) Debenture redemption reserve/ capital redemption reserve	-	-	NA	NA		
(f) Net worth (Rs in Lakhs) (Total equity)	-	-	1,20,831	79,389	52.20%	The CCPS amounting Rs. has been converted into equity.
(g) Current ratio	-	-	NA	NA		
(h) Long term debt to working capital	-	-	NA	NA		
(i) Bad debts to Account receivable ratio	-	-	NA	NA		
(j) Current liability ratio	-	-	NA	NA		
(k) Total debts to total assets	Total Debts	Total assets	0.82	0.87	-5.02%	
(l) Debtors turnover	-	-	NA	NA		
(m) Inventory turnover	-	-	NA	NA		
(n) Gross stage III (GNPA) loans	Gross Stage-III portfolio	Total gross advances	3.84%	10.03%	-61.72%	The gross stage III loans has been decreased due to loans written off.
(o) Net stage III (NNPA) loans*	Net Stage-III portfolio	Total net advances	1.35%	2.86%	-52.71%	The net NPA (stage III loans) has been decreased due to loans written off.
(p) Provision coverage ratio (PCR)	Stage-III provision	Stage-III portfolio	65.78%	71.49%	-7.98%	
(q) Capital risk adequacy ratio (CRAR)	Tier I and Tier II capital	Risk weighted assets	24.66%	29.76%	-17.21%	
(r) Capital redemption reserve	-	-	NA	NA		
(s) Debenture redemption reserve	-	-	NA	NA		

* Gross and net stage III loans do not include accrued interest of INR 8,893 lakhs as at March 31, 2023 (INR 7,866 lakhs as at March 31, 2022).
Note: Certain ratios/line items marked with remark "NA" are not applicable since the Company is a non banking financial company registered with RBI

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Note 41: Additional disclosures pursuant to the master directions issued by RBI :

A) Information on net interest margin (NIM)

Computation of aggregate margin cap:

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a)	Average interest charged by the Company on loans (%)	-	20.63
(b)	Average effective cost of borrowings of the Company (%)	-	10.99
(c)	Net interest margin (a-b) (%)	-	9.64

Notes

1. Above computation is in accordance with the method accepted by RBI vide its letter no DNBS.PD.NO.4906/09.10.038/ 2012-13 dated April 4, 2013 to micro-finance institutions network (the 'MFIN') format read with the FAQs issued by RBI on October 14, 2016 and RBI Circular dated March 13, 2020 on implementation of Indian Accounting Standards. However, with effect from 1st April 2022, the pricing guidelines has been changed by RBI vide its master circular RBI/DOR/2021-22/89 DoR.FIN.REC.99/03.10.038/2021-22 dated March 14, 2022. Hence the net interest margin is not required for the year 2022-23.

2. Average loan outstanding determined for the purpose of calculating NIM is based on the carrying value of loans under Ind AS , excluding effect of the following:

(a) Securitised loans qualifying for de-recognition as per RBI's 'true sale' criteria and related interest income have not been considered for computation of "average interest charged" in accordance with the MFIN format. Accordingly, the purchase consideration received towards such securitisations and related finance costs have not been considered for computation of "average effective cost of borrowings". As per Ind AS 109, such loans and borrowings continue to be recognised on the balance sheet in the Ind AS financial statements;

(b) fair value changes recognised through other comprehensive income and;

(c) impairment allowance adjusted from the carrying value of loans in accordance with Ind AS 109.

3. Interest income considered for computation of "average interest charged" excludes loan processing fee collected from customers in accordance with para 56 (vi) of the RBI Master Directions. As per Ind AS 109, such loan processing fee forms part of interest income in the Ind AS financial statements.

B) Exposure to gold loan

The Company has no exposure to gold loan directly or indirectly.

C) Disclosures required as per the Non Banking Financial Company - Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016:

	Particulars	Remarks
1.	Capital to risk (weighted) assets ratio	Refer note no. 41 (D)
2.	Investments	Refer note 8
3.	Derivatives	The Company has entered into cross currency interest rate swaps (refer note 5.15 and 41.4)
	i) Forward rate agreement / Interest rate swap	The Company has no unhedged foreign currency exposures as on March 31, 2023 and March 31, 2022.
	ii) Exchange traded interest rate derivatives	
	iii) Disclosures on risk exposure in derivatives	
	iv) Forward rate agreement/interest rate swap	
4.	Disclosures relating to securitisation	
	i) Information duly certified by the SPV's auditors obtained by the originating NBFC from the SPV.	Refer note no. 41 (E.1)
	ii) Details of financial assets sold for securitisation / reconstruction Company for asset reconstruction	Refer note no. 41 (E.3)
	iii) Details of assignment transactions undertaken by NBFCs	Refer note no. 41 (E.2)
5.	Details of non-performing financial assets purchased / sold	
	i) Details of non-performing financial assets purchased :	NIL
	ii) Details of non-performing financial assets sold :	Refer note no. 41 (F.3)
6.	Asset liability management maturity pattern of certain items of assets and liabilities	Refer note no. 36
7.	Exposures	
	i) Exposure to real estate sector	The Company has no exposure to real estate directly or indirectly.
	ii) Exposure to capital market	The Company has no exposure to capital market directly or indirectly.
8.	Details of financing of parent Company products	This disclosure is not applicable as the Company does not have any holding of parent Company.

	Particulars	Remarks
9.	Details of single borrower limit (SGL) / group borrower limit (GBL) exceeded by the NBFC	NA
10.	Unsecured advances	Refer note no. 41 (F)
11.	Miscellaneous	
	i) Registrations obtained from other financial sector regulators	Refer note no. 41 (G)
	ii) Disclosure of penalties imposed by RBI and other regulators	No penalties were imposed by RBI and other regulators during the current and previous year.
	iii) Related party transactions	Refer note no. 34
	iv) Ratings assigned by credit rating agencies and migration of ratings during the year	Refer note no. 41 (H)
	v) Remuneration of directors	Refer note no. 34
	vi) Net profit or loss for the period, prior period items and changes in accounting policies	Refer accounting policy
	vii) Revenue recognition	Refer accounting policy no. 3.2
	viii) Ind AS 110 - Consolidated Financial Statements (CFS)	The Company prepares consolidated financial statements.

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12	Additional disclosures	
	i) Provisions and contingencies	Refer note no. 41 (I)
	ii) Draw down from reserves	There has been no draw down from reserves during the year ended March 31, 2023 (March 31, 2022 : Nil).
	iii) Concentration of deposits, advances, exposures and NPAs	
	a) Concentration of deposits (for deposit taking NBFCs)	This disclosure is not applicable as the Company as it is not a deposit taking NBFC.
	b) Concentration of advances	Refer note no. 41 (J)
	c) Concentration of exposure	Refer note no. 41 (K)
	d) Concentration of NPAs	Refer note no. 41 (L)
	e) Sector-wise NPAs	Refer note no. 41 (M)
	f) Movement of NPAs	Refer note no. 41 (N)
	iv) Overseas assets (for those with joint ventures and subsidiaries abroad)	The Company has no exposure or transaction with overseas assets.
	v) Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)	There are no off balance sheet exposures as on March 31, 2023 and March 31, 2022.
13.	Disclosure of complaints	Refer note no. 41 (O)

D) Capital to Risk-Assets ratio (CRAR)

	Particulars	As at March 31, 2023	As at March 31, 2022
i)	CRAR (%)	24.66%	29.78%
ii)	CRAR - Tier I capital (%)	21.78%	25.07%
iii)	CRAR - Tier II capital (%)	2.88%	4.71%
iv)	Amount of subordinated debt raised as Tier - II capital (in Rs. Lakhs)	32,875	33,375
v)	Amount raised by issue of perpetual debt instruments (in Rs. Lakhs)	15,000	15,000

E.1) The following figures are being reported based on certificate issued by the auditors of the SPV

(In Rs. Lakhs)

	Particulars	As at March 31, 2023	As at March 31, 2022
1	No of SPVs sponsored by the NBFC for securitisation transactions	1	1
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC as on the balance sheet date	4,638	360
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of Balance Sheet	1357	
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	557	279
	• Others	800	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-

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E.2) The following figures are being reported based on direct assignment undertaken by the Company.

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Number of loans assigned	9,09,347	3,40,280
Aggregate value of accounts sold	3,00,660	1,45,192
Aggregate consideration	3,05,280	1,35,748
Portfolio loan assigned and outstanding as at the year end	2,42,200	-
Ongoing loan direct assignment recognised in the statement of profit and loss	33,747	19,184

The Company has transferred all the rights and obligations relating to above assigned loan assets to the buyers.

E.3) The details of stressed loans transferred to ARC and investment made in security receipts (SRs) during the year ended March 31, 2023.

(In Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
i) No. of accounts	1,00,563	-
ii) Aggregate principal outstanding of loans transferred	30,747	-
iii) Weighted average residual tenor of the loans transferred (in months)	9	-
iv) Net book value of loans transferred (at the time of transfer)	15,747	-
v) Aggregate consideration	15,000	-
vi) Additional consideration realised in respect of accounts transferred in earlier years	-	-
vii) Excess provision reversed to the profit and loss account on sale of stressed loans	-	-
viii) Investment in SRs *	13,043	-

SRs were received as considerations for the transfer of loans which did not meet the derecognition requirement as per Ind AS 109. Hence, the asset has not been derecognised from the books of account of the Company. However, as the legal form of the asset has changed from loans to investment in SRs, it is accounted under investments.

* SRs currently not rated. SRs will be rated within the timelines as per RBI guidelines.

F) Unsecured Advances

(In Rs Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Portfolio loans	5,55,409	4,99,041

G) Registration obtained from other financial sector regulators :
The Company is registered with the 'Ministry of Corporate Affairs' (Financial regulators as described by Ministry of Finance) having CIN no. U65999DR1996PTC019931.

H) Ratings assigned by credit rating agencies and migration of ratings during the year:

Particulars	As at 31 March, 2023	As at 31 March, 2022
Term loans	A- (Stable)	A-
Non convertible debentures		
Response-A(Stable)	ICRA A- (Stable)	ICRA A- (STABLE)
Response+ Karvy 50 crores	CRISIL A- (Stable)	CRISIL A- (Stable)
Response+Triple Jump	CRISIL A- (Stable)	CRISIL A- (Stable)
ADB	Unrated	Unrated
Union Bank (TLTRO 2.0)	CARE A- (Stable)	CARE A- (Stable)
Symbiotics VI	ICRA A- (Stable)	ICRA A- (Stable)
Indian Bank (TLTRO 2.0)	CARE A- (Stable)	CARE A- (Stable)
Bank of Baroda (TLTRO 2.0)	ICRA A- (Stable) &	ICRA A- (Stable) &
Blue orchard VI	ICRA A- (Stable)	ICRA A- (Stable)
Response-Abhy-IV	CRISIL A- (Stable)	CRISIL A- (Stable)
Vivriti II	ICRA A- (Stable)	ICRA A- (Stable)
CDC	CARE A (CE)	CARE A (CE)
Global Access Fund LP (Unsecured)	Unrated	Unrated
Global Access Fund LP (Secured)	Unrated	Unrated
Blue orchard-VIII [MEF]	CARE A- (Stable)	CARE A- (Stable)
Blue orchard VIII (Covid 19)	CARE A- (Stable)	CARE A- (Stable)
Symbiotic VIII	CRISIL A- (Stable)	CRISIL A- (Stable)
Symbiotics IX	ICRA A- (Stable)	ICRA A- (Stable)
Response V	CARE A- (Stable)	CARE A- (Stable)
Triodos IV	CARE A- (Stable)	-
Triple Jump-IV	ICRA A- (Stable)	-
Northern Arc MLD	PP-MLD ICRA A-	-
Northern Arc Series I 35 Cr	ICRA A- (Stable)	-
Northern Arc Series II 60 Cr	ICRA A- (Stable)	-
Blue Orchard IX	ICRA A- (Stable)	-
Symbiotics X	ICRA A- (Stable)	-
Symbiotic XI	ICRA A- (Stable)	-
Karvy SD-R NCD	ICRA A- (Stable)	-
IFMR Capital 34 Cr	ICRA A- (Stable)	ICRA A- (Stable)
Northern Arc 15 Cr	ICRA A- (Stable)	ICRA A- (Stable)
Blue Orchard V	-	CRISIL A- (Stable)
Symbiotic V	CARE A- (Stable)	CARE A- (Stable)
Karvy 30 Cr	CRISIL A- (Stable)	CRISIL A- (Stable)
Unitri 15 Cr	CARE A- (Stable)	CARE A- (Stable)
Triodos III	CARE A- (Stable)	CARE A- (Stable)
Bandhan Bank (TLTRO 2.0)	CRISIL A- (Stable)	CRISIL A- (Stable)
SIDBI (TLTRO 2.0)	CRISIL A- (Stable)	CRISIL A- (Stable)
Symbiotics VII	CARE A- (Stable)	CARE A- (Stable)

I) Provisions and Contingencies

(In Rs Lakhs)

Break up of provisions and contingencies shown under the head expenditure in profit and loss account	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Provision made towards income tax (including adjustment for deferred tax)	1,145	982
ii) Payment made against the securitised/managed portfolio	-	-
iii) Other provision and contingencies		
a) Provision for gratuity	479	379
b) Provision for leave benefit	581	176
c) Provision for insurance claims	254	272
iv) Provision towards NPA*	16,204	37,236
v) Provision towards standard assets on investment in SRs **	3,984	-

* Represents impairment allowance on stage III loans
** Represents impairment allowance on stage I and stage II investment in SRs

J) Concentration of advances

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total advances to twenty largest borrowers *	531	902
Percentage of advances to twenty largest borrowers to total advances of the NBFC	0.08%	0.08%

* Represents amount outstanding as per contract with customers

K) Concentration of exposures

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total exposure to twenty largest borrowers / customers *	366	350
Percentage of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	0.06%	0.07%

* Represents amount disbursed during the year as per contract with customers

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L) Concentration of NPAs

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total exposure to top four NPA accounts	254	00

M) Sector-wise NPAs

Sector	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ lakhs)	Gross NPAs (₹ lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ lakhs)	Gross NPAs (₹ lakhs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	4,83,693	19,578	3.94%	4,07,882	32,980	7.98%
2. Industry						
i) Retail Stores	32,799	2,072	6.32%	23,348	7,279	31.18%
ii) Business	24,373	827	3.39%	23,453	5,832	24.86%
iii)Others	87,354	1,873	2.79%	50,800	4,291	8.45%
Total of Industry (i+ii+iii+other(s)	1,34,526	4,772	3.33%	97,601	17,402	17.83%
3. Services						
i) Service	9,035	391	4.34%	6,624	2,068	31.20%
Others	-	-	0.00%	-	-	0.00%
Total of Services (iii+Others)	6,935	391	4.34%	6,624	2,068	31.20%
4. Personal Loans						
i) Consumption Loans	3,294	157	4.85%	1,889	88	4.04%
ii)House Construction Renovation	16,274	266	8.02%	7,493	542	8.00%
Others	1	-	0.00%	-	-	0.00%
Total of Personal Loans	19,569	423	4.98%	9,179	630	5.94%
5. Others	-	-	-	-	-	-

N) Movement of stage 3 (NPAs)*

(In Rs. Lakhs)

		Particulars	For the year ended	For the year ended
(i)		Net stage 3 (NPAs) to net advances (%)#	1.52%	2.88%
(ii)		Movement of gross stage 3 (NPAs)		
	a)	Opening balance	53,275	30,052
	b)	Additions during the year	(27,434)	23,223
	c)	Reductions during the year (Repaid and loan portfolio written-off)	-	-
	d)	Closing balance	25,841	53,275
(iii)		Movement of net stage 3 (NPAs)		
	a)	Opening balance	16,036	11,740
	b)	Additions during the year	(57,311)	4,299
	c)	Reductions during the year	-	-
	d)	Closing balance	9,837	16,036
(iv)		Movement of provisions for stage 3 (NPAs) (excluding provisions on		
	a)	Opening balance	37,238	18,304
	b)	Provisions made during the year	39,877	18,934
	c)	Write-off / write-back of excess provisions	(60,011)	-
	d)	Closing balance	16,204	37,238

* refers to Stage III loans

Net non-performing asset (Stage III) on gross advances is 1.43% (FY 2021-22: 2.85%), excluding FVOCI.

O) Disclosure of Complaints

1 Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No		Particulars	For the year ended	For the year ended
1		No. of complaints pending at the beginning of the year	-	04
2		No. of complaints received during the year	2,844	15,045
3		No. of complaints redressed during the year	2,844	15,129
	3.1	Out of which No. of complaints rejected by the NBFC		-
4		No. of complaints pending at the end of the year	-	-
		Maintainable complaints received by the NBFC from Office of Ombudsman		
5		Number of maintainable complaints received by the NBFC from Office of Ombudsman	61	32
	5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	61	32
	5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
	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)	-	-

2 Top five grounds of complaints received by the NBFCs from customers

As at March 31, 2021

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
1	2	3	4	5	6
Loan clearance	0	1092	11%	0	0
Insurance	0	1069	-8%	0	0
Foreclosure	0	284	-51%	0	0
Loan application status	0	251	140%	0	0
Loan rejection	0	40	NA	0	0
Others	0	108	90%	0	0
Total	0	2844	-81%	0	0

As at March 31, 2022

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
1	2	3	4	5	6
Loan clearance	0	960	83%	0	0
Insurance	21	1852	107%	0	0
Foreclosure	19	188	62%	0	0
Loan application status	0	102	21%	0	0
Others	0	55	-68%	0	0
Queries (Non Complaints)	0	12088	20%	0	0
Total	04	15045	88%	0	0

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme. * It shall only be applicable to NBFCS which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

The Company has a customer grievance redressal mechanism for convenience of customers to register their complaints and for the Company to monitor and redress them.

The above information is certified by the management and relied upon by the auditors.

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P) Public disclosure on liquidity risk as on March 31, 2023 pursuant to RBI guidelines on liquidity risk management framework for non-banking financial companies dated November 4, 2019

Public disclosures on liquidity risk management

i) Funding concentration based on significant counterparty (both deposits and borrowings) for the year ended March 31, 2023

Number of significant counter parties	Amount (in Lakhs)*	% of Total deposits	% of Total liabilities
Thirty (30)	5,85,337	NA	76.71%

Funding concentration based on significant counterparty (both deposits and borrowings) for the year ended March 31, 2022

Number of significant counter parties	Amount (in Lakhs)*	% of Total deposits	% of Total liabilities
Twenty Seven (27)	4,70,609	NA	73.69%

ii) Top 20 large deposits (amount in Lakhs and % of total deposits) - not applicable. The Company being a systematically important non deposit taking NBFC registered with the RBI does not accept public deposits.

iii) Top 10 Borrowings (amount in lakhs and % of total borrowings) for the year ended March 31, 2023

Amount in Lakhs	% of Total borrowings
1,72,451	24.83%

Top 10 Borrowings (amount in lakhs and % of total borrowings) for the year ended March 31, 2022

Amount in Lakhs	% of Total borrowings
1,41,917	23.07%

iv) Funding concentration based on significant instrument/product for the year ended March 31, 2023

Name of the instrument/product	Amount (in Lakhs)*	% of Total liabilities
Term loan from banks	1,00,372	13.62%
Term loan from FIs	72,726	9.87%
Secured redeemable non convertible debentures	20,000	2.71%
Compulsorily convertible debentures	15,000	2.04%
Compulsorily convertible preference shares	22,874	3.10%
Term Loans from NBFC's	9,242	1.25%
External commercial borrowings	12,690	1.72%
Total borrowings	**2,52,904**	**34.32%**
Total liabilities	**7,36,954**	

Funding concentration based on significant instrument/product for the year ended March 31, 2022

Name of the instrument/product	Amount (in Lakhs)*	% of Total liabilities
Term loan from banks	1,06,978	16.75%
Term loan from FIs	30,000	4.70%
Secured redeemable non convertible debentures	27,300	4.27%
Compulsorily convertible debentures	15,000	2.35%
Compulsorily convertible preference shares	45,593	7.14%
External commercial borrowings	37,891	5.90%
Subordinate debt (unsecured) - debentures	24,125	3.78%
Total borrowings	**2,86,887**	**44.89%**
Total liabilities	**6,38,672**	

Note ; The above does not include borrowings on account of securitisation agreements recognised as per Ind AS 109

v) Stock ratios as at March 31, 2023

Particulars	as a % of total public funds	as a % of total liabilities	as a % of total assets
Commercial papers	-	-	-
Non-convertible debentures (original maturity of less than 1 year)	-	-	-
Other short term liabilities	0.00%	0.00%	0.00%

Stock ratios as at March 31, 2022

Particulars	as a % of total public funds	as a % of total liabilities	as a % of total assets
Commercial papers	-	-	-
Non-convertible debentures (original maturity of less than 1 year)	-	-	-
Other short term liabilities	1.64%	1.25%	1.11%

*Represents amount outstanding as per contracts with lenders

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vi) Institutional set up for liquidity risk management

The Company's Board of Directors has the overall responsibility of management of liquidity risk. The Board decides the strategic policies and procedures of the Company to manage liquidity risk in accordance with the risk tolerance limit as decided by the board

The Company also has a Risk Management Committee, which is a sub-committee of the board and is responsible for evaluating the overall risk faced by the Company including liquidity risks.

Asset Liability Management Committee (ALCO) of the Company is responsible for ensuring adherence to risk tolerance limits as well as implementing the liquidity risk management strategy of the Company

Chief risk officer(CRO) is part of the process of identification, measurement and mitigation of liquidity risks.

The ALM support group consists of chief financial officer (CFO) and head-treasury who shall be responsible for analysing, monitoring and reporting the liquidity profile to the ALCO .

Notes to Public disclosure on liquidity risk as on March 31, 2022 pursuant to RBI guidelines on liquidity risk management framework for non-banking financial companies dated November 4, 2019

1. A significant counterparty is defined as a single counterparty or a group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI, NBFC-D total liabilities and 10% of the other non-deposit taking NBFC.

2. A significant instrument/product is defined as a single instrument/product of group of similar instruments/products which in aggregate amounts to more than 1% of the NBFC-NDSI, NBFC-D total liabilities and 10% of the other non-deposit taking NBFC's.

3. Total liabilities has been computed as sum of all liabilities (balance sheet figures) less equity and reserves and surplus.

4. Public funds shall include funds raised either directly or indirectly through public deposits, commercial papers and debentures, inter-corporate deposits and bank finance but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue as defined in regulatory framework for core investment companies issued vide Notification No. DNBS (PD) CC No. 206/03.10.001/2010-11 dated January 5, 2011.

5. The amount stated in the disclosure is based on the audited financial statements for the year ended March 31, 2023 and March 31, 2022.

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2023

As at March 31, 2023

(In Rs Lakhs)

Particulars				Amount outstanding	Amount overdue
Liabilities side					
(1)	Loans and advances availed by the non- banking financial Company inclusive of interest accrued thereon but not				
	(a)	Debentures : Secured		90,434	-
		: Unsecured		20,504	-
		(other than falling within the meaning of public deposits*)		-	-
	(b)	Deferred Credits		-	-
	(c)	Term Loans		5,14,294	-
	(d)	Inter-corporate loans and borrowing		-	-
	(e)	Commercial Paper		-	-
	(f)	Public Deposits*		-	-
	(g)	Other Loans		-	-
(2)	Break-up of (1)(f) above (Outstanding public deposits				
	(a)	In the form of Unsecured debentures		-	-
	(b)	In the form of partly secured debentures i.e.		-	-
	(c)	Other public deposits		-	-
Assets side				Amount outstanding	
(3)	Break-up of Loans and Advances including bills				
	(a)	Secured			57,106
	(b)	Unsecured			5,93,496
(4)	Break up of Leased Assets and stock on hire and other				
	(i)	Lease assets including lease rentals under sundry			
		(a)	Financial lease		-
		(b)	Operating lease		550
	(ii)	Stock on hire including hire charges under sundry			
		(a)	Assets on hire		-
		(b)	Repossessed Assets		-
	(iii)	Other loans counting towards asset financing			
		(a)	Loans where assets have been repossessed		-
		(b)	Loans other than (a) above		-
(5)	Break-up of Investments				
	Current Investments				
	1.	Quoted			
		(i)	Shares		
			(a) Equity		-
			(b) Preference		-
		(ii)	Debentures and Bonds		-
		(iii)	Units of mutual funds		-
		(iv)	Government Securities		-
		(v)	Others		-
	2.	Unquoted			
		(i)	Shares		
			(a) Equity		-
			(b) Preference		-
		(ii)	Debentures and Bonds		-
		(iii)	Units of mutual funds		-
		(iv)	Government Securities		-
		(v)	Others		-
	Long Term investments				
	1.	Quoted			
		(i)	Share		
			(a) Equity		-
			(b) Preference		-
		(ii)	Debentures and Bonds		-
		(iii)	Units of mutual funds		-
		(iv)	Government Securities		-
		(v)	Others		-
	2.	Unquoted			
		(i)	Shares		
			(a) Equity		500
			(b) Preference		-
		(ii)	Debentures and Bonds		-
		(iii)	Units of mutual funds		-
		(iv)	Government Securities		-
		(v)	Others (Investment in security receipts)		9,549
		(vi)			

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(6)	Borrower group-wise classification of assets financed as in (3) and (4) above :				
	Category			Amount net of provisions	
				Secured	Unsecured	Total
	1.	Related Parties **				
		(a)	Subsidiaries	-	-	-
		(b)	Companies in the same group	-	-	-
		(c)	Other related parties	-	-	-
	2.	Other than related parties		57,106	5,94,046	6,51,152
		Total				

(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 or fair value or NAV	Book Value (Net of Provisions)
	1.	Related Parties **			
		(a)	Subsidiaries	500	500
		(b)	Companies in the same group		
		(c)	Other related parties		
	2.	Other than related parties		28,790	9,549
		Total			

(8)	Other information			
	Particulars			Amount
	(i)	Gross Non-Performing Assets		
		(a)	Related parties	-
		(b)	Other than related parties	25,841
	(ii)	Net Non-Performing Assets		
		(a)	Related parties	-
		(b)	Other than related parties	9,637
	(iii)	Assets acquired in satisfaction of debt		

As at March 31, 2022

(In Rs Lakhs)

Particulars				
Liabilities side			Amount outstanding	Amount overdue
(1)	Loans and advances availed by the non- banking financial Company inclusive of interest accrued thereon but not			
	(a)	Debentures : Secured	1,09,553	-
		: Unsecured	10,124	-
		(other than falling within the meaning	-	-
	(b)	Deferred Credits	-	-
	(c)	Term Loans	-	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial Paper	-	-
	(f)	Public Deposits*	-	-
	(g)	Other Loans	-	-
(2)	Break-up of (1)(f) above (Outstanding public deposits			
	(a)	In the form of Unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e.	-	-
	(c)	Other public deposits	-	-
Assets side			Amount outstanding	
(3)	Break-up of Loans and Advances including bills			
	(a)	Secured		33,821
	(b)	Unsecured		5,06,910
(4)	Break up of Leased Assets and stock on hire and other			
	(i)	Lease assets including lease rentals under sundry		
		(a)	Financial lease	-
		(b)	Operating lease	314
	(ii)	Stock on hire including hire charges under sundry		
		(a)	Assets on hire	-
		(b)	Repossessed Assets	-
	(iii)	Other loans counting towards asset financing		
		(a)	Loans where assets have been repossessed	-
		(b)	Loans other than (a) above	-

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(5)	**Break-up of Investments**			
	Current Investments			
	1.	Quoted		
		(i)	Shares	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others	-
	2.	Unquoted		
		(i)	Shares	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others	-
	Long Term investments			
	1.	Quoted		
		(i)	Share	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others	-
	2.	Unquoted		
		(i)	Shares	
			(a) Equity	500
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others	-
		(vi)		

(6)	**Borrower group-wise classification of assets financed as in (3) and (4) above :**				
	Category		**Amount net of provisions**		
			Secured	**Unsecured**	**Total**
	1.	**Related Parties ****			
		(a)	Subsidiaries		
		(b)	Companies in the same group		
		(c)	Other related parties		
	2.	Other than related parties	33,821	5,07,225	5,41,046
		Total			

(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 or fair value or NAV**	**Book Value (Net of Provisions)**
	1.	Related Parties **		
		(a) Subsidiaries	500	500
		(b) Companies in the same group		
		(c) Other related parties		
	2.	Other than related parties		
		Total		

(8)	**Other Information**		
	Particulars		**Amount**
	(i)	Gross Non-Performing Assets	
		(a) Related parties	
		(b) Other than related parties	53,277
	(ii)	Net Non-Performing Assets	
		(a) Related parties	
		(b) Other than related parties	24,995
	(iii)	Assets acquired in satisfaction of debt	

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2023

R) Corporate governance
1) Composition of the Board :

(Amount in Rs. Lakhs except no. of shares)

Sl.no.	Name of Director	Director Since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships (including this and other private and public companies)	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Mr. Gobinda Chandra Pattanaik	13-08-2009	Chairperson /Executive	02716330	10	8	5	288	-		80,00,548
2	Mr. Dibyajyoti Pattanaik	14-08-2009	Executive	02764187	10	10	2	125	-		17,19,805
3	Mr. Krishna Kumar Tiwary	13-02-2012	Independent	02814614	10	10	5	-	5		-
4	Mr. Sean Leslie Nossel	20-07-2012	Independent	05327465	10	7	1	-	7		-
5	Mr. Ashok Ranjan Samal	17-10-2016	Independent	0918164	10	10	2	-	10		-
6	Ms. Christina Stefanie Juhasz	30-11-2016	Nominee	06451902	10	5	2	-	-		-
7	Mr. R V Dilip Kumar	25-06-2021	Nominee	01080651	10	4	10	-	-		-
8	Mr. Arup Kumar	28-09-2022	Nominee	07962113	8	2	2	-	-		-
9	Mr. Sunil Vasant Joshi	19-05-2020	Nominee	02982154	10	10	1	-	-		-
10	Mr. Venkateswaran M R	25-09-2020	Nominee	08266433	10	9	4	-	-		-
11	Mrs. Radhika Jayant Shroff	26-06-2021	Nominee	09210564	10	6	1	-	-		-
12	Mr. Abhishek Agrawal	23-12-2021	Nominee	09760944	10	7	6		-		-
13	Mr. Guillaume Accarain	19-04-2021	Nominee	09527231	10	9	1		-		-
14	Mr. Pushkar Jauhari	27-05-2022	Nominee	09391650	8	8	2		-		-
15	Mr. Prakash Kumar*	28-02-2022	Nominee	09758416	7	3	-		-		-
16	Ms. Laetitia Counye*	24-04-2019	Nominee	09890144	-	-	-		-		-

* During the financial year 2020-23, Ms. Laetitia Counye and Mr. Prakash Kumar ceased to be Directors w.e.f. April 18, 2022 and September 28, 2022 respectively.

2) Details of change in composition of the Board during the current and previous financial year:

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-	Nature of change (resignation, appointment)	Effective date
1	Mr. Prakash Kumar	Nominee Director	Resignation	September 28, 2022
2	Ms. Laetitia Counye	Nominee Director	Resignation	April 18, 2022
3	Mr. Arup Kumar	Nominee Director	Appointment	September 28, 2022
4	Mr. Guillaume Accarain	Nominee Director	Appointment	April 18, 2022
5	Mr. Pushkar Jauhari	Nominee Director	Appointment	May 27, 2022

Note:No independent director resigned during the financial year ended March 31, 2023.

3) Disclosure of relationship between directors inter-se
None of the Directors of the Company are related to each other.

4) Committees of the Board and their composition

The Board has constituted the following Committees:-

a. Audit Committee
b. Nomination and Remuneration Committee
c. Risk Management Committee
d. Stakeholders Relationship Committee
e. CSR & SPM Committee
f. IT Committee
g. Executive Committee

a) Audit Committee: The Audit Committee assists the Board with its responsibility of overseeing the quality and integrity of the accounting, auditing, financial performance and

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Krishna Kumar Tiwary	19-10-2012	Independent Director,	4	4	-
2	Mr. Ashok Ranjan Samal	30-11-2016	Independent Director	4	4	-
3	Mrs. Christina Stefanie Juhasz	21-06-2019	Nominee Director	4	2	-

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b) **CSR & Social Performance Management Committee:** Pursuant to the applicable provisions of the Act, the CSR Committee is required to recommend the amount of expenditure to be incurred for undertaking CSR activities by the Company in terms of the Corporate Social Responsibility Policy. The SPM Committee is constituted especially for the purpose of managing the social activities in backward areas. The CSR & SPM Committees is responsible for the implementation and monitoring the activities undertaken towards achieving the Company's CSR goals.

Sl.No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Gobinda Chandra Pattanaik	25-11-2013	Managing Director,	2	2	80,00,546
2	Mr. Dibyajyoti Pattanaik	25-11-2013	Executive Director	2	2	17,19,905
3	Mr. Sean Leslie Nossel	25-11-2013	Independent Director	2	1	-
4	Mr. Ashok Ranjan Samal	30-11-2016	Independent Director	2	2	-

c) **Nomination & Remuneration Committee:** The role of Nomination & Remuneration Committee covers all the areas mentioned under relevant provisions of the Act and the Listing Regulations, including the following:

i) Recommending / reviewing remuneration of the Managing Directors and Whole-time Directors based on their performance and defined assessment criteria.
ii) Approving appointment, if any, of a relative of a Director for holding office of profit in the Company as per the provisions of the Act and Rules issued thereunder.
iii) Carrying out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

The Committee met three times during the year. The Composition of the Committee is mentioned below:

Sl.No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Ashok Ranjan Samal	30-11-2016	Independent Director, Chairman	3	3	-
2	Mr. Krisana Kumar Tiwary	06-08-2014	Independent Director	3	3	-
3	Mr. Sean Leslie Nossel	06-08-2014	Independent Director	3	3	-
4	Mr. Gobinda Chandra Pattanaik	06-08-2014	Managing Director	3	2	80,00,546

d) **Risk Management Committee: The role of Risk Management Committee includes review of the Company's risk management policies, ensuring appropriate methodology, processes**

The Committee met four times during the year. The Composition of the Committee is mentioned below:

Sl.No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Gobinda Chandra Pattanaik	17-02-2016	Managing Director, Chairman	4	3	80,00,546
2	Mr. Sunil Vasant Joshi	09-07-2020	Nominee Director	4	4	-
3	Mrs. Christina Stefanie Juhasz	30-11-2016	Nominee Director	4	2	-
4	Mr. Ashok Ranjan Samal	24-09-2021	Independent Director	4	4	-
5	Ms. Radhika Jayant Shroff	24-09-2021	Nominee Director	4	3	-
6	Ms. Laetitia Counye	25-09-2020	Nominee Director	0	0	-

Note: Ms. Laetitia Counye, ceased to be a member of the Committee effective April 18, 2022.

e) **IT Strategy Committee: In terms of the RBI Guidelines, the Company has constituted an IT Strategy Committee to advise the Board on IT initiatives and to ensure that IT strategy is**

The **Committee met two times during the year. The Composition of the Committee is mentioned below:**

Sl.No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Ashok Ranjan Samal	14-12-2017	Independent Director, Chairman	2	2	-
2	Mr. Gobinda Chandra Pattanaik	14-12-2017	Managing Director	2	2	80,00,546
3	Mr. Dibyajyoti Pattanaik	14-12-2017	Director	2	2	17,19,905
4	Mr. Sankarshan Panda	24-09-2018	CIO- Chief Information Officer	2	2	-
5	Mr. Dilipe Khuntia	24-08-2018	CTO- Chief Technology Officer	2	2	-

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f) **Product Committee: The primary role of the Product Committee is preparing and supporting the decisions to be made by the Board of Directors as a whole on product management and to study and prepare strategic plan including monitoring and guiding for product diversification in order to improve the performance of the Company and ensuring long term value creation. The committee evaluates the performance of each loan product and also review the proposal of new loan products.**

The Committee met two times during the year. The Composition of the Committee is mentioned below:

Sl.No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Dibyajyoti Pattanaik	15-02-2017	Director, Chairman	2	2	17,19,805
2	Mr. M.R Venkiteswaran	25-09-2020	Nominee Director	2	2	-
3	Mr. Ashok Ranjan Samal	15-02-2017	Independent Director	2	2	-
4	Ms. Christina Juhasz	15-02-2017	Nominee Director	2	1	-

g) **ALM Committee (ALCO): As per RBI Guidelines, the ALM Committee ensures effective risk management in its various portfolios and to avoid Asset Liability mismatches and Interest**

The Committee met four times during the year. The Composition of the Committee is mentioned below:

Sl.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Dibyajyoti Pattanaik	04-04-2014	Director, Chairman	4	4	17,19,805
2	Mr. Satyajit Das	04-04-2014	KMP, Member	4	4	6,20,102
3	Mr. Sanjaya Pattanaik	04-04-2014	KMP, Member	4	4	6,20,102
4	Mr. Kumar Vaibhav	04-04-2014	KMP, Member	4	4	-
5	Mr. Sabyasachi Sahu	04-04-2014	KMP, Member	4	4	-
6	Mr. Anoop TP	04-04-2014	KMP, Member	4	4	-

*KMP are the Key Managerial Personnel of the Company.

h) **Annual Business Plan Committee (ABP committee): The Annual Business Plan Committee helps in forecasting and drawing a business plan for the next financial year, based on which the Company conducts its business. The actual and estimated performance is being assessed and reviewed in the committee meetings and a revised B-Plan is placed for approval if required.**

The Committee met two times during the year. The Composition of the Committee is mentioned below:

Sl.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Ashok Ranjan Samal	28-02-2019	Independent Director	2	2	-
2	Mr. Sean Leslie Nossal	26-02-2019	Independent Director	2	1	-
3	Ms. Radhika Jayant Shroff	24-09-2021	Nominee Director	2	2	-
4	Mr. Sunil Vasant Joshi	09-07-2020	Nominee Director	2	2	-
5	Mr. Pushkar Jauhari	27-05-2022	Nominee Director	2	2	-

i) **Stakeholders Relationship Committee: The Stakeholders Relationship Committee of the Board addresses to the grievances of different stakeholders of the Company. The role of the committee is to attend to the grievances of the security holders and takes measures to resolve their queries or grievances and also to prepare the grievance status report for presentation in the Board. The Committee met once during the year.**

The Composition of the Committee is mentioned below:

Sl.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Ashok Ranjan Samal	24-09-2021	Independent Director,	1	1	-
2	Mr. Gobinda Chandra Pattanaik	24-09-2021	Managing Director	1	1	-
3	Mr. Dibyajyoti Pattanaik	24-09-2021	Director	1	1	-

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j) Executive Committee: The Executive Committee is the sub-committee of the Board consists of Executive Directors. As per the terms of reference approved by the Board the committee discusses on the day-to-day affairs of the Company and accord approval in the matter. All the matters discussed and approved by committee is being placed before the Board for noting.

The Committee met forty-four times during the year. The Composition of the Committee is mentioned below:

Sl.No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Gobinda Chandra Pattanaik	12-11-2014	Managing Director, Chairman	44	44	80,00,546
2	Mr. Dibyajyoti Pattanaik	12-11-2014	Executive Director, Member	44	44	17,19,805

5) General Body Meetings

Details of the date, place and special resolutions passed at the General Body Meetings are as below :

Sl No	Type of Meeting (Annual / Extra-Ordinary)	Date	Place	Special Resolution Passed
1	Extra-Ordinary General Meeting	23rd May 2022	at Registered Office of Company	1. Approval to enter into restated shareholders' agreement with Proparco.
				2. Offer, issue and allotment of Series-A2 CCPS, up to an aggregate amount of Rs.120 crore, on a private placement issue basis
2	Extra-Ordinary General Meeting	23rd June 2022	at Registered Office of Company	1. Issue and allotment of 78,20,000 Series A2 CCPS of to SOCIETE DE PROMOTION ET DE PARTICIPATION POUR LA COOPERATION ECONOMIQUE S.A. (PROPARCO) and approval of the updated share holders list following the allotment.
				2. Adoption of agreed form of Restated Articles of Association
3	Annual General Meeting	22nd September 2022	at Registered Office of Company	1. Increase in the Borrowing Powers of the Board : Borrowing power of the Board in excess of paid up share capital and free reserves, which shall not exceed Rs. 6500 Crore [Sec 180(1)(c)]
				2. Creation of charge through hypothecation, pledge or mortgage etc. on movable or immovable properties of the Company [Sec 180(1)(a)]
				3. Raising of funds through the issuance of Non Convertible Debenture under private placement basis (Limit Rs. 2000 Crores).
4	Extra-Ordinary General Meeting	28th September 2022	at Registered Office of Company	1. Conversion of 1,94,18,612 nos. of 0.01% Series A CCPS" to Equity Shares and allotment of Equity Shares upon Conversion of CCPS.
				2. Conversion of 2,20,18,814 nos. of 0.01% Series A1 CCPS to Equity Shares & allotment of Equity Shares upon Conversion of CCPS.
				3. Extension of Date of Conversion date of Series A2 CCPS.
				4. Conversion of 78,20,000 nos. of Series A2 CCPS to Equity Shares and allotment of Equity Shares upon Conversion of CCPS.
				5. Re-classification of Authorised share capital and amendment of Memorandum of Association of the Company.
5	Extra-Ordinary General Meeting	21st October 2022	at Registered Office of Company	1. Approval for filing of application with the RBI for the proposed Universal Bank license.
				2. Approval of Corporate Restructuring proposal for the Company
				3. Approval of Shifting the IPO timelines

6) **Details of non-compliance with requirements of Companies Act, 2013**

No default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards happened during the year.

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Notes to the Standalone financial statements for the year ended March 31, 2023

Note 41.2: Disclosure required as per RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

As at March 31, 2023 (In Rs. Lakhs)

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying value as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying value	Provisions required as per IRACP norms (note 1)	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)= (3)-(4)	(6)	(7)= (4)-(6)
Stage 1 and Stage 2 (Performing Assets)						
Standard	Stage 1	6,20,447	1,594	6,18,853	308	1,286
	Stage 2	4,314	599	3,715	6	593
Subtotal		**6,24,761**	**2,193**	**6,22,568**	**314**	**1,879**
Stage 3 (Non performing Assets)						
Substandard	Stage 3	25,841	16,204	9,637	10,652	5,552
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
Stage 3	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
Subtotal		**25,841**	**16,204**	**9,637**	**10,652**	**5,552**
Loss	Stage 3	-	-	-	-	-
Subtotal for Stage 3 (NPA)		**25,841**	**16,204**	**9,637**	**10,652**	**5,552**
Total	Stage 1	6,20,447	1,594	6,18,853	308	1,286
	Stage 2	4,314	599	3,715	6	593
	Stage 3	25,841	16,204	9,637	10,552	5,552
	Total	**6,50,602**	**18,397**	**6,32,205**	**10,966**	**7,431**

Note 1: Figures in this column represents provisions determined in accordance with the asset classification and provisioning norms as stipulated under Master Directions.

As at March 31, 2022 (In Rs. Lakhs)

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying value as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying value	Provisions required as per IRACP norms (note 2)	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)= (3)-(4)	(6)	(7)= (4)-(6)
Stage 1 and Stage 2						
Standard	Stage 1	4,67,835	4,482	4,63,353	3,697	785
	Stage 2	11,755	2,741	9,014	637	2,104
Subtotal		**4,79,590**	**7,223**	**4,72,367**	**4,334**	**2,889**
Stage 3						
Substandard	Stage 3	53,275	37,238	16,036	33,027	4,211
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
Stage 3	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
Subtotal		**53,275**	**37,238**	**16,036**	**33,027**	**4,211**
Loss	Stage 3	-	-	-	-	-
Subtotal for Stage 3		**53,275**	**37,238**	**16,036**	**33,027**	**4,211**
Total	Stage 1	4,67,835	4,482	4,63,353	3,697	785
	Stage 2	11,755	2,741	9,014	637	2,104
	Stage 3	53,275	37,238	16,037	33,027	4,211
	Total	**5,32,865**	**44,461**	**4,88,404**	**37,361**	**7,099**

Note 2: Figures in this column represents provisions determined in accordance with the asset classification and provisioning norms as stipulated under Master Directions.

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Note 41.3: Frauds

1 Information on instances of fraud for the year ended March 31, 2023:

(In Rs. Lakhs)

Nature of fraud	No. of cases	Amount of fraud	Amount Recovered	Considered as Recoverable	Amount Provided for
Cash embezzlement	10	33	1	-	32

2 Information on instances of fraud for the year ended March 31, 2022:

(In Rs. Lakhs)

Nature of fraud	No. of cases	Amount of fraud	Amount Recovered	Considered as Recoverable	Amount Provided for
Cash embezzlement	6	29	1	-	28

Note 41.4: Derivative instruments

Bank/ Lender	Finfund (EURO)	Proparco (USD)	Financing for Helathier Lives, DAC (USD)	DeEB (EURO)
Nature of hedging	CCIRS	CCS	CCIRS	CCS
The notional principle of swap agreements	5,865	6,478	4,419	12,690
Gain/ (losses) which would be incurred if counterparties failed to fulfill their obligations under the agreements	712	670	629	176
Collateral required by the applicable NBFC upon entering into swaps	Unsecured	100%	110%	100%
The fair value of the swap book	5,153	5,808	3,790	12,514
fair value of ECBs (Liabilities)	6,701	7,042	4,929	13,402

Note 41.5: Other Disclosures

1. The Company has not given any loans against intangible assets.

2.The Company, being NBFC – MFI needs to maintain not less that 75% of its total assets in the nature of "microfinance loans" as defined under Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022 as per the para 3(xx) of the Master Direction – Non-Banking Financial Company – Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 updated as on December 29, 2022. As at March 31, 2023, the Company's qualifying assets (i.e. microfinance loans to total assets) was 68.26%. RBI vide its letter dated May 18, 2023 has provided a timeline till September 30, 2023 to the Company to fulfil the minimum qualifying assets criteria. The Company is confident of complying with the minimum qualifying assets criteria by September 30, 2023 and will take necessary steps (i.e. sell down or lower origination of secured MSME loans, reducing bank balance by availing cash credit facility, etc.) along with disbursement of "microfinance loans" in the normal course of business to comply with minimum qualifying assets criteria.

3. The Company has breached covenants of 18 loan facilities/ debentures with a carrying amount of INR 84,835 lakhs as at March 31, 2023. These loan facilities/ debentures are repayable in tranches within 7 years. However, these loan facilities/ debentures contained covenants like the Company's GNPA, NNPA, PAR ratio, etc. at the defined intervals cannot exceed threshold mentioned in each of the agreements otherwise the lenders/ debenture holders have right to recall the loan facilities/ debentures.

The Company exceeded GNPA, NNPA, PAR ratio, etc. as at 31 March 2023. However, management obtained waivers for the 16 loan facilities/ debentures. Accordingly, loan facilities/ debentures with a carrying amount of INR 64,835 lakh were not payable on demand as at March 31, 2023. The Company has performed an assessment of its liquidity position taking into account the impact of the loan covenant breaches, current liquid funds held and expected inflows from various sources of borrowings. Based on the foregoing assessment, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future.

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Note 42: Capital management:

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times.

The primary objectives of the Company's capital management policy are 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 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. The Company monitors its capital to risk weighted assets ratio (CRAR) on a monthly basis.

(in Rs. lakhs)

Regulatory capital	As at March 31, 2023	As at March 31, 2022
Tier 1 Capital	1,40,076	1,25,089
Tier 2 Capital	18,525	23,507
Total capital	**1,58,601**	**1,48,596**
Risk weighted assets	6,43,216	4,98,941
Tier 1 CRAR	21.78%	25.07%
Tier 2 CRAR	2.88%	4.71%
Total capital ratio	**24.66%**	**29.78%**

Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings including current year profit less accrued dividends . Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is Tier 2 capital instruments.

The Company is meeting the capital adequacy requirements of the RBI.

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Note 42.1: Risk management

1 Introduction and risk profile

The Company is one of the leading microfinance institutions in India focused on providing financial support to women from low income households engaged in economic activity with limited access to financial services. The Company predominantly offers collateral free loans to women from low income households, willing to borrow in a group and agreeable to take joint liability. The wide range of lending products address the critical needs of customers throughout their lifecycle and include income generation, home improvement, sanitation and personal emergency loans. With a view to diversifying the product profile, the Company has introduced individual loans for matured group lending customers. These loans are offered to customers having requirement of larger loans to expand an existing business in their individual capacity.

The common risks for the Company are operational, business environment, political, regulatory, concentration, expansion and liquidity. As a matter of policy, these risks are assessed and steps as appropriate, are taken to mitigate the same.

1.1 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 risk management framework approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Company. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organisation and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Company's policy is that risk management processes throughout the Company are audited quarterly 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 Audit Committee.

1.2 Risk mitigation and risk culture

Risk assessments shall be conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Company. Procedures shall be established to update risk assessments at appropriate intervals and to review these assessments regularly. Based on the Risk Control and Self Assessment (RCSA), the Company shall formulate its risk management strategy / risk management plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation can be planned using the following key strategies:

Risk avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

Risk reduction: Employing methods / solutions that reduce the severity of the loss

Risk retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible.

1.3 Risk measurement and reporting systems

The Management would review the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting.

- Review of business growth and portfolio quality.
- Discuss and review the reported details of portfolio at risk, key risk threshold breaches, consequent responses and review of operational loss events, if any.
- Review of process compliances including audit performance across organisation
- Review of HR management, training and employee attrition
- Review of new initiatives and product / policy / process changes
- Discuss and review performance of IT systems
- Review the status of strategic projects initiated
- Review, where necessary, policies that have a bearing on the operational risk management and recommend amendments.
- Discuss and recommend suitable controls / mitigations for managing operational risk and assure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing / mitigating the same.

1.4 Risk management strategies

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.
The following management strategies and policies shall be adopted by the Company to manage the various key risks.

Political risk mitigation measures:
- Low cost operations and low pricing for customers
- Customer centric approach, high customer retention
- Rural focus
- Systematic customer awareness activities
- High social focused activities
- Adherence to client protection guidelines
- Robust grievance redressal mechanism
- Adherence to regulatory guidelines in letter and spirit

Concentration risk mitigation measures:
- District centric approach
- District exposure cap
- Restriction on growth in urban locations
- Maximum disbursement cap per loan account
- Maximum loan exposure cap per customer
- Diversified funding resources

Operational & HR Risk mitigation measures:
- Stringent customer enrolment process
- Multiple products
- Proper recruitment policy and appraisal system
- Adequately trained field force
- Weekly & fortnightly collections – higher customer touch, lower amount instalments
- Multilevel monitoring framework
- Strong, independent and fully automated internal audit function
- Strong IT system with access to real time client and loan data

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Liquidity risk mitigation measures:
- Diversified funding resources
- Asset liability management
- Effective fund management
- Maximum cash holding cap

Expansion risk mitigation measures:
- Contiguous growth
- District centric approach
- Rural focus
- Branch selection based on census data & credit bureau data
- Three level survey of the location selected

2 Impairment assessment/ credit risk (Also refer Note 8a)

Credit risk is the risk of loss that may occur from defaults by our Borrowers under our loan agreements. In order to address credit risk, we have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. We also follow a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area. Further, our client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to confirm that they meet our criteria.

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.

2.1 Definition of default, Significant increase in credit risk and stage assessment

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1 includes loans for which the credit risk at the reporting date is in line with the credit risk at the initial recognition (i.e. disbursement date)

Stage 2 includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk)

Stage 3 includes default loans. A loan is considered default at the earlier of (i) the bank considers that the obligor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing collateral (if held); or (ii) the obligor is past due 90 days or more on any material credit obligation to the Company.

The Company offers products with monthly repayment frequency, and has identified the following stage classification to be the most appropriate for its Loans:
Stage 1: Low credit risk, i.e. 0 to 30 days past due
Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due (SICR)
Stage 3: Credit impaired assets, i.e. more than 90 days past due or cases where the Company suspects fraud and legal proceedings are initiated (default).

2.2 Probability of default

PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each state separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of all loans in stage 1 moving into stage 3 in 12-months' time.
PD for stage 2: is derived as %age of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.
PD for stage 3: is derived as 100% considering that the default occurs as soon as the loan becomes overdue for 90 days which matches the definition of stage 3.

Probability of default (PD) using 12 months static pool methodology is computed for each 12-month period of observation starting from March 2016 till March 2022 which is 7-years period of historical information.

2.3 Exposure at default (EAD)

EAD represents gross carrying amount at the reporting date adjusted for future estimated prepayments in case of stage 1 and future estimated sale of loans through direct assignments in case of stage 1 and stage 2. In case of stage 3 loans EAD represents gross carrying amount at the time when the default occurred for first time.

2.4 Loss given default

LGD is the opposite of recovery rate. LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.
The set of cash flow from the date of default, discounted at the contractual interest rate and divided by the exposure at default gives the LGD estimate. The default weighed historic LGD are used to align the ECL calculation to the actual scenario and to improve the predictive power of the model.

2.5 Grouping financial assets measured on a collective basis

The Company believes that the all loans disbursed in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio are treated as separate groups and the Company will separately calculate credit losses for them.

2.6 Analysis of inputs to the ECL model under multiple economic scenarios

Adjusting the ECL to reflect the expected changes (if any) in the economic environment for forward looking information in the form of management overlay.

3 Liquidity risk and funding management

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate cost and tenure. The Company may face an asset-liability mismatch caused by a difference in the maturity profile of our assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet all borrower and lender-related funding requirements.

There are liquidity risk mitigation measures put in place which helps in maintaining the following;

3.1 Diversified funding resources:

The Company's treasury department secures funds from multiple sources, including banks, financial institutions and is responsible for diversifying our capital sources, managing interest rate risks and maintaining strong relationships with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies. The Company continuously seek to diversify its sources of funding to facilitate flexibility in meeting our funding requirements. Due to the composition of our loan portfolio, which also qualifies for priority sector lending, it also engages in securitization and assignment transactions.

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4 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company is exposed to Interest rate risk as follows:

4.1 **Interest rate risk (IRR)**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We are subject to interest rate risk, principally because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately. The Company has board approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is affected through the impact on floating rate borrowings, as follows:

(In Rs. Lakhs)

	Impact on profit		Impact on pre tax equity	
Finance cost	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
0.50 % Increase	(333)	(282)	(333)	(282)
0.50 % Decrease	333	282	333	282

5.0 **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 arise majorly on account of foreign currency borrowings. The Company manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge. The Company currently does not have any exposure to foreign currency.

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Note 43: Liquidity coverage ratio (LCR)

As per the RBI guidelines DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019, the LCR requirement shall be binding on All non-deposit taking NBFCs with asset size of ₹ 5,000 crore and above but less than ₹ 10,000 crore shall also maintain the required level of LCR starting December 1, 2020, as per the time-line given below:

Particulars	December 1, 2020	December 1, 2021	December 1, 2022	December 1, 2023	December 1, 2024
Minimum LCR	30%	50%	60%	85%	100%

Main LCR drivers and evolution of the contribution of inputs in LCR calculation over time

i)

The numerator of LCR is driven by the quantum and composition of High Quality Liquid Assets (HQLA). The denominator of LCR is driven by various components of the stressed cash flows.

a) **Composition of HQLA**

The Company has kept sufficient cash and cash equivalent which are regarded as High Quality Liquid Assets (HQLA) in the form of bank balance. The components of HQLA for the quarters is as under:

Particulars	For the year ended March 31, 2023 (weighted average)	For the year ended March 31, 2022 (weighted average)
Cash and cash equivalents	48,577	38,447
Total	**48,577**	**38,447**

b) **Unsecured and secured wholesale funding**

Borrowing Maturities falling due in the next 30 days form a major component of Cash Outflows. Bank Term loans and NCDs form the majority of secured wholesale funding maturities.

c) **Outflows related to derivative exposures and other collateral**

During the reporting period, the Company has entered into derivative transactions to hedge its balance sheet liability exposure. Accordingly, the net positive MTM and/or the net negative MTM have been considered as inflow and outflow in next 30 days respectively for the computation.

d) **Other contractual funding obligations**

Other contractual funding obligations are taken from Trade Payable, Other financial liabilities, Current tax liabilities (net) and Other non-financial liabilities shown in the Balance Sheet which are expected to be paid in the next 30 days. Interest accrued on borrowings but not due, Trade payables form a major portion of other contractual funding obligations.

e) **Secured lending**

There is no secured lending transaction backed by HQLA during the reporting period and margin lending backed by all other collateral is included in the fully performing exposures.

f) **Inflows from fully performing exposures**

Principal inflows and interest accrued from advances with no overdues due in the next 30 days are taken.

g) **Other inflows**

For the LCR calculation, under other inflows, the major components is non-HQLA investments maturing in next 30 days.

ii) **Intra period changes and changes over time**

The Company endeavors to maintain a healthy level of LCR at all points of time. The LCR table shows the movement of changes in each component over the reporting period.

iii) **Concentration of funding sources**

The Company has a diversified funding profile in the form of Bank term loans, Non-convertible debentures and External Commercial Borrowings which are long-term in nature.Also, the Company has availed Cash credit (CC) lines from various Banks. The Company is a non-deposit taking NBFC and hence, reporting nil deposits. The Company has a wide array of investors / bankers who have funded the Company through various funding instruments.

iv) **Derivative exposures and collateral calls**

The Company did not indulge in derivative trading activities. However, the Company has entered into derivative transactions to hedge its balance sheet liability exposure and has accordingly considered in its computation purposes.

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Note 43: Liquidity disclosure template as per RBI/2019-20/88
DOR.NBFC (PD) CC. No.102/03.10.001/2019-20

(in Rs. lakhs)

S. No.	Particulars	For the quarter ended							
		March 31, 2023		December 31, 2022		Septemebr 30, 2022		June 30, 2022	
		Total unweighted value(average)	Total weighted value(average)	Total unweighted value(average)	Total weighted value(average)	Total unweighted value(average)	Total weighted value(average)	Total unweighted value(average)	Total weighted value(average)
High quality liquidity assets									
1	Total high quality liquid assets (HQLA)								
	Cash in hand	222	-	212	-	654	-	235	-
	Balances with banks in current accounts	48,355	-	34,428	-	56,678	-	42,942	-
	HQLA	48,577	48,577	34,640	34,640	57,332	57,332	43,177	43,177
Cash Outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which	-	-	-	-	-	-	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	1,827	2,101	1,620	1,863	1,919	2,207	1,620	1,863
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	45,232	52,017	34,901	40,136	34,779	39,996	26,977	31,024
7	**TOTAL CASH OUTFLOWS**	47,059	54,118	36,521	41,999	36,698	42,202	28,597	32,887
Cash Inflows									
8	Secured lending								
9	Inflows from fully performing exposures	31,930	23,948	35,218	26,413	32,101	24,076	44,794	33,595
10	Other cash inflows	34,215	25,661	47,599	35,699	44,239	33,179	25,682	19,262
11	**TOTAL CASH INFLOWS**	66,145	49,609	82,817	62,112	76,340	57,255	70,476	52,857
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
12	**TOTAL HQLA**		48,577		34,640		57,332		43,177
13	**TOTAL NET CASH OUTFLOWS**		13,529		10,500		10,551		8,222
14	**LIQUIDITY COVERAGE RATIO (%) (LCR)**		359.05%		329.91%		543.40%		525.17%

1 Unweighted values is calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
2 Weighted values is calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow
3 Unweighted values is calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
4 Weighted values is calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow

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ANNAPURNA FINANCE PVT. LTD.
INDIA

Note 44: Disclosure pursuant to RBI Notification No RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 pertaining to resolution framework for COVID-19 related stress

(In Rs. Lakhs)

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half-year (A) (September 30, 2022)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year (Refer Note)	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of this half-year (March 31, 2023)
Personal loans	9,847	722	-	8,186	940
Corporate persons					
i) Of which MSMEs	-	-	-	-	-
ii) Others	-	-	-	-	-
Total	9,847	722	-	8,186	940

Note: Net of interest amount capitalised during the moratorium period.

Note 45: Information as required by Reserve Bank of India Circular on Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses dated May 5, 2021.

(In Rs. Lakhs)

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half-year (A) (September 30, 2022)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of this half-year (March 31, 2023) (Refer Note)
Personal loans	18,124	9,091	3,359	3,742	1,932
Corporate persons					
i) Of which MSMEs	-	-	-	-	-
ii) Others	-	-	-	-	-
Total	18,124	9,091	3,359	3,742	1,932

Note 46: There have been no events after the reporting date that require adjustment / disclosure in these financial statements.

Note 47: There are no capital commitments at the current and previous year-end.

Note 48: There are no contingent liabilities at the current and previous year-end.

Note 49: The figures appearing in the financial statement for the financial year ending March 31, 2023 and March 31, 2022 have been rounded off to nearest lakh.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 26, 2023

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 26, 2023

ANNAPURNA FINANCE PVT. LTD. INDIA

B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To the Members of Annapurna Finance Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Annapurna Finance Private Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group"), which comprise the consolidated balance sheet as at 31 March 2022, and 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 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 of such subsidiaries as were audited by the other auditors, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group 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 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 reports 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditor on separate financial statements of subsidiaries 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.

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Report on the Audit of the Consolidated Financial Statements *(Continued)*

Key Audit Matters *(Continued)*

Description of Key Audit Matter

Key audit matter	How the matter was addressed in our audit
Impairment of loans to customers Charge: INR 19,383 lakhs for year ended 31 March 2022 Provision: INR 44,461 lakhs as at 31 March 2022	
Refer to the accounting policies in "Note 3 (xv) (A) (III) to the Consolidated Financial Statements: Impairment of financial assets", "Note 3.1 to the Consolidated Financial Statements: Significant Accounting Policies- use of estimates and judgments" and "Note 8 to the Consolidated Financial Statements: Loans and Advances"	
Subjective estimate Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss ("ECL") estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of judgement and therefore increased levels of audit focus in the Group's estimation of ECLs are: • Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data used to create assumptions in the model. • Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in ECL and as a result are considered the most significant judgmental aspect of the Group's modelling approach.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: **Testing of design and operating effectiveness of controls:** Performing end to end process walkthroughs to identify the key systems, applications and controls used in computation of ECL. Testing the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in computation of ECL. *Key aspects of our controls testing involved the following:* • Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models. • Testing the 'Governance Framework' controls over evaluation, implementation and model monitoring in line with Reserve Bank of India guidance. • Testing the design and operating effectiveness of the key controls over the application of the staging criteria. • Testing key controls relating to selection and implementation of key macro-economic variables and the controls over the scenario selection and application of probability weights. • Testing controls over authorisation and computation of post model adjustments i.e. management overlays.

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Key audit matter	How the matter was addressed in our audit
Impairment of loaus to customers *(Continued)*	
• Economic scenarios – Ind AS 109 requires the Group to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment arising from COVID-19. • Qualitative adjustments - Adjustments to the model-driven ECL results are recorded to address known impairment model limitations or emerging trends as well as risks not captured by models. They represent approximately 9% of ECL balances as at 31 March 2022. These adjustments are inherently uncertain and significant judgement is involved in estimating these amounts especially in relation to economic uncertainty as a result of COVID-19. 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 Group. The extent to which the COVID-19 pandemic will impact the Group's current estimate of impairment loss allowances is dependent on future developments, which are highly uncertain at this point. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the consolidated financial statements, we have considered this as a key audit matter.	• Testing key controls operating over the information technology system in relation to loan impairment including system access and change management, program development and computer operations. Involvement of specialists - we involved financial risk modelling specialists for the following: • Evaluating the Group's Ind AS 109 impairment methodologies and assumptions used (including management overlays). • Evaluating the relevance of inputs used in the model for computation of ECL. • Testing the Group's considerations of the impact of the current economic environment due to COVID-19 on ECL determination. **Test of details:** Key aspects of our testing included: • Testing samples over key inputs, data and assumptions impacting ECL computations to assess the completeness, accuracy and relevance of data, economic forecasts, weights, and model assumptions applied. • Testing model computations through re-performance, where applicable. • Testing post model adjustments, considering the size and complexity of management overlays with a focus on COVID-19 related overlays, in order to assess the adjustments by challenging key assumptions, inspecting the methodology and tracing a sample of the data used back to source data.
Key audit matter	**How the matter was addressed in our audit**
Information technology	
Information Technology (IT) systems and controls The Holding Company's key financial accounting and reporting processes are dependent on the automated controls in the information systems.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: • Evaluating the design and implementation and operating effectiveness of the scoped-in IT systems.

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Key audit matter	How the matter was addressed in our audit
Information technology *(Continued)*	
There exists a risk in the IT control environment which could result in the financial accounting and reporting records being misstated. Further, during the year, one of the loan origination systems where MSME loans are recorded has been migrated to a new system.	• Testing a sample of key controls operating over the information technology in relation to financial accounting and reporting systems. • Testing the design and operating effectiveness of a sample of key controls over user access management. Access management includes granting access rights, access right modification, removal of user rights and preventative controls designed to enforce segregation of duties. • Reperforming procedures to determine the operating effectiveness of application controls over financial and reporting systems. • Testing change management control for information technology application / General IT controls which were changed during the year. • Assessing other areas including password policies, system configurations, controls over changes to applications, privileged access to applications and operating system or databases is restricted to authorized personnel. • Evaluating the program development for the new system implemented during the audit period, to determine adequate information technology controls have been established.
Key andit matter	**How the matter was addressed in our audit**
First year audit transition	
A first-year audit engagement involves zero basing of key audit considerations like understanding of company specific risks, controls, policies and processes in order to develop an audit strategy and audit plan. This includes understanding the Group specific risks, controls, policies and processes in order to establish an audit strategy and audit plan. We have to perform initial audit procedures to obtain sufficient evidence regarding opening balances and selection and consistent application of accounting policies as per SA 510. Accordingly, it bas been considered as a key audit matter.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: • Preparing a detailed transition plan to enable us to analyse the strategy, risks, internal control measures and their impact on the Group's accounting policies. • Holding audit planning meetings to understand about the Group and its processes. • Reading presentations to the board and audit committee presentation for year ended 31 March 2021 by the predecessor auditors. • Understanding the Group's significant accounting policies by reading audited financial statements for the year ended 31 March 2021.

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Key audit matter	How the matter was addressed in our audit
First year audit transition *(Continued)*	
	• Performing initial audit procedures to obtain sufficient evidence regarding opening balances and selection and consistent application of accounting policies as per SA 510. Based upon the knowledge gained through these procedures, we planned our risk assessment and determined the scope and coverage for the audit.

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 consolidated financial statements and our auditor's report thereon.

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 audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The other information is expected to be made available to us after the date of this auditor's report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's and Board of Director's / Trustee's 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 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/ Trustees of the Trust 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 each company/Trust 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 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 / Trustees of the Trust included in the Group are responsible for assessing the ability of each company / Trust 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 / Trustees of the Trust either intends to liquidate the Company / Trust or to cease operations, or has no realistic alternative but to do so.

Management's and Board of Director's / Trustee's Responsibilities for the Consolidated Financial Statements *(Continued)*

The respective Board of Directors of the companies / Trustees of the Trust included in the Group are responsible for overseeing the financial reporting process of each company/ Trust.

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 Group 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 Management and Board of Directors.
- Conclude on the appropriateness of 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 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 of such entities or business activities within the Group 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 of such entities included in the consolidated financial statements of which we are the independent auditors. For

Report on the Audit of the Consolidated Financial Statements *(Continued)*

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements *(Continued)*

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) We did not audit the financial statements of the subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs.511.93 lakhs as at 31 March 2022, total revenues (before consolidation adjustments) of Rs.12.05 lakhs and net cash flows (before consolidation adjustments) amounting to Rs.7.71 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries 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 on 30 June 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 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.

Report on the Audit of the Consolidated Financial Statements *(Continued)*

Report on Other Legal and Regulatory Requirements *(Continued)*

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 such subsidiaries 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 auditor.

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 report of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the group companies incorporated in India 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 the consolidated financial statements of the Holding Company and its subsidiary 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 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 reports of the other auditor on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

a) There were no pending litigations as at 31 March 2022 which would impact the consolidated financial position of the Group.

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.

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 incorporated in India during the year ended 31 March 2022.

Report on the Audit of the Consolidated Financial Statements *(Continued)*

Report on Other Legal and Regulatory Requirements *(Continued)*

d) (i) Management has represented that, to the best of its knowledge and belief, 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 Holding Company or its subsidiary companies incorporated in India 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 ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

e) The Holding Company and its subsidiary company 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 and based on the report of the statutory auditor of a subsidiary company incorporated in India which was not audited by us, the provisions of Section 197 of the Act are not applicable to the Holding Company and its subsidiary company incorporated in India since none of these companies is a public company.

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

Sameer Mota
Partner
Membership No. 109928
UDIN: 22109928AJSGTA6758

Bhubaneshwar
27 May 2022

B S R & Co. LLP

Annapurna Finance Private Limited

Annexure A to the Independent Auditor's Report on the consolidated Financial Statements

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We report that:

xxi In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the auditor in the Companies (Auditor's Report) Order, 2020 report of the company incorporated in India and included in the consolidated financial statements.

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

Sameer Mota
Partner
Membership No. 109928
UDIN: 22109928AJSGTA6758

Bhubaneshwar
27 May 2022

Annexure B to the Independent Auditor's report on the consolidated financial statements of Annapurna Finance 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 the consolidated financial statements of Annapurna Finance Private Limited (hereinafter referred to as the "Holding Company") and a company incorporated in India under the Companies Act, 2013 (the "Act") which is its subsidiary company (the Holding company and its subsidiary together referred as the "Group"), as of that date.

In our opinion, the Group, have, in all material respects, adequate internal financial controls with reference to the 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 the 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 the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to the 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 the 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 the 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 the consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated financial statements included

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Annexure B to the Independent Auditor's report on the consolidated financial statements of Annapurna Finance Private Limited for the year ended 31 March 2022 *(Continued)*

Auditor's Responsibility *(Continued)*

obtaining an understanding of internal financial controls with reference to the 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 and the audit evidence obtained by the other auditor of the relevant subsidiary company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the consolidated financial statements.

Meaning of Internal Financial controls with Reference to the Consolidated Financial Statements

A company's internal financial controls with reference to the consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the 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 the 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 the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the 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 the consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to the consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Annexure B to the Independent Auditor's report on the consolidated financial statements of Annapurna Finance Private Limited for the year ended 31 March 2022 ***(Continued)***

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the consolidated financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

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

Sameer Mota
Partner
Membership No. 109928
UDIN: 22109928AJSGTA6758

Bhubaneshwar
27 May 2022

Annapurna Finance Private Limited
Consolidated balance sheet as at March 31, 2022

(In Rs. Lakhs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	4	95,151	86,835
(b) Bank balance other than (a) above	5	95,387	82,181
(c) Derivative financial instruments	6	1,355	-
(d) Receivables			
(i)Trade receivables	7	5	37
(ii)Other receivables		-	-
(e) Loans	8	4,88,818	3,86,716
(f) Other financial assets	9.1	26,117	14,560
Subtotal - financial assets (A)		7,06,831	5,70,129
(2) Non-financial assets			
(a) Current tax assets (net)	10.1	2,249	125
(b) Deferred tax assets (net)	10.2	4,810	2,778
(c) Property, plant and equipment	11	1,787	1,178
(d) Intangible assets	12	156	99
(e) Other non-financial assets	9.2	2,165	1,198
Subtotal - non- financial assets (B)		11,166	5,378
Total assets (A+B)		7,17,997	5,75,507
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	6	475	-
(b) Payables			
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	14	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		291	227
(II) Other Payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt securities	15	1,85,677	1,73,854
(d) Borrowings (other than debt securities)	16	4,02,413	2,82,307
(e) Subordinated liabilities	17	33,150	32,275
(f) Other financial liabilities	17.1	14,939	9,082
Subtotal - financial liabilities (A)		6,36,945	4,97,745
(2) Non-financial liabilities			
(a) Provisions	18	1,186	1,034
(b) Other non-financial liabilities	17.2	543	468
Total non- financial liabilities (B)		1,729	1,502
Total liabilities		6,38,674	4,99,247
(3) Equity			
(a) Equity share capital	19	6,874	6,872
	20		
(b) Instruments entirely equity in nature		300	300
(c) Other equity	21	72,149	69,088
Subtotal - equity (C)		79,323	76,260
Total liabilities and equity (A+B+C)		7,17,997	5,75,507

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

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

Sameer Mota
Partner
Membership No.: 109926

Bhubaneswar
May 27, 2022

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 27, 2022

Annapurna Finance Private Limited
Consolidated statement of profit and loss for the year ended March 31, 2022

(In Rs. Lakhs)

	Particulars	Notes	For the year March 31, 2022	For the year March 31, 2021
	Revenue from operations			
	(i) Interest income	22	99,156	90,709
	(ii) Fees and commission income	23.1	94	271
	(iii) Net gain on fair value changes	23.2	314	-
	(iv) Net gain on assignment transactions	23.3	15,164	6,363
(I)	**Total revenue from operations**		1,14,728	97,343
(II)	Other income	24	561	368
(III)	**Total income (I + II)**		1,15,289	97,711
	Expenses			
	Finance costs	25	56,358	51,105
	Impairment of financial instruments	26	19,383	19,175
	Employee benefits expenses	27	28,798	20,599
	Depreciation, amortisation and impairment	28	1,106	893
	Other expenses	29	7,261	5,772
(IV)	**Total expenses**		1,12,904	97,544
(V)	**Profit before tax (III-IV)**		2,385	167
(VI)	**Tax expense:**			
	(a) Current tax		3,223	3,705
	(b) Short / (excess) provision for tax related to prior years	10.3	-	-
	Net current tax expenses		3,223	3,705
	Deferred tax expense / (credit)		(2,557)	(3,720)
	Total tax expense		666	(15)
(VII)	**Profit for the year (V-VI)**		1,719	182
(VIII)	**Other comprehensive income (OCI)**			
	A Items that will not be reclassified to profit or loss			
	Remeasurement of the defined benefit liabilities	33.3	40	15
	Income tax relating to items that will not be reclassified to profit or loss	10.3	(10)	(4)
	Subtotal (A)		30	11
	B Items that will be reclassified to profit or loss			
	Fair value of loans and advances and cash flow hedges through other comprehensive income		2,047	(635)
	Income tax relating to items that will be reclassified to profit or loss	10.3	(515)	160
	Subtotal (B)		1,532	(475)
	Other Comprehensive Income (A+B)		1,562	(464)
(IX)	**Total comprehensive income for the year (comprising profit/retained earnings) and other comprehensive income for the year (VII)+(VIII)**		3,281	(282)
(X)	**Earnings per equity share (face value of ₹10 each)**			
	Basic (Rs.)	30	2.40	0.26
	Diluted (Rs.)		2.26	0.24

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

Sameer Mota

Partner
Membership No.: 109928

Bhubaneswar
May 27, 2022

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 27, 2022

Annapurna Finance Private Limited
Statement of consolidated cash flow for the year ended March 31, 2022

(In Rs. Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Cash flows from operating activities		
Profit before tax	**2,385**	167
Adjustments for:		
Depreciation, amortization and impairment	1,106	893
Impairment on financial instruments	19,383	19,175
Provision for insurance claim receivable and others	272	167
Profit on sale of current investments	(314)	-
Profit on sale of property, plant and equipment	(10)	-
Net gain on derecognition of financial instruments	(15,164)	(6,363)
Share based payments to employees	33	126
Interest income	(99,156)	(90,709)
Finance cost	56,356	51,105
Operating loss before working capital changes	**(35,109)**	**(25,439)**
Movements in working capital:		
Decrease in other financial and non financial assets	2,292	319
Increase in bank balance other than cash and cash equivalents	(12,708)	(40,397)
Decrease in trade receivables	32	10
Increase in loans	(1,19,474)	(50,569)
Increase in other financial and non financial liabilities	5,923	645
Increase in provisions	152	385
Increase/ (decrease) in trade payables	54	(109)
Cash used in operations	**(1,58,828)**	**(1,15,155)**
Interest received	97,144	84,876
Finance cost paid	(52,013)	(43,734)
Income tax paid (net of refunds)	(5,349)	(2,122)
Net cash flows used in operating activities (A)	**(1,19,046)**	**(76,135)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,109)	(542)
Proceeds from sale of property, plant and equipment	34	-
Purchase of intangible assets	(344)	(149)
Purchase of current investments	(2,28,100)	-
Proceeds from sale of current investments	2,28,414	-
Investment in fixed deposits with maturity of more than 3 months	(495)	-
Net cash flows used in investing activities (B)	**(1,500)**	**(1,191)**
Cash flows from financing activities		
Proceeds from issuance of equity share capital (including securities premium)	38	7
Proceeds from debt securities	22,779	1,19,820
Repayment of debt securities	(12,312)	(12,239)
Repayment of lease liabilities	(81)	(57)
Proceeds from borrowings (other than debt securities)	3,21,344	1,55,667
Repayment of borrowings (other than debt securities)	(2,03,095)	(1,75,866)
Proceeds of subordinated liabilities	4,490	7,125
Repayment of subordinated liabilities	(3,814)	(880)
Share issue expenses	(187)	(141)
Net cash flows generated from financing activities (C)	**1,29,182**	**93,434**
Net increase in cash and cash equivalents (A+B+C)	8,516	16,108
Cash and cash equivalents at the beginning of the year	86,635	70,027
Cash and cash equivalents at the end of the year	**95,151**	**86,635**
Components of cash and cash equivalents at the end of the year		
Balances with banks:		
on current accounts	37,963	42,475
deposit with original maturity of less than three months	56,687	44,013
Cash on hand	501	147
Total cash and cash equivalents at the end of the year	95,151	86,635

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 27, 2022

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02715330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 27, 2022

Annapurna Finance Private Limited
Statement of consolidated changes in Equity for the year ended March 31, 2022

a. Equity share capital

Current reporting period

(In Rs. Lakhs)

Balance at the beginning of April 01, 2021	Changes in equity share capital due to prior period errors	Restated balance at the beginning of April 01, 2021	Changes in equity share capital during April 01, 2021 to March 31, 2022	Balance at the end of March 31, 2022
6,872	-	-	2	6,874

Previous reporting period

(In Rs. Lakhs)

Balance at the beginning of April 01, 2020	Changes in equity share capital due to prior period errors	Restated balance at the beginning of April 01, 2020	Changes in equity share capital during April 01, 2020 to March 31, 2021	Balance at the end of March 31, 2021
6,870	-	-	2	6,872

b. Other equity

(In Rs. Lakhs)

Reserves and surplus	Statutory reserve (as required by Sec 45-IC of Reserve Bank of India Act, 1934)	Securities premium	Stock option outstanding	Retained earnings	Other items of comprehensive income (fair valuation on portfolio & cashflow hedges)	Total
Balance as at April 1, 2020	**4,169**	**40,217**	**1,169**	**16,063**	**7,787**	**69,386**
Profit for the year	-	-	-	182	-	182
Other comprehensive income	-	-	-	11	(475)	(464)
Total comprehensive income for the year	-	-	-	**193**	**(475)**	**(282)**
Transfer to/from retained earnings	36	-	-	(36)	-	-
Share Issue / debenture issues expenses	-	(141)	-	-	-	(141)
Amortization of vesting expenses of employee stock option plan	-	-	126	-	-	126
Balance as at March 31, 2021	**4,206**	**40,076**	**1,295**	**16,220**	**7,292**	**69,088**
Profit for the year	-	-	-	1,719		1,719
Other comprehensive income	-	-	-	30	1,532	1,562
	-	-	-	1,749	1,532	3,281
Transfer to/from retained earnings	344			(344)		-
Share Issue / debenture issues expenses	-	(187)	-	-	-	(187)
Amortisation of vesting expenses of employee stock option plan	-	(66)	33	-	-	(33)
ESOP excercised		30	(30)	-	-	-
Balance as at March 31, 2022	**4,549**	**39,853**	**1,298**	**17,625**	**8,824**	**72,149**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 27, 2022

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 27, 2022

Annapurna Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2022

1 Corporate information

Annapurna Finance Private Limited .(the 'Holding Company' or 'Parent Company') is a private company incorporated in India. The Holding Company was registered as a non-deposit taking Non-Banking Financial Company ("NBFC-ND") with the Reserve Bank of India ("RBI") and was classified as a Non-Banking Financial Company – Micro Finance Institution ("NBFC-MFI") with effect from October 22, 2013.

The Holding Company's registered office is at Bhubaneshwar, Odisha, India. Its debentures are listed on recognised stock exchange in India.

The Holding Company is engaged primarily in providing micro finance services to women in rural areas of India, who are enrolled as members and organized as Self Help Groups ('SHG') and Joint Liability Group ('JLG').

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2022 (the 'financial statements') and authorized for issue on May 27, 2022.

These consolidated audited financial statements of the Annapurna Finance Private Limited (the 'Holding Company') and its subsidiaries (collectively referred to as the 'Group') have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act 2013 (the 'Act'). The financial statements has been prepared on going concern basis. These consolidated audited financial statements include financial statements of the following subsidiaries.

Name of the entity	% of share holding and voting power of the Holding Company	Consolidated as
Annapurna SME Finance Private Limited	99.95%	Subsidiary
Annapurna Employee Welfare Trust	100.00%	Subsidiary

2 Basis of preparation of financial statements

2.1 Statement of compliance

These financial statements of the Group have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 (the 'Act') and the other relevant provisions of the Act. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

These consolidated audited financial statements of the Group have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Act. The financial statements has been prepared on going concern basis. These consolidated audited financial statements include financial statements of the following subsidiaries.

Name of the entity	% of share holding and voting power of the Holding Company	Consolidated as
Annapurna SME Finance Private Limited	99.95%	Subsidiary
Annapurna Employee Welfare Trust	100.00%	Subsidiary

Refer note 42 for additional information as required under Schedule III of the Companies Act, 2013, of enterprises consolidated as subsidiaries.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Group are discussed in Note 3.1 - Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Lakh, except when otherwise indicated.

2.2 Basis of consolidation

The Holding Company is able to exercise the control over the operating decision of the investee company, resulting in variable returns to the Holding Company and accordingly, the same are classified as investment in subsidiary and line by line consolidation is carried out under the principles of consolidation.

The consolidated financial statements incorporate the financial statements of the Group from the date control is gained until the date on which control ceases. Control is evidenced where the investor 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. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Parent Company.

Intra- group balances and transactions, and any unrealized income and expenses arising from intragroup transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.3 Historical cost convention

The financial statements have been prepared on historical cost basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair value at the end of each reporting period as explained in the accounting policies below.

2.4 Presentation of financial statements

The financial statements of the Group are presented as per Schedule III (Division III) of the Act applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). The statement of cash flows has been presented using indirect method as per the requirements of Ind AS 7 statement of cash flows.

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ANNAPURNA FINANCE PVT. LTD. INDIA

3 **Significant accounting policies**
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 **Use of estimates and judgments**
The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities and disclosures of contingent liabilities at the date of these financial statements and reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.
Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates is revised and future period affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in following notes:

a) Note 3 (xv)- Business model assessment for classification and measurement of financial assets
b) Note 3 (xv) - Impairment allowences of financial assets based on the expected credit loss model
c) Note 3(vii) and 3(viii)- Useful lives of property, plant and equipment and intangible assets.
d) Note 3(xi) and 33 - Measurement of assets and obligations of defined benefit employee plans.
e) Note 3(iv) and 10 - Recoverability and recognition of deferred tax assets.
f) Note 3(xii) - Measurement of provisions and contingencies.
g) Note 3(xvii) and 39 - Fair value measurement of financial instruments.
h) Note (xv)- Effective Interest Rate (EIR) methodology that represents the best estimate of a constant rate of return over the expected behavioural life of financial instruments

i) Note (ix)- Determination of lease term where Group is a lessee

(ii) **Revenue recognition**

Revenue from operations
(a) Income on loans arising from financing activities
Interest income is recognised by applying the effective interest rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Group calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset.
The EIR in case of a financial asset is computed
- the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- by considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees/service charges and incentives paid and received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

(b) Dividend income
Dividend income is recognised in the statement of profit or loss on the date
- 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 entity; and
- the amount of dividend can be reliably measured

(c) Net gain on assignment transactions
Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

(d) Fees and commission income
Fees and commissions which do not form part of the effective interest rate calculation are recognised when the Group satisfies the performance obligation over time and are accrued as and when they are due.

Other income
Other income are recognised when the Group satisfies the performance obligation over time and are accrued as and when they are due.

(iii) **Foreign currency**
These financial statements are presented in Indian rupees, which is the functional currency of the Group.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.
Exchange differences are recognised in the statement of profit and loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalised as part of borrowing costs.

(iv) **Income taxes**
Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the statement of profit & loss except when they relate to items that are recognised outside the statement of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside the statement of profit and loss.

Current income taxes are determined based on respective taxable income of Group and tax rules applicable for respective tax jurisdictions.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current and deferred tax assets and liabilities on a net basis.

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(v) Cash and cash equivalents

Cash and cash equivalents, comprise cash in hand, cash at bank and deposits with an original maturity of three months or less, that are readily convertible to insignificant risk of changes in value.

(vi) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

(vii) Property, plant and equipment (PPE) and intangible assets

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. Cost includes purchase price, non-refundable taxes and levies and other directly attributable costs of bringing the assets to its location and working condition for its intended use.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Group in future periods, and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses, are charged to the statement of profit and loss during the period in which they are incurred.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss, arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

(viii) Depreciation and amortisation

Depreciation

Depreciation on property, plant and equipment is measured using the written down value method at the rates arrived based on the useful lives of the assets, prescribed under Schedule II of the Act, which also represents the estimate of the useful life of the assets by the management. The useful life estimated by the management is as under:

Category of asset	Useful life (years)
Furniture and fittings	10
Office equipment's	5
Vehicles	8
Computers	3

Amortisation

Intangible assets are amortized on a written down value method over the estimated useful economic life. The management has determined its estimate of useful economic life as 1-3 years. The useful lives of intangible assets are reviewed at each financial year and adjusted prospectively.

(ix) Leases :

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.
Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, ranging from 2 to 5 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3(x) impairment of non-financial assets.

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Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of office (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, that are of low value. Lease payments on short term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(x) Impairment of non financial assets

At each balance sheet date, the Group assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

(xi) Employee benefits

(A) Short term employee benefits
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include salaries and performance incentives/ bonuses which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

(B) Post employment/ retirement benefit plans

(1) Defined contribution plans

Retirement benefits in the form of provident fund and superannuation are defined contribution schemes. The Group has no obligation, other than the contribution payable to the respective funds. The Group recognises contribution payable to the respective funds as expenditure, when an employee renders the related service.

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(2) Defined benefit plans
(a) Gratuity

For defined benefit schemes in the form of gratuity plan, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each year end. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.
The Group have an obligation towards gratuity, post employment/ retirement defined benefit plan covering eligible employees. The benefit is in the form of lump sum payments to eligible employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days' to 30 days' basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The liability determined basis actuarial valuation is compared with the fair value of plan assets and the shortfall or excess is accounted for as a liability or an asset respectively.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income/ (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income/ (expense) on the net defined benefit liability is recognised in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(C) Other long term employee benefit plans

(1) Defined benefit plans

(a) Compensated absences
The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss.

b) Employee stock option plan
The employee stock option scheme provides for the grant of options to acquire equity shares of the Group to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes. The fair value at the grant date of the equity settled share based payment options granted to the employees is recognized as an employee benefit expenses with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the options. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimates, if any, is recognised in statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to share based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. Also, the employee stock option granted to the eligible employees of the subsidiary companies are accounted in accordance with the guidelines of Ind AS 102 – share based payments.

(xii) Provisions and contingent liabilities
A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.
If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to the net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Group.

Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.
Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements.

(xiii) Dividend (including dividend distribution tax)
Any dividend declared or paid by the Group is based on the profits available for distribution as reported in the financial statements. Indian law mandates that dividend be declared out of distributable profits, after setting off un-provided losses and depreciation of previous years. In case of inadequacy or absence of profits in a particular year, a Group may pay dividend out of accumulated profits of previous years transferred to statement of profit and loss. However, in the absence of accumulated profits a Group may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable.
Pursuant to Finance Act, 2020, any dividend declared, distributed or paid on or after April 01, 2020 was taxable in the hands of the shareholders and the Group was not required to pay dividend distribution tax on above dividend payments.

(xiv) Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).
The power to assess the financial performance and position of the Group and make strategic decisions is vested in the Board of Directors Committee who has been identified as the CODM.

(xv) Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument.

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(A) Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.
Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Classification and subsequent measurement
For the purposes of initial recognition, financial assets are classified in the following categories :-
a. at amortised cost, or
b. at fair value through other comprehensive income (FVOCI), or
c. at fair value through profit or loss (FVTPL)

The above classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flow.

(I) Debt instruments
Initial classification of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments.

(a) At amortised cost:
A debt instrument is measured at amortised cost, if both the following conditions are satisfied/ fulfilled
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans arising from financing activities and investments.

(b) At FVTOCI:
A debt instrument is classified at FVTOCI, if both of the following criteria are met:
- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Group recognises interest income, impairment losses and reversals in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(c) At FVTPL:
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.
In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirely when determining whether their cash flows are solely payment of principal and interest.

(II) Equity instruments/ investments
Investments in equity instruments are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For equity instruments, other than held for trading, the Group has irrevocable option to present in OCI subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Group classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

(III) Impairment of financial assets
The Group applies the expected credit loss (ECL) model in accordance with Ind AS 109 for recognising impairment loss on financial assets except for
- equity instruments which are not subject to impairment under Ind AS 109, and
- other debt financial assets held at fair value through profit or loss (FVTPL)

The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial assets (lifetime ECL), unless there had been no significant increase in credit risk of a default occurring since origination or initial recognition, in which case, the impairment allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL (both life time and 12 months) are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group believes that the all loans disbursed (MFI and MSME loans) in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio (segregated at MFI and MSME loans) are treated as separate groups for the purpose of expected credit loss computation.

The impairment methodology applies depends on whether there has been significant increase in credit risk. When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

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The expected credit loss is a product of exposure at default ('EAD'), probability of default ("PD") and loss given default ('LGD'). The Group has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial assets. The Group categorises financial assets at the reporting date into stages based on the days past due ("DPD") status as under:

- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Credit impaired assets, i.e. more than 90 days past due or cases where the Group suspects fraud and legal proceedings are initiated.

Definition of default

The Group considers a financial asset to be in 'default' and therefore stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

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 Group would expect to receive. It is usually expressed as a percentage of the EAD.

The set of cash flow from the date of default, discounted at the contractual interest rate and divided by the exposure at default gives the LGD estimate. The default weighed historic LGD are used to align the ECL calculation to the actual scenario and to improve the predictive power of the model.

PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in stage 1, a 12-month PD is required. For stage 2 assets a lifetime PD is required while stage 3 assets are considered to have a 100% PD. PD estimation process is done based on historical internal data available with the Group.

EAD represents gross carrying amount at the reporting date adjusted for future estimated prepayments in case of stage 1 and stage 2. In case of stage 3 loans EAD represents gross carrying amount at the time when the default occurred for first time.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occuring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like gross domestic product (GDP), consumer price index (CPI), unemployment rate (UER), credit growth with the estimate of PD determined by the Group based on its internal data. While the internal estimates of PD rates by the Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.
Based on the consideration of external actual and forecast information, the Group forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all the categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows 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 ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of financial statements. The Group regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material.

The amount of ECL (or reversal) at the reporting date is recognised as an impairment loss/ (gain) in the statement of profit and loss.

ECL on debt instruments measured at amortised cost

The ECLs for debt instruments measured at amortised cost is reduced from the gross carrying amount of these financial assets in the balance sheet.

ECL on debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the gross 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.

Write-off

The gross carrying amount of a financial assets is written- off (either partially or fully) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any subsequent recoveries against such financial assets are credited to the statement of profit and loss.

(IV) Derecognition of financial assets

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises an associated liability as collateralised borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI, and accumulated in equity is recognised in the statement of profit and loss.

(B) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments, issued by the Group, are classified as either financial liabilities or as equity, in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(i) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value. However, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of financial liabilities. The transaction costs directly attributable to the issue of financial liabilities at fair value through profit or loss are immediately recognised in profit or loss.

The Group's financial liabilities majorly comprise of trade and other payables, loans and borrowings, including bank overdrafts and cash credit facility and derivative financial instruments.

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method or at fair value through profit or loss (FVTPL).

(a) At FVTPL:

Financial liabilities includes derivative financial instruments entered into by the Group that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Financial liabilities designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

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(b) At amortised cost:
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance cost in the profit or loss.

Derecognition of financial liabilities:
The Group de-recognises financial liabilities when and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in statement of profit and loss.

Modification/ renegotiation that do not result in derecognition
Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the statement of profit and loss. Any subsequent changes in the estimation of the future cash flows of financial liability is recognised under finance cost in the statement of profit or loss with the corresponding adjustment to the carrying amount of the financial liability.

(ii) Equity instrument
An equity instrument is any contract that evidences residual interests in the assets of the Group after deducting all of its liabilities.
Incremental costs incurred which are directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from the proceeds.

(xvi) Derivatives and hedging activities
The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk, including cross currency interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument (Refer sub note (a) below), in which event the timing of recognition in profit or loss depends on the nature of the hedging relationship and nature of the hedge item.

Embedded derivatives
Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host and accordingly, are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(a) Hedge accounting
The Group designates foreign currency forward derivative contracts as hedges of foreign exchange risk associated with the cash flows of foreign currency risks associated with the borrowings denominated in foreign currency (referred to as "cash flow hedges").

The Group documents at the inception of the hedging transaction the economic relationship between the hedging instruments and hedge items including whether the hedging instrument is expected to offset changes in the cash flows of hedge items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of the hedging relationship.

Cash flow hedges
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity to effective portion (as described above) are reclassified to profit or loss in the periods when the hedge item affects profit or loss, in the same line as the recognised hedge item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

(xvii) Fair value measurement
A number of Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.
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.

Fair value measurements under Ind AS 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: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Group can access at measurement date

(xviii) Offsetting financial instruments
Financial assets and financial liabilities are offset when it currently has a legally enforceable right (not contingent on future events) to off-set the recognised amounts and the Group intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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Note 4: Cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	497	147
Balances with banks	37,967	42,475
Fixed deposit with maturity of less than 3 months	56,687	44,013
Total	**95,151**	**86,635**

Note 5: Bank balance other than cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposit with remaining maturity of more than 3 months		
Fixed deposit with banks (security against bank guarantee)	31,755	25,717
Other term deposits	60,919	53,837
Interest accrued on fixed deposits*	2,713	2,627
Total	**95,387**	**82,181**

(*) Includes interest accrued of Rs. 1,369 lakhs (March 31, 2021: Rs. 98 lakhs) on fixed deposits marked as lien towards term loans availed from banks, as cash collateral placed in connection with portfolio loan securitised and business correspondent activities entered with the banks.

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Notes to the consolidated financial statements for the year ended March 31, 2022

Note 6: Derivative financial instruments

(In Rs. Lakhs)

	As at March 31, 2022				As at March 31, 2021			
Part I	Notional Amounts	Fair value-assets	Notional Amounts	Fair value-liabilities	Notional Amounts	Fair value-assets	Notional Amounts	Fair value-liabilities
(i)Currency derivatives:								
Cross currency swaps	12,613	704	10,873	322	-	-	-	-
Subtotal (i)	12,613	704	10,873	322	-	-	-	-
(ii)Interest rate derivatives	-	-	-	-	-	-	-	-
(iii)Credit derivatives	-	-	-	-	-	-	-	-
(iv) Equity linked derivatives	-	-	-	-	-	-	-	-
(v) Other								
Cross currency interest rate swaps	18,521	651	9,708	153	-	-	-	-
Total Derivatives financial instruments	31,134	1,355	20,581	475	-	-	-	-
PART II								
Included in above are derivatives held for hedging and risk management as follows								
(i)Fair value hedging	-	-	-	-	-	-	-	-
(ii) Cashflow hedging								
Cross currency interest rate swaps	18,521	651	9,708	153	-	-	-	-
Cross currency swaps	12,613	704	10,873	322	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-	-	-
(iv) Undesignated derivatives	-	-	-	-	-	-	-	-
Total derivatives financial instruments	31,134	1,355	20,581	475	-	-	-	-

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Notes to the consolidated financial statements for the year ended March 31, 2022

Note 7: Trade receivables

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables considered good- unsecured	5	37
Total	5	37

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30-90 days.

Ageing of trade receivables as at March 31, 2022

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments					Total
	<6 months	6 months- 1 year	1-2 years	2-3 years	>3 years	
(i) Undisputed trade receivables considered good	5	-	-	-	-	5
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables considered good	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-

Ageing of trade receivables as at March 31, 2021

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments					Total
	<6 months	6 months- 1 year	1-2 years	2-3 years	>3 years	
(i) Undisputed trade receivables considered good	37	-	-	-	-	37
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables considered good	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-

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Note 8: Loans
Considered good unless stated otherwise

Particulars	As at March 31, 2022			As at March 31, 2021		
	Amortised cost	At fair value Through other comprehensive income	Total	Amortised cost	At fair value Through other comprehensive income	Total
i) Term loans						
Considered good	80,670	3,88,918	4,70,588	97,859	2,81,980	3,79,838
Credit impaired	14,843	38,434	53,277	213	29,839	30,052
Total term loans	95,513	4,37,352	5,32,865	98,072	3,11,819	4,09,891
ii) Staff loan	412	-	412	372	-	372
Total (A) - Gross	95,925	4,37,352	5,33,277	98,444	3,11,819	4,10,263
Less: Impairment loss allowance	7,997	36,464	44,461	5,634	17,913	23,547
Total (A) - Net	87,928	4,00,888	4,88,816	92,810	2,93,906	3,86,716
Term loans						
i) Secured by tangible assets (refer note below)	2,670	31,151	33,821	23,925	-	23,925
ii) Unsecured	92,843	4,06,201	4,99,044	74,147	3,11,819	3,85,966
Sub-total - Term loans	95,513	4,37,352	5,32,865	98,072	3,11,819	4,09,891
Staff loan						
-Unsecured	412	-	412	372	-	372
Sub-total - Staff loan	412	-	412	372	-	372
Total (B) - Gross	95,925	4,37,352	5,33,277	98,444	3,11,819	4,10,263
Less : Impairment loss allowance	7,997	36,464	44,461	5,634	17,913	23,547
Total (B) - Net	87,928	4,00,888	4,88,816	92,810	2,93,906	3,86,716
Loans in India						
i) Public Sector	-	-	-	-	-	-
ii) Others	95,925	4,37,352	5,33,277	98,444	3,11,819	4,10,263
Total - Gross	95,925	4,37,352	5,33,277	98,444	3,11,819	4,10,263
Less: Impairment loss allowance	7,997	36,464	44,461	5,634	17,913	23,547
Total - Net	87,928	4,00,888	4,88,816	92,810	2,93,906	3,86,716
Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total - Net	-	-	-	-	-	-
Total (C)	87,928	4,00,888	4,88,816	92,810	2,93,906	3,86,716

Note
The Company covers/secures the credit list associated with the loans given to customer by creating a charge/ hypothecation/ security on the assets as mentioned in the loan agreements with customers.

Reconciliation of impairment allowance:

Particulars	As at March 31, 2022			As at March 31, 2021		
	Amortised cost	At fair value Through other comprehensive income	Total	Amortised cost	At fair value Through other comprehensive income	Total
Opening provision	4,700	18,847	23,547	1,793	4,260	6,053
Add: Impairment provision created during the year (Refer note 26)	3,297	16,086	19,383	4,588	14,587	19,175
Less: Receivable by guarantee scheme/ CGTMSE disclosed under other financial assets	-	1,643	1,643	-	-	-
Less: Loan portfolio (own) written off during the year	-	-	-	(517)	-	(517)
Less:- EIS receivable on assignment transaction written off during the year	-	-	-	(760)	-	(760)
Less:- Provision for managed portfolio disclosed under 'provisions' (refer note 18)	-	-112	(112)	(104)	-	(104)
Less: Recovery made during the year	-	-	-	-	-	-
Closing provision	7,997	36,464	44,461	4,700	18,847	23,547

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Note 8A

Gross carrying value of assets as at March 31, 2022

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Standard	4,67,835	11,755	-	4,79,590
Non performing assets	-	-	53,275	53,275
Total	4,67,835	11,755	53,275	5,32,865

Steps taken for recovering overdues balances

To reduce the exposure and increasing collection in the stage - III assets, a cross-department team is deployed in the branches to monitor and follow up with the higher DPD customers. To maximise collection efforts, regular reminders are sent to customers via SMS/ Tele-calling and by visiting customer premises and creating awareness of the consequences of defaults.

Gross carrying value of assets as at March 31, 2021

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Standard	3,41,161	38,678	-	3,79,839
Non performing assets	-	-	30,052	30,052
Total	3,41,161	38,678	30,052	4,09,891

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans:

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at April 1, 2021	3,41,161	38,678	30,052	4,09,891
Add: New assets originated during the year (net of collections)	1,22,974	-	-	1,22,974
Less: assets written off during the year	-	-	-	-
Movement between stages				
Transfer from stage 1	(19,862)	12,047	7,815	-
Transfer from stage 2	23,517	(38,971)	15,454	-
Transfer from stage 3	46	1	(47)	-
Gross carrying value of assets as at March 31, 2022	4,67,836	11,755	53,274	5,32,865

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2021	749	4,494	18,304	23,547
Provision created / (reversed) during the year	3,734	(1,536)	18,250	20,448
Stage 3 asset are in the scope of IND AS 109 but not covered under current income recognition ,asset classification and provisioning (IRACP) norms	(1)	(217)	684	466
Assets written off during the year	-	-	-	-
ECL allowance as at March 31, 2022	4,482	2,741	37,238	44,461

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(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at April 1, 2020	**3,51,510**	2,800	4,886	**3,59,196**
Add: New assets originated during the year (net of collections)	51,512			51,512
Less: assets written off during the year	-	(453)	(364)	(817)
Movement between stages				
Transfer from stage 1	(61,929)	38,423	23,506	-
Transfer from stage 2	67	(2,092)	2,025	-
Transfer from stage 3	1	-	(1)	-
Gross carrying value of assets as at March 31, 2021	**3,41,161**	**38,678**	**30,052**	**4,09,891**

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2020	3,970	231	1,852	6,053
Provision created / (reversed) during the year	(3,221)	4,716	16,816	18,311
Assets written off during the year	-	(453)	(364)	(817)
ECL allowance as at March 31, 2021	749	4,494	18,304	**23,547**

Sensitivity analysis on ECL

Reasonably possible changes at the reporting date to the relevant macroeconomic assumptions, holding other assumptions constant, would have affected the defined ECL provisions by the amounts shown below.

(In Rs. Lakhs)

Scenario	Conditions	ECL provision as per model	+/- from normal case
Extreme scenario	100% probability of high stress 0% probability of low stress 0% probability of normal situation	41,143	865
Low stress scenario	0% probability of high stress* 0% probability of low stress 100% probability of a normal situation	39,845	(433)

**High stress condition is when the company is expecting 15% increase from the projected values of macroeconomic parameters such a s unemployment rate and in consumer price index.*

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Note 9.1: Other financial assets
(at amortised cost)
(Unsecured, considered good unless stated otherwise)

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	342	271
Retained interest on assets assigned	13,509	4,668
Interest accrued on loans designated at FVOCI	7,866	4,182
Fixed deposit with financial institutions*	1,513	1,889
Insurance claim receivable	826	930
Ex-gratia claim receivable#	-	2,213
Receivable from financial guarantees$	1,643	-
Other financial assets- others**	418	407
Total	**26,117**	**14,560**

*deposit with non banking financial companies and financial institutions marked as lien towards term loans availed.
**includes EIS receivable and advances recoverable in cash
#The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, had announced COVID-19 Relief Scheme (the 'Scheme') for grant of ex-gratia payment being difference between compounded interest and simple interest for six months period from March 1, 2020 to August 31, 2020 to eligible borrowers as per the Scheme. The management has credited the differential interest in the borrower accounts in line with the requirement of the Scheme.

$The Group has availed the benefits of credit guarantee fund trust for micro and small enterprises (CGTMSE) scheme and Assam microfinance incentives and relief scheme 2021 to secure credit default.

Note 9.2:Other non- financial assets
(Unsecured, considered good unless stated otherwise)

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	1,308	608
Capital advance	183	100
Other Advances *	674	490
Total	**2,165**	**1,198**

*includes advances to vendor

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Note 10.1:
Current tax assets (net)

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income tax (net of provision)	2,248	125

Note 10.2: Deferred tax assets/ liabilities (net)
Effects of deferred tax assets and deferred tax liabilities

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets:		
Impairment loss allowance on loan portfolio	10,697	5,935
Difference of written down value property, plant and equipment	352	271
Provision for defined benefit obligation and leave encashment	288	230
Difference of lease liabilities and right of use asset	(7)	1
Impact due to amortization of processing fees income	143	(54)
Provision for irrecoverable advances	4	
Fair value loss on debt securities	49	
Deferred tax liabilities:		
Upfront recognition of gain on direct assignment transactions	(3,238)	(985)
Impact due to amortization of processing fees expenses	(395)	(51)
Fair value gain on loans	(3,083)	(2,569)
Deferred tax relating to origination and reversal of temporary differences (net of liabilities)	**4,810**	**2,778**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 10.3: Income tax expense

(In Rs. Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income tax expense in the statement of profit and loss consists of:		
Current income tax:		
Income tax	3,223	3,705
Deferred tax	(2,557)	(3,720)
Income tax expense reported in respect of current year	**666**	**(15)**
Tax in respect of earlier years	-	
Total income tax expense reported in the statement of profit or loss	**666**	**(15)**
Income tax recognised in other comprehensive income		
Deferred tax arising on re-measurement gains/ (losses) on defined benefit plans	10	(4)
Deferred tax arising on fair value gain/ (losses) on loan portfolio	515	(160)
Total	**525**	**(164)**

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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

(In Rs. Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax	2,365	167
At India's statutory income tax rate of 25.17%	600	42
Change in tax rates	-	-
Income not subject to tax		
Others		210
Non-deductible expenses		
Expenditure on CSR	40	84
Interest on preference share capital	306	(89)
Additional tax allowances	(282)	(282)
Income tax expense reported in the statement of profit or loss	**665**	**(15)**
Income tax adjustment in respect of current income tax of prior years	-	-
Total income tax expense reported in the statement of profit or loss	**665**	**(15)**

The effective income tax rate for March 31, 2022 is 27.92% (March 31, 2021: (8.98%)).

Movement in deferred tax balances for the year ended March 31, 2022

(In Rs. Lakhs)

Particulars	Net balance April 1, 2021	(Charge)/ Credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2022	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Difference of written down value of property, plant and equipment	271	81	-	-	352	352	-
Provision for defined benefit obligation and leave encashment	230	68	(10)	-	288	298	(10)
Impairment loss allowance on loan portfolio	5,935	4,762	-	-	10,697	10,697	-
Impact of amortisation of expense, offered to tax on upfront basis	(51)	(344)	-	-	(395)	(395)	-
Impact of amortisation of processing fee income, offered to tax on upfront basis	(54)	197	-	-	143	-	143
Gain on direct assignment deals, accounted for upfront, offered to tax on accrual basis	(985)	(2,253)	-	-	(3,238)		(3,238)
Fair value gain on loans	(2,569)		(515)	-	(3,083)	-	(3,083)
Difference of lease liabilities and right of use asset	1	(8)	-		(7)		(7)
Fair value loss on CCPS	-	49	-	-	49	49	
Provision for irrecoverable advances	-	4	-	-	4	4	-
Net deferred tax assets / (liabilities)	**2,778**	**2,557**	**(525)**	**-**	**4,810**	**11,005**	**(6,195)**

Movement in deferred tax balances for the year ended March 31, 2021

(In Rs. Lakhs)

Particulars	Net balance April 1, 2020	(Charge)/ Credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2021	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Difference of written down value of property, plant and equipment	193	78	-	-	271	271	-
Provision for defined benefit obligation and leave encashment	168	66	(4)	-	230	230	-
Impairment loss allowance on loan portfolio	1,272	4,663	-	-	5,935	5,935	-
Impact of amortisation of expense, offered to tax on upfront basis	(78)	27	-	-	(51)	-	(51)
Impact of amortisation of processing fee income, offered to tax on upfront basis	160	(214)	-	-	(54)	-	(54)
Gain on direct assignment deals, accounted for upfront, offered to tax on accrual basis	(295)	(689)	-	-	(985)	-	(985)
Fair value gain on loans	(2,729)	-	160	-	(2,569)	-	(2,569)
Difference of lease liabilities and right of use asset	2	(1)	-		1	1	-
Other items	210	(210)	-	-	-	-	-
Net deferred tax assets / (liabilities)	**(1,098)**	**3,720**	**156**	**-**	**2,778**	**6,437**	**(3,659)**

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Note 11: Property, plant and equipment

(In Rs. Lakhs)

Particulars	Freehold land (refer note)	Office equipment	Furniture and fixtures	Vehicles	Computers	Right of use assets under leases	Total
Cost:							
As at April 01, 2020	14	1,003	743	154	1,015	153	3,082
Additions	-	125	159	-	257	14	556
Disposals*	-	-	-	-	-	(21)	(21)
As at March 31, 2021	14	1,128	902	154	1,272	146	3,617
Additions		535	141	89	344	352	1,461
Disposals*				(24)		(10)	(34)
As at March 31, 2022	14	1,663	1,043	219	1,615	489	5,044
Accumulated depreciation:							
As at April 01, 2020	-	584	338	89	743	54	1,807
Depreciation charge for the year	-	210	121	20	227	53	631
Disposal	-	-	-	-	-		-
As at March 31, 2021	-	794	459	109	970	107	2,439
Depreciation charge for the year		292	132	24	304	67	819
Disposal							
As at March 31, 2022	-	1,086	591	133	1,274	174	3,257
Net book value:							
As at March 31, 2021	14	334	443	45	302	39	1,178
As at March 31, 2022	14	579	452	86	342	314	1,787

The details of property, plant and equipment hypothecated against borrowings are presented in Note 15.
*Includes adjustments for security deposits in right of use assets.

Note: Title deeds (TD) of immovable property not held in the name of the Group

Details of immovable property not held in the Group's name (other than lease where the Group is lessee)

Relevant line item in balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	TD holder- promoter, director or relative of P/D or employee of P/D	Property held since	Reason for not being held in the name of the Company
NA						

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Note 12: Intangible assets

(In Rs. Lakhs)

Particulars	Computer software
Deemed cost:	
As at April 01, 2020	**661**
Additions	149
Disposals	-
As at March 31, 2021	**810**
Additions	**345**
Disposals	-
As at March 31, 2022	**1,155**
Accumulated amortisation:	
As at April 01, 2020	**448**
Amortisation charge for the year	263
Disposal	-
As at March 31, 2021	**711**
Amortisation charge for the year	**288**
Disposal	-
As at March 31, 2022	**999**
Net book value:	
As at March 31, 2021	**99**
As at March 31, 2022	**156**

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Note 13: Leases (where the Group is lessee)

As a lessee:

The Group has lease contracts for premises used in its operations. Leases of premises generally have lease terms between 2 and 5 years.

The Group also has certain leases with lease terms of 12 months or less and leases with low-value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	39	99
Adjustment due to change in lease agreement and security deposit reclassification	(10)	(21)
Additions during the year	352	14
Depreciation expense	(67)	(53)
Closing balance	314	39

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	36	85
Adjustment due to change in lease agreement	-	(14)
Additions during the year	352	14
Accretion of interest	16	8
Payments	(81)	(57)
Closing balance	323	36

The effective interest rate for lease liabilities is from 10.88% to 13.01% with maturity between 2017 and 2031.

The following are the amounts recognised in the statement of profit or loss:

(In Rs. Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on lease liabilities (refer note 25)	16	8
Expense relating to short-term leases and other low value assets leases (included in other expenses) (refer note 29)	2,150	1,672
Total amount recognised in the statement of profit and loss	2,166	1,680

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Note 14: Trade payables:

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	291	227
Total	291	227

Trade payables ageing schedule as at March 31, 2022

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments						Total
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	285	6	-	-	291
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-

Trade payables ageing schedule as at March 31, 2021

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments						Total
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	227	-	-	-	227
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-

Note 14.1 Dues to the micro enterprises and small enterprises:

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Total	-	-

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Notes to the consolidated financial statements for the year ended March 31, 2022

Note 15: Debt securities

(In Rs. Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	At amortised cost	At fair value through profit & loss	Total	At amortised cost	At fair value through profit & loss	Total
Redeemable, Non- convertible Debentures (secured)*	1,09,553	-	1,09,553	1,50,972	-	1,50,972
Compulsorily Convertible Preference Shares #	-	50,205	50,205	-	22,882	22,882
						-
Redeemable Non- convertible Debentures (unsecured)**	10,124	-	10,124	-	-	-
Compulsorily Convertible Debentures (Unsecured)##	-	15,795	15,795	-	-	-
Total	1,19,677	66,000	1,85,677	1,50,972	22,882	1,73,854
Debt securities in India	34,367	-	34,367	72,427	-	72,427
Debt securities outside India	85,310	66,000	1,51,310	78,545	22,882	1,01,427
Total	1,19,677	66,000	1,85,677	1,50,972	22,882	1,73,854

* Redeemable non- convertible debentures (secured) (at amortised cost) ('NCDs')

Terms of debentures	Number of debentures		Face value	Amount in Lakhs		Charge details
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021	
12% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1 lakh each redeemable at par at the end of seventy two months from the date of allotment i.e. December 08, 2015.	-	2,004	1,00,000	-	2,059	100%
13.10% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1 lakh each redeemable at par at the end of seventy two months from the date of allotment i.e. December 10, 2015.	-	2,670	1,00,000	-	2,683	100%
18.78 % Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par partially from July 2020 with the date of allotment i.e. June 15, 2016	-	600	3,33,333	-	2,076	100%
12.49 % Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par every six months from March, 2021 with the date of allotment i.e. August 30, 2017.	325	325	8,33,333	1,642	2,732	110%
12.376% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. September 22, 2020, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	700	700	10,00,000	7,021	7,012	110%
12.1113% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from the date of allotment i.e. November 16, 2018, subject to exercise of put option by the lender or call option by the company at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	460	460	10,00,000	4,808	4,791	105%
12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakhs each redeemable at par at the end of eighty four months from the date of allotment i.e. December 19, 2018.	60,00,000	60,00,000	100	1,553	8,209	110%
12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of thirty five months from the date of allotment i.e. December 20., 2018.	-	350	10,00,000	-	3,649	100%
11.8488% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from the date of allotment i.e. March 01, 2019, subject to exercise of put option by the lender or call option by the company at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	1,000	1,000	10,00,000	10,097	10,047	105%
11.9526% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from the date of allotment i.e. August 31, 2020, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	1,000	1,000	10,00,000	10,102	9,951	100%
12.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every six month from the date of allotment i.e. June 16, 2020.	1,000	1,000	8,33,333	5,000	8,322	100%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every year from the date of allotment i.e. July 30, 2020.	250	250	10,00,000	1,698	2,545	100%
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every quarter from the date of allotment i.e. November 18, 2020.	1,000	1,000	10,00,000	2,529	10,079	110%
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirteen months from the date of allotment i.e. November 18, 2020.	350	350	10,00,000	3,541	3,536	110%

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10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. November 18, 2020.	100	100	10,00,000	1,012	1,010	110%
10.39% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par partially beginning from the end of sixth month from the date of allotment i.e. March 30, 2021.	600	600	10,00,000	6,640	5,995	110%
11.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. July 24, 2020.	250	250	10,00,000	2,709	2,699	115%
10.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. September 29, 2020.	-	500	10,00,000	-	5,248	115%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. June 05, 2020.	-	100	10,00,000	-	1,093	100%
10.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. December 04, 2020.	250	250	10,00,000	2,584	2,581	110%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 07, 2020.	-	500	10,00,000	-	5,077	110%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 07, 2020.	-	500	10,00,000	-	5,077	110%
10.00% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. July 21, 2020.	-	200	10,00,000	-	2,136	110%
11.60% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty three months from the date of allotment i.e. July 15, 2020.	1,000	1,000	10,00,000	10,242	10,228	125%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. June 26, 2020.	150	150	10,00,000	1,631	1,630	100%
10.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 12, 2020.	-	500	10,00,000	-	5,335	110%
12.00% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every year from the date of allotment i.e. December 22, 2020.	275	275	10,00,000	1,897	2,812	110%
9.66% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 9 lakh each redeemable at par at the end of every six month from the date of allotment i.e. July 12, 2019.	695	695	7,00,000	3,547	4,942	110%
12.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of sixty months from the date of allotment i.e. July 07, 2020.	18,750	18,750	25,000	4,809	4,758	110%
12.20% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of fifty nine months from the date of allotment i.e. October 16, 2019.	730	730	10,00,000	7,712	7,637	100%
11.8926% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of Sixty months from the date of allotment i.e. July 09, 2021.	400	-	10,00,000	4,106	-	105%
11.8468% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of Sixty months from the date of allotment i.e. July 13, 2021.	370	-	10,00,000	3,792	-	105%
11% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 7500 each redeemable at par at the end of Forty two months from the date of allotment i.e. September 24, 2021.	66654	-	7,500	5,026	-	100%
11.30% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1lakh each redeemable at par at the end of Sixty months from the date of allotment i.e. December 20, 2021.	-	-	-	6,530	-	100%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. April 23, 2021.	75	-	10,00,000	750	-	100%

** Redeemable non- convertible debentures (Unsecured) (at amortised cost) ('NCDs')

Terms of debentures	Number of debentures		Face value	Amount in Lakhs		Charge details
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021	
16.15% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of Seventy two months from the date of allotment i.e. December 24, 2021	300	-	10,00,000	3,098	-	0%

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12.11% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 1 million each redeemable at par at the end of seventy two months from the date of allotment i.e. March 20, 2019, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	700	700	10,00,000	7,027	7,021	0%

Compulsorily Convertible Preference Shares ("CCPS") (FVTPL)

Terms	Number of CCPS		Face value	Amount in Lakhs		Charge details
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021	
5%, 1,94,18,612 Series A compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	1,94,18,612	1,94,18,612	10.00	24,085	22,882	0%
0%, 8492469 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	84,92,469	-	10.00	10,000	-	0%
0%, 10808723 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	1,08,08,723	-	10.00	12,727	-	0%
0%, 2717622 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	27,17,622	-	10.00	3,200	-	0%

Compulsorily convertible debentures("CCD") (FVTPL)

Terms	Number of CCD		Face value	Amount in Lakhs		Charge details
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021	
15% Cumulative Compulsorily Convertible Debentures of face value of Rs. 10 each convertible at conversion rate the end of Eighty four months from the date of allotment i.e. November 23, 2021.	15,00,00,000	-	10.00	15,795	-	0%

Note: terms of conversion for CCPS

At the discretion of CCPS holder, the CCPS shall be converted into equity shares at the earlier of:
(i)at any time but not earlier than June 30, 2022 if the audited accounts for the financial year ending on 31 March 2022 are available or such other date on which the audited accounts for the financial year ending on 31 March 2022 are available ('Target Conversion Date');
(ii)at the time of closing of a subsequent round;
(iii)at the time of a Qualified IPO of the Holding Company in accordance with the shareholders' agreement; or
(iv) upon the Transfer of 100% (one hundred percent) of the share capital of the Holding Company, such date being the 'Conversion Date', at the 'Conversion Rate', which shall be determined in accordance with this Schedule XVII of the shareholder agreement.

Note: terms of conversion for CCD

Mandatory conversion
All the CCDs shall mandatorily convert into equity shares on the earlier of the following dates:
(a) Where the Company is undertaking an IPO, on the investor business day immediately preceding the date of filing of the red herring prospectus with SEBI in connection with such IPO; or
(b) the final maturity date.

Voluntary Conversion
Without prejudice to the mandatory conversion events, DEG and/ or any holder shall have right, exercisable by issuing a notice in writing to the Holding Company, to convert such number of CCDs as specified in such notice, into equity shares in the following manner and on the following dates:
(a) at any time with the consent of the Holding Company, on such date as may be mutually agreed with the Holding Company; or
(b) in the event that DEG and/ or any holder transfer their CCDs in accordance with the provisions of the shareholder's agreement on the date immediately prior to the date of consummation of the transfer of the securities.

Note: Charge against non convertible debentures
Non convertible debentures are secured against hypothecation of all the underlying receivables/book debts to the extent 1.1/1.0/1.05 times of the principal loan amount.

Note: Covenant breaches

The Group is in the process of obtaining lender consents / waivers for certain loan covenant breaches that are existing as on March 31, 2022. The Group has performed an assessment of its liquidity position, taking into account the impact of the loan covenant breaches, current liquid funds held and expected inflows from various sources of borrowings. Based on the foregoing assessment, management believes that the Group will be able to pay its obligations as and when these become due in the foreseeable future.

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Notes to the consolidated financial statements for the year ended March 31, 2022

Note 16.1 Terms of repayment of borrowings as on March 31, 2022

(In Rs. Lakhs)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 and 2 Years		Due between 2 and 3 Years		Due between 3 and 4 Years		Due between 4 and 5 Years		Due between 5 and 6 Years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly														
0-3 years	5.15%-12.50%	1,062	1,43,092	423	72,905	47	10,278	-	-	-	-	-	-	2,26,275
Above 3 years	9.45%-12.30%	27	4,241	3	406	-	-	-	-	-	-	-	-	4,647
Monthly total		1,089	1,47,333	426	73,311	47	10,278	-	-	-	-	-	-	2,30,922
Quarterly														
0-3 years	7.50%-12.25%	71	46,095	62	38,862	29	11,539	-	-	-	-	-	-	96,496
Above 3 years	10.00%-10.75%	4	2,652	3	1,761	-	-	-	-	-	-	-	-	4,413
Quarterly total		75	48,747	65	40,623	29	11,539	-	-	-	-	-	-	1,00,909
Half yearly														
0-3 years	7%-12.75%	3	9,740	3	4,810	3	9,459	-	-	-	-	-	-	24,009
Above 3 years	9.68%-12.49%	16	12,578	13	9,723	13	11,794	-	-	-	-	-	-	34,095
Half yearly total		19	22,318	16	14,533	16	21,253	-	-	-	-	-	-	58,104
Annually														
0-3 years	11.50%-12.00%	2	1,835	2	1,739	-	-	-	-	-	-	-	-	3,574
Annually total		2	1,835	2	1,739	-	-	-	-	-	-	-	-	3,574
Bullet														
0-3 years	9.50%-12.78%	11	31,979	3	13,915	-		-	-	-	-	-	-	46,894
Above 3 years	10.50%-18.50%	5	21,368	5	16,981	7	17,821	6	25,826	7	23,475	5	8,191	1,13,662
Bullet total		16	53,347	8	30,896	7	17,821	6	25,826	7	23,475	5	8,191	1,59,556
Grand total		1,201	2,73,580	517	1,61,102	99	60,891	6	25,826	7	23,475	5	8,191	5,63,065

A. Debentures
Non-convertible debentures issued by the Group are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Group to the extent of security cover ratio of 1.1:1 in favour of the debenture holders.

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

C. External commercial borrowings
The Group holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

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Notes to the consolidated financial statements for the year ended March 31, 2022

Note 15.2 Terms of repayment of borrowings as on March 31, 2021

(In Rs. Lakhs)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 and 2 Years		Due between 2 and 3 Years		Due between 3 and 4 Years		Due between 4 and 5 Years		Due between 5 and 6 Years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly														
0-3 years	6.43%-16.5%	603	82,441	316	46,390	106	14,922	1	269	-	-	-	-	1,44,022
Above 3 years	11.75%-13.65%	31	994	13	415	-	-	8	60	-	-	-	-	1,469
Monthly total		634	83,435	329	46,805	106	14,922	9	329	-	-	-	-	1,45,491
Quarterly														
0-3 years	10.35%-12.50%	133	50,694	78	30,106	9	1,803	1	207	-	-	-	-	82,810
Above 3 years	11.85%	4	499	2	249	-	-	-	-	-	-	-	-	748
Quarterly total		137	51,193	80	30,355	9	1,803	1	207	-	-	-	-	83,558
Half Yearly														
0-3 years		-	-	-	-	-	-	-	-	-	-	-	-	-
Above 3 years	9.88%-12.35%	10	9,573	12	10,090	10	7,939	8	5,200	5	4,110	-	-	36,912
Half yearly total		10	9,573	12	10,090	10	7,939	8	5,200	5	4,110	-	-	36,912
Bullet														
0-3 years	10.25%-12.78%	9	17,142	2	4,929	5	15,913	-	-	-	-	-	-	37,984
Above 3 years.	11.17%-14.75%	5	10,099	11	23,006	5	17,028	4	10,606	3	14,239	4	11,811	86,789
Bullet total		14	27,241	13	27,935	10	32,941	4	10,606	3	14,239	4	11,811	1,24,773
Grand total*		795	1,71,442	434	1,16,185	135	57,605	22	16,343	8	18,349	4	11,811	3,90,734

* Vehicle loans of Rs. 3 lakhs have not been included in the above disclosure.

A. Debentures

Non-convertible debentures issued by the Group are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Group to the extent of security cover ratio of 1.1:1 in favour of the debenture holders.

B. Term loans

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

C. External commercial borrowings

The Group holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

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Annapurna Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2022

Note 16: Borrowings other than debt securities *(at amortised cost)*

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Term loans (secured)*		
Banks	2,05,278	1,70,932
Financials institutions	45,285	45,813
Non banking financial companies	15,276	12,708
External commercial borrowings**	42,802	32,679
Term loans (unsecured)		
External commercial borrowings**	11,409	16,006
Borrowings from Securitisation arrangement (secured)		
Securitisation transactions	363	4,169
Total	4,02,413	2,82,307
Borrowings in India	3,48,202	2,33,622
Borrowings outside India	54,211	48,685
Total	4,02,413	2,82,307

*Term loans are secured against hypothecation of all the underlying receivables/ loan assets/ book debts to the extent 1.0/ 1.05/ 1.1 times of the principal loan amount and margin money deposits. Secured term loans are repayable in equated principal plus interest as well as in equated instalments carrying interest rate ranging from 6.38% to 12.50% (March 31, 2021: 6.43% - 14.25%). The above loans are also secured by personal guarantee of promoters.

**External commercial borrowings are secured against hypothecation of all the underlying receivables/loan assets/book debts to the extent 1.0/1.05 times of the principal loan amount. Secured term loans are repayable in bullet payments/ semi annual payments carrying interest rate ranging from 10.00% - 12.78% (March 31, 2021: 10.50% - 12.18%).

Borrowings under securitisation arrangements
Represents securities issued by the special purpose vehicles ('SPVs') to the investors pursuant to the securitisation arrangement carrying a rate of interest in the rate of 8.30-10.90%. Since such arrangements do not fulfil the derecognition criteria under Ind AS 109, the Group has recognised the associated liabilities with a corresponding debit to loans and advances.

Utilisation of borrowings
Term loans were applied for the purpose for which the loans were obtained, other than Rs 87,714 lakhs which remain unutilised as at 31 March 2022 out of which term loans (including compulsorily convertible preference shares of Rs. 25,972 lakhs which have been classified as debt instrument) amounting to Rs 39,190 lakhs were received towards the end of the year. The Company has temporarily invested such unutilised balance in fixed deposits as at 31 March 2022.

Note 17: Subordinated liabilities *(at amortised cost)*

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Indian Rupee term loan		
Subordinate debt (unsecured)- debentures*	30,650	28,746
Subordinate debt (unsecured)- term loans#	2,500	3,529
Total	33,150	32,275
Borrowings in India	14,387	17,916
Borrowings outside India	18,763	14,359
Total	33,150	32,275

*Subordinate debt NCDs are repayable in bullet payment carrying interest rate ranging from 12.21% to 14.9% p.a. (March 31, 2021: 12.21% - 17% p.a.)
#Subordinate debt term loans are repayable in bullet payment carrying interest rate ranging from 13.5% to 16.5% p.a. (March 31, 2021: 13.5% - 16.5% p.a.)

Subordinate debt (unsecured)- Debentures (at amortised cost)

Terms of debentures	Number of debentures		Face value	Amount in Lakhs	
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021
14.90% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty six months from the date of allotment i.e. March 15, 2016.	-	200	10,00,000	-	2,008
14.90% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty six months from the date of allotment i.e. March 28, 2016.	-	50	10,00,000	-	500
14.25% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. September 29, 2016.	250	250	10,00,000	2,501	2,490
13.99% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from the date of allotment i.e. March 24 2017	34,000	34,000	10,00,000	3,421	3,414
13.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of sixty six months from the date of allotment i.e. March 27 2018	150	150	10,00,000	1,502	1,499
12.87% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakhs each redeemable at par at the end of eighty four months from the date of allotment i.e May 2 2019	30,00,000	30,00,000	100	3,000	2,957
14.00% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of eighty five months from the date of allotment i.e. March 24 2020	396	396	10,00,000	3,985	3,979

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12.29% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of eighty five months from the date of allotment i.e. February 18 2028	28,500	28,500	25,000	7,310	7,006
12.21% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from the date of allotment i.e. March 31 2020	340	340	10,00,000	3,400	3,395
14.60% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from the date of allotment i.e. March 27, 2020	15,000	15,000	10,000	1,500	1,497
12.30% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. April 23, 2021	449	-	10,00,000	4,490	-

Sub debt (unsecured)- Term Loans (at amortised cost)

(In Rs. Lakhs)

Terms of term loan	Rate	As at March 31, 2022	As at March 31, 2021
16.5% Unsecured term loan , having tenure of 68 months, maturing in FY 2020-21	16.50%	-	1,000
13.5% Unsecured term loan , having tenure of 65 months, maturing in FY 2023-24	13.50%	2,500	2,529
Total		2,500	3,529

Note 17.1: Other financial liabilities

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance premium payable	1,749	962
Employee dues	1,753	1,118
Payable towards securitisation transaction	9,274	4,628
Liability against interest subvention scheme	-	914
Arranger / processing charges payable	-	612
Death claim payable to customers	-	474
Other financial liabilities - Other payable*	1,840	339
Lease liability for Right of use assets	323	36
Total	14,939	9,082

* consists of payable to vendors

Note 17.2: Other non-financial liabilities

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	543	468
Total	543	468

Note 18: Provisions

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits:		
Gratuity (refer note 33)	484	404
Leave encashment and availment	702	526
Provision on managed loan portfolio (under business correspondence arrangement)	-	104
Total	1,186	1,034

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Note 19: Equity Share Capital

The reconciliation of equity shares outstanding at the beginning and at the end of the year

(Amount in Rs. Lakhs except no. of shares)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
8,30,00,000 (March 31, 2021: 8,30,00,000) equity shares of Rs.10/- each	8,300	8,300
5,60,00,000 (March 31, 2021: 2,40,00,000) preference shares of Rs.10/- each	5,600	2,400
	13,900	10,700
Issued and subscribed		
7,28,95,160 (March 31, 2021: 6,87,15,948; April 1, 2020: 6,86,99,648) equity shares of Rs.10/- each (in Rs Lakhs)	7,289	6,872
	7,289	6,872
Fully paid up		
6,87,61,148 (March 31, 2021: 6,87,15,948; April 1, 2020: 6,86,99,648) equity shares of Rs.10/- each (in Rs Lakhs)	6,876	6,872
	6,876	6,872
Partly paid up		
41,34,012 (March 31, 2021: Nil; April 1, 2020: Nil) equity shares of Rs.0.09/- each (in Rs Lakhs)	4	-
Total Paid up	6,880	6,872
Less: Share with Trust	6	-
Total share capital	6,874	6,872

Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

Particulars	In Nos.	Amount in Rs. Lakhs
As at March 31, 2020	6,86,99,648	6,870
Issued during the year	16,300	2
As at March 31, 2021	6,87,15,948	6,872
Issued during the period	41,79,212	8
Less: Share with Trust	61,200	6
As at March 31, 2022	7,28,33,960	6,874

Terms/ rights attached to equity shares

The Group has only one class of equity shares having per value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share for matters other than "Investor Reserved Matters*.

The Group declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Group, the investors at their sole discretion have the option to receive an amount equal to 100% of each investor's aggregate investment amount after distribution of all creditors and preferential amounts. Thereafter, the promoters and promoter shareholders other than the investor shall receive pro-rata distribution of all their entire subscription amounts in proportion to their shareholding in the Group. Remaining surplus, if any shall be distributed to all equity shareholders on a pro rata basis.

Details of shareholders holding more than 5% shares in the Group

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% of holding in the class	No. of shares held	% of holding in the class
Equity shares of Rs.10 each fully paid				
Gobinda Chandra Pattanaik	80,00,546	10.98%	67,60,343	9.84%
Belgian Investment Company for Developing Countries NV - SA (Investor)	95,27,723	13.08%	95,27,723	13.87%
Oikocredit Ecumenical Development Cooperative Society U.A. (Investor)	75,40,536	10.35%	75,40,536	10.97%
Women's World Banking Capital Partners, LP	58,00,000	7.96%	58,00,000	8.44%
Bamboo Financial Inclusions Fund II	46,45,695	6.38%	46,45,695	6.76%
Oman India Joint Investment Fund II	1,80,48,942	24.78%	1,80,48,942	26.27%
Asian Development Bank	1,16,88,702	16.05%	1,16,88,702	17.01%
Total	6,52,52,144		6,40,11,941	
Compulsory convertible preference shares of Rs. 10 each fully paid				
Pratap Chandra Dash on behalf of AIDS Awareness Trust of Orissa	30,00,000	8.75%	30,00,000	13.38%
Nuveen Global Impact Fund India S.A.R.L (*)	1,94,18,812	43.70%	1,94,18,812	86.62%
Accion Gateway Fund LLC (Sr A1 CCPS) (*)	84,92,469	19.11%	-	-
ESF HOLDINGS II (Sr A1 CCPS) (*)	1,08,08,723	24.32%	-	-
Oikocredit Ecumenical Development Cooperative Society U.A.(Sr A1 CCPS) (*)	27,17,622	6.12%	-	-
Total	4,44,37,426		2,24,18,812	

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.

* treated as financial liabilities in accordance with Ind AS 32 and hence disclosed under note 15

Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) of the Group, please refer Note 36.1 and 36.2.

Shareholding of promoters

Sr. No.	Promoter's name	No of shares	% of total shares	% change during the year
1	Gobinda Chandra Pattanaik	80,00,546	10.98%	18.35%
2	Dibyajyoti Pattanaik	17,19,808	2.36%	2497.89%

Information regarding issue of shares in the last five years

a. The Group has not issued any shares without payment being received in cash.
b. The Group has not issued any bonus shares.
c. The Group has not undertaken any buyback of shares.

Dividend not recognised at the end of the reporting year

a. The Group has not declared dividend at the end of reporting period. No dividend has been declared during the year (March 31, 2021- Nil).

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Note 20: Instruments entirely equity in nature

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Compulsorily convertible preference shares (30,00,000 preference shares (March 31, 2021: 30,00,000 preference shares) of Rs 10 each fully paid up)	300	300
Total	**300**	**300**

Compulsorily convertible preference shares are non interest bearing, dividend is at the discretion of the Board of Directors and convertible at par at the option of the holder of the instrument, on account of which the company have this instruments as equity.

Note 21: Other equity

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	4,549	4,205
Securities premium	39,853	40,076
Stock option outstanding	1,298	1,295
Retained earnings	17,625	16,220
Other comprehensive income	8,824	7,292
Total	**72,149**	**69,088**

(In Rs. Lakhs)

Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	Amount
Balance as at April 1, 2020	**4,169**
Transfer from retained earnings	36
Balance as at March 31, 2021	**4,205**
Transfer from retained earnings	344
Balance as at March 31, 2022	**4,549**

(In Rs. Lakhs)

Securities premium	Amount
Balance as at April 1, 2020	**40,217**
Share issue / debenture issues expenses	(141)
Balance as at March 31, 2021	**40,076**
Share issue / debenture issues expenses	(187)
Amortisation of vesting expenses of Employee stock option plan	(66)
ESOP exercised	30
Balance as at March 31, 2022	**39,853**

(In Rs. Lakhs)

Stock option outstanding	Amount
Balance as at April 1, 2020	1,169
Amortisation of vesting expenses of employee stock option plan	126
Balance as at March 31, 2021	1,295
Amortisation of vesting expenses of employee stock option plan	33
ESOP exercised	(30)
Balance as at March 31, 2022	1,298

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(In Rs. Lakhs)

Retained Earnings	Amount
Balance as at April 1, 2020	**16,053**
Profit for the year	182
Other comprehensive income	11
Transfer to statutory reserve	(36)
Balance as at March 31, 2021	**16,220**
Profit for the year	1,719
Other comprehensive income	30
Transfer to statutory reserve	(344)
Balance as at March 31, 2022	**17,625**

(In Rs. Lakhs)

Other items of Comprehensive Income (Fair valuation on portfolio & hedging)	Amount
Balance as at April 1, 2020	**7,767**
Other comprehensive income	(475)
Balance as at March 31, 2021	**7,292**
Other comprehensive income	1,532
Balance as at March 31, 2022	**8,824**

21.1 **Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

21.2 **Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)**

Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 451C of Reserve Bank of India Act 1934.

21.3 **Stock option outstanding**

The stock option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

21.4 **Other comprehensive income**

The Group recognises changes in the fair value of loan portfolio held with business objective of collect and sell in other comprehensive income and fair value of derivative contracts designated as cashflow hedges. These changes are accumulated within the FVOCI reserve in equity. The Group transfers amounts from this reserve to the statement of profit and loss when the loan is repaid. Any impairment loss on such instruments is reclassified immediately to the statement of profit and loss.

21.5 **Retained earnings**

Retained earnings represent the cumulative profit/(loss) of the Group and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013.

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Note 22: Interest income

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2022			For the year ended 31 March, 2021		
	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total
Interest income on loans	64,575	28,779	93,354	70,568	13,332	83,900
Interest income on securitised loans	-	-	-	-	857	857
Interest income on fixed deposits with Banks	-	5,660	5,660	-	5,792	5,792
Interest income on margin money deposits with NBFC/FI	-	79	79	-	117	117
Interest income on others	-	63	63	-	43	43
Total	64,575	34,581	99,156	70,568	20,141	90,709

Note 23.1: Fees and commission income

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loan portfolio servicing fees	94	271
Total	94	271

Note 23.2: Net gain on fair value changes*

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net gain on financial instruments at fair value through profit or loss	314	-
Total	314	-
Total fair value changes:		
- Realised	314	-
- Unrealised	-	-
Total	314	-

*includes fair value changes for mutual fund.

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Note 23.3: Net gain on assignment transactions

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net gain on assignment transactions*	15,164	6,363
Total	15,164	6,363

* represents net gain accounted on derecognition of loans (assignment transactions) during the year designated at FVOCI

Note 24: Other income

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net gain on derecognition of property, plant and equipment	10	-
Bad debt recovery	188	142
Miscellaneous income	363	226
Total	561	368

Note 25: Finance costs

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Interest expenses on financial assets classified at amortised cost	Interest expenses on financial assets classified at fair value through profit or loss	Total	Interest expenses on financial assets classified at amortised cost	Interest expenses on financial assets classified at fair value through profit or loss	Total
Interest on debt securities #	17,419	2,003	19,422	13,380	-	13,380
Interest on borrowings other than debt securities	31,988	-	31,988	33,656	-	33,656
Interest on subordinated liabilities	4,597	-	4,597	3,736	-	3,736
Interest on lease liabilities	16	-	16	8	-	8
Other borrowing costs*	333	-	333	325	-	325
Total	54,353	2,003	56,356	51,105	-	51,105

* consists of credit rating fees, bank charges etc.
# including net loss of Rs. 194.06 lakhs on fair value changes.

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Note 26: Impairment of Financial instruments

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total
Impairment on loan portfolio (own portfolio)	15,974	3,297	19,271	14,587	4,484	19,071
Impairment on loan portfolio (managed portfolio)	112	-	112	-	104	104
Total	16,086	3,297	19,383	14,587	4,588	19,175

Note 27: Employee benefit expenses

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	25,851	18,519
Contributions to provident fund and other funds	1,595	1,103
Gratuity expense (refer note 33)	379	292
Expenses on employee stock option plan (refer note 36.1 and 36.2)	33	126
Staff welfare expenses	940	559
Total	28,798	20,599

The Code on social security, 2020 ('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 is yet to be notified and the final rules/interpretation are yet to be promulgated. The Group is assessing the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 28: Depreciation and amortisation expenses

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	818	631
Amortisation on intangible assets	288	262
Total	1,106	893

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Note 29: Other expenses

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent, taxes and energy costs	2,150	1,672
Office maintenance	461	313
Office expenses	741	547
Director fees, allowance and expenses	20	20
Travelling and conveyance	162	95
Communication expenses	309	266
Printing and stationery	375	253
Legal and professional fees	1,269	1,159
Auditor's fees and expenses (refer note 29.1 below)	141	85
Insurance	61	58
Provision and other contingencies*	272	167
Advertisement	12	15
Training and meeting expenses	494	317
Electricity charges	224	161
Corporate social responsibility expenses (refer note 29.2 below)	161	335
Miscellaneous expense	409	309
Total	7,261	5,772

* represents provision for insurance claims in respect of dues from deceased borrowers

Note 29.1: Auditor's fees and expenses

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor:		
Audit fee (excluding taxes)	74	59
Tax audit fee	-	-
Limited review fee	52	21
Other services (certification fees etc.)	15	6
Reimbursement of expenses	-	-
Total	141	86

Note 29.2: Corporate social responsibility

Gross amount required to be spent by the Group during the current year ended is Rs. 126.86 Lakhs (March 31, 2021: Rs. 123.91 Lakhs)

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Construction/acquisition of any assets	-	-	-	-	-	-
Corporate social responsibility expenses	161	-	161	335	-	335
Total	161	-	161	335	-	335

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Note 30: Earnings per share

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit after tax as per the statement of profit and loss (In Rs. Lakhs)	1,719	182
Weighted average number of ordinary shares for basic earnings per share (Nos.)	**7,17,30,256**	**6,87,15,948**
Effect of dilution:		
Stock options granted under ESOP (Nos.)	39,42,065	39,42,065
Compulsorily convertible preference shares (Nos.)	-	30,00,000
Partly paid shares (Nos.)	3,47,939	-
Weighted average number of ordinary shares adjusted for effect of dilution (Nos.)	**7,60,20,260**	**7,56,58,013**
Earnings per share		
Basic earnings per share (Rs.)	2.40	0.26
Diluted earnings per share (Rs.)	2.26	0.24
Nominal Value per share (Rs.)	10	10

Note 31: Segment information

The Group is solely engaged in providing financial services to borrowers and accordingly there is only reportable business segment i.e. financial services for the purpose of Ind AS 108 on 'Operating Segments'. The Group operates in a single geographical segment i.e. domestic.

Note 32: Transfer of financial assets

Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for de-recognition, together with the associated liabilities:

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Securitisations		
Carrying amount of transferred assets measured at FVOCI	363	4,169
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	363	4,169
Fair value of transferred assets	363	4,169
Fair value of associated liabilities	363	4,169
Net position at fair value	-	-

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Note 33 Defined benefit plan

33.1 Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/assets and its components:

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	882	546
Current service cost	357	279
Interest cost	63	37
Past service cost	-	-
Benefits settled	(25)	(6)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	(10)	(3)
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	1	27
Transfer in	-	-
Obligation at the end of the year	1,268	882
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	475	282
Interest income on plan assets	41	25
Re-measurement- actuarial gain / (loss)	(11)	6
Return on plan assets recognised in other comprehensive income	-	-
Contributions	304	168
Benefits settled	(25)	(6)
Plan assets at the end of the year, at fair value	784	475
Net defined benefit liability	484	407

33.2 Expense recognised in profit or loss

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	357	279
Interest cost	63	37
Interest income	(41)	(24)
Net gratuity cost	379	292

33.3 Re-measurement recognised in other comprehensive income

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Re-measurement of the net defined benefit liability		
- Changes in experience adjustments	(10)	(3)
- Changes in financial assumptions	1	27
Re-measurement of the net defined benefit asset		
Return on plan assets (greater) / less than discount rate	(11)	6
Total Actuarial (gain)/ loss included in OCI	(20)	30

33.4 Plan assets

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Funds managed by insurer	100%	100%

33.5 Defined benefit obligation - Actuarial assumptions

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7.10%	6.76%
Future salary growth	7.00%	7.00%
Attrition rate	Varying between 8% per annum to 1% per annum depending on duration and age of employees	Varying between 8% per annum to 1% per annum depending on duration and age of employees
Average term of liability (in years)	28.88	28.89

33.6 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:

(In Rs. Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	1,121	1,442	777	1,011
Future salary growth (1% movement)	1,442	1,118	1,012	774
Attrition rate (1% movement)	1,255	1,276	868	897

33.7 Expected payment for future years

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Within the next 12 months (next annual reporting period)	43	27
Between 2 and 5 years	218	198
Between 6 and 10 years	536	304
Total expected payments	797	529

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Note 34 Asset liability management:

Maturity pattern of assets and liabilities as on March 31, 2022:

(In Rs. Lakhs)

Particulars	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings	25,036	23,335	21,222	1,27,177	1,26,265	2,23,360	49,604	23,241	6,21,240
Advances (gross)	40,115	27,694	35,100	1,14,647	1,29,783	1,84,235	9,606	11,685	5,32,865
Investment in fixed deposit	67,091	9,468	16,423	13,149	21,499	24,343	1,115	-	1,53,088

Maturity pattern of assets and liabilities as on March 31, 2021:

(In Rs. Lakhs)

Particulars	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings	20,484	12,287	17,206	58,569	1,31,695	1,81,788	45,018	21,388	4,88,435
Advances (gross)	24,480	24,148	23,571	87,997	1,12,951	1,34,025	8,396	14,324	4,09,892
Investment in fixed deposit	47,965	22,051	5,671	15,584	18,961	15,778	184	-	1,26,194

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Note 35: Related party transactions

Name of the related parties (as per Ind AS 24) (Refer Note (a) below)

Relationship	Name of the party
(i) Key management personnel	Mr. Gobinda Chandra Pattanaik - Managing Director Mr. Dibyajyoti Pattanaik - Director Ms. Christina Stefanie Juhasz - Nominee Director Ms. Laetitia Counye - Nominee Director Mr. Ranganathan Varadarajan Dilip Kumar - Nominee Director (with effect from June 25, 2021) Mr. Prakash Kumar - Nominee Director Mr. Sunit Vasant Joshi - Nominee Director Mr. Venkiteswaran Mecherimadam Ramakrishnan - Nominee Director Ms. Radhika Jayant Sharoff - Nominee Director (with effect from June 25, 2021) Mr. Abhishek Agarwal - Nominee Director (with effect from December 23, 2021) Mr. Satish Chava - Nominee Director (till March 03, 2022) Mr. Ashok Ranjan Samal- Independent Director Mr. K.K. Tiwary- Independent Director Mr. Sean Leslie Nossel - Independent Director
(ii) Enterprise having significant influence over the Group	Oman India Joint Investment Fund II

Related Party transactions during the year:

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Key management personnel		
Salary, incentives and perquisites (Refer Note (b) below)		
Mr. Gobinda Chandra Pattanaik	200	153
Mr. Dibyajyoti Pattanaik	101	70
	301	223
Sitting fees paid		
Mr. Ashok Ranjan Samal	8	10
Mr.K.K. Tiwary	6	8
Mr. Sean Leslie Nossel	6	6
	20	24

Note:

a) Related parties have been identified on the basis of the declaration received by the Group and other records available.

b) The above remuneration to the key managerial personnel constitute the short term employee benefits and above does not include the provisions made towards post employment gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

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Note 36.1 Employees stock option plan (ESOP)

The Group provides share-based payment schemes to its key management personnel. The plan in operation as on March 31, 2021 are ESOP Series- A and ESOP - Series -B.

Particulars	Series A	Series B (i)	Series B (ii)
Date of grant	June 29, 2012	March 19, 2014	March 19, 2014
Date of board approval	June 29, 2012	March 19, 2014	March 19, 2014
Date of shareholder's approval	June 29, 2012	March 19, 2014	March 19, 2014
Number of options expected to exercise within the vesting period	8,16,214	4,16,119	20,83,304
Exercise price per share (Rs.)	2.5	5	5
Method of settlement	Equity	Equity	Equity
Vesting period	March 31, 2013	March 31, 2015	March 31, 2016
Exercise period	Immediate after vesting period subject to shareholders' approval	Immediate after vesting period subject to shareholders' approval	Immediate after vesting period subject to shareholders' approval
Vesting conditions	Performance milestones as set out in shareholder agreement dated June 29, 2012	Performance milestones as set out in shareholder agreement dated March 19, 2014	Performance milestones as set out in shareholder agreement dated March 19, 2014

The detail of the plans have been summarised below:

Series A

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of options	Exercise price (Rs.)	No. of options	Exercise price (Rs.)
Outstanding at the beginning of the year	8,16,214	-	8,16,214	-
Adjustment of opening:	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	8,16,214	-	8,16,214	-
Exercisable at the end of the year	8,16,214	-	8,16,214	-
Weighted average remaining contractual life in years	-	-	-	-

Series B

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of options	Exercise price (Rs.)	No. of options	Exercise price (Rs.)
Outstanding at the beginning of the year	24,99,423	5.00	24,99,423	5.00
Adjustment of opening:	-	-	-	-
Granted during the year	-	-		-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	24,99,423	5.00	24,99,423	5.00
Exercisable at the end of the year	24,99,423	5.00	24,99,423	5.00
Weighted Average Remaining Contractual Life in Years	-	-	-	-

Effect of share-based payment plans (ESOP) on the statement of profit and loss:

Particulars	As at March 31, 2022	As at March 31, 2021
Stock options outstanding (gross)	1,298	1,295
Deferred compensation cost outstanding	-	-
Stock options outstanding (net)	1,298	1,295

The Stock option outstanding contains of Rs 544 lakhs for ESOP (A & B) as on March 31, 2022 (March 31, 2021: Rs. 544 lakhs) and Rs. 751 lakhs (March 31, 2021: Rs. 751 lakhs) for ESOP

Note :
The issue of shares will be in accordance with the provisions of the Companies Act, 2013.

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Note 36.2 Employee stock option plan (ESOP)

On November 30, 2016 the board of directors approved the Annapurna stock option plan 2017 for issue of stock options to eligible employees of the Group. The relevant terms of the grant are as below:

Description	Grant - 2	Grant - 1
Date of grant	01 July 2018	01 July 2017
Date of board approval	30 November 2016	30 November 2016
Number of options granted	18,17,461	10,90,477
Method of settlement	Equity	Equity
Graded vesting	Vesting of the option will take place in equal proportion over a period of 3 years from the date of grant of options	
Exercise period The vested options can be exercised within a period of 5 years as per the table below:		

End of the year	Exercise period	Exercise period
1	Within 4 years of 1st Vesting	Within 5 years of 1st Vesting
2	Within 3 years of 2nd Vesting	Within 4 years of 2nd Vesting
3	Within 2 years of 3rd Vesting	Within 3 years of 3rd Vesting

Vesting conditions	Continuous service with the Group and has not served any notice of resignation	
Weighted average remaining contractual life (years)	3 years	3 years
Weighted average exercise price per option (Rs.)	49	41

The details of activity under the plan 2017 are summarized below:

Grant 1

Description	March 31, 2022 (No. of options)	March 31, 2021 (No. of options)
Outstanding at the beginning of the year	9,52,800	11,28,400
Granted during the year	-	
Forfeited during the year	16,100	1,64,600
Exercised during the year	31,000	11,000
Outstanding at the end of the year	9,05,700	9,52,800
Exercisable at the end of the year	9,05,700	9,52,800
Weighted average remaining contractual life of options (years)	-	-
Weighted average share price during the exercise period (Rs.)	41	41

Grant 2

Description	March 31, 2022 (no. of options)	March 31, 2021 (no. of options)
Outstanding at the beginning of the year	4,32,600	5,06,300
Granted during the year	-	
Forfeited during the year	8,700	70,500
Exercised during the year	14,000	5,200
Outstanding at the end of the year	4,09,900	4,32,600
Exercisable at the end of the year	4,09,900	4,32,600
Weighted average remaining contractual life of options (years)	-	1
Weighted average share price during the exercise period (Rs.)	49	49

The black scholes valuation model has been used for computing the weighted average fair value considering the following inputs -

Particulars	Grant 2	Grant 1
Share price on the date of grant (Rs.)	90.64	76.09
Exercise price (Rs.)	49.00	41.00
Dividend yield (%)	-	-
Expected volatility (%)	56.14-57.59%	43.88% - 46.22%
Risk-free interest rate (%)	7.23-7.32%	6.60% - 6.74%
Weighted average fair value of stock options (Rs.)	61.13	48.29
Weighted average share price (Rs.)	90.64	76.09

The expected volatility reflects the assumption that is indicative of future trends, which may also not necessarily be the actual outcome. The cost of employee stock option plan has been recognised at fair value.

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Note 37: Maturity analysis of assets and liabilities

The table below shows assets and liabilities analysed according to when they are expected to be recovered or settled.

[In Rs. Lakhs]

Particulars	Within 12 months	After 12 months	Total
As at March 31, 2022			
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	95,151	-	95,151
(b) Bank balance other than (a) above	34,129	61,258	95,387
(c) Derivative financial instruments	1,355	-	1,355
(d) Receivables	-	-	-
(i) Trade receivables	5	-	5
(ii) Other receivables			
(e) Loans	3,47,339	1,41,477	4,88,816
(f) Other financial assets	21,271	4,846	26,117
Subtotal - Financial assets (A)	4,99,250	2,07,581	7,06,831
(2) Non-financial Assets			
(a) Current tax assets (net)	-	2,248	2,248
(b) Deferred tax assets (net)	-	4,810	4,810
(c) Property, plant and equipment	703	1,084	1,787
(d) Intangible assets	98	58	156
(e) Other non-financial assets	1,453	712	2,165
Subtotal - Non- financial assets (B)	2,254	8,912	11,166
Total Assets (A+B)	5,01,504	2,16,493	7,17,997
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	475	-	475
(b) Payables			
(I) Trade Payables			
(i)Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	291	-	291
(c) Debt securities	97,101	98,576	1,95,677
(d) Borrowings (other than debt securities)	2,33,838	1,68,575	4,02,413
(e) Subordinated liabilities	2,700	30,450	33,150
(f) Other financial liabilities	14,676	263	14,939
Subtotal - Financial liabilities (A)	3,39,081	2,97,864	6,36,945
(2) Non-financial liabilities			
(a) Provisions	421	765	1,186
(b) Other non-financial liabilities	543	-	543
Subtotal - Non - financial liabilities (B)	964	765	1,729
(3) Equity			
(a) Equity share capital	-	6,874	6,874
(b) Instruments entirely equity in nature	-	300	300
(c) Other equity	-	72,149	72,149
Subtotal - Equity (C)	-	79,323	79,323
Total Liabilities and Equity (A+B+C)	3,40,045	3,77,952	7,17,997

[In Rs. Lakhs]

Particulars	Within 12 months	After 12 months	Total
As at March 31, 2021			
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	86,635	-	86,635
(b) Bank balance other than (a) above	39,621	42,560	82,181
(c) Receivables	37	-	37
(i) Trade receivables			
(ii) Other receivables			
(d) Loans	2,29,971	1,58,745	3,88,716
(e) Other financial assets	8,528	6,032	14,560
Subtotal - Financial assets (A)	3,64,792	2,05,337	5,70,129
(2) Non-financial Assets			
(a) Current tax assets (net)		125	125
(b) Deferred tax assets (net)	-	2,778	2,778
(c) Property, plant and equipment	508	670	1,178
(d) Intangible assets	62	37	99
(e) Other non-financial assets	534	664	1,198
Subtotal - Non- financial assets (B)	1,104	4,274	5,378
Total Assets (A+B)	3,65,896	2,09,611	5,75,507
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Payables			
(I) Trade Payables			
(i)Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	227		227
(b) Debt securities	56,950	1,16,904	1,73,854
(c) Borrowings (other than debt securities)	1,79,714	1,02,593	2,82,307
(d) Subordinated liabilities	3,578	28,697	32,275
(e) Other financial liabilities	9,079	3	9,082
Subtotal - Financial liabilities (A)	2,49,548	2,48,197	4,97,745
(2) Non-financial liabilities			
(a) Provisions	417	617	1,034
(b) Other non-financial liabilities	468	-	468
Subtotal - Non - financial liabilities (B)	885	617	1,502
(3) Equity			
(a) Equity share capital	-	6,872	6,872
(b) Instruments entirely equity in nature	-	300	300
(c) Other equity	-	69,088	69,088
Subtotal - Equity (C)	-	76,260	76,260
Total Liabilities and Equity (A+B+C)	2,50,433	3,25,074	5,75,507

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Note 38: Changes in liability arising from financing activities

(In Rs. Lakhs)

Particulars	As at April 1, 2021	Cash flows	Other	As at March 31, 2022
Debt securities	1,73,854	11,629	-	1,85,483
Borrowings other than debt securities	2,82,307	1,20,106	-	4,02,413
Subordinated liabilities	32,275	875	-	33,150
Lease liabilities	35	(78)	366	323
Total liabilities from financing activities	**4,88,471**	**1,32,532**	**366**	**6,21,369**

(In Rs. Lakhs)

Particulars	As at April 1, 2020	Cash flows	Other	As at March 31, 2021
Debt securities	64,179	1,09,675	-	1,73,854
Borrowings other than debt securities	3,00,783	(18,476)	-	2,82,307
Subordinated liabilities	25,776	6,499	-	32,275
Lease liabilities	85	(65)	15	35
Total liabilities from financing activities	**3,90,823**	**97,633**	**15**	**4,88,471**

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Note 38: Financial instruments – fair values

38.1 Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value

Fair value hierarchy
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
There have been no transfers between Level 1 and Level 2 during the year.

(In Rs. Lakhs)

As at March 31, 2022	Carrying amount			
	FVTPL	FVTOCI	Amortised cost	Total
(1) Financial assets				
(a) Cash and cash equivalents	-	-	95,161	95,161
(b) Bank balance other than (a) above	-	-	95,367	95,367
(c) Derivative financial instruments	-	1,355	-	1,355
(d) Receivables				
(i) Trade receivables	-	-	5	5
(ii) Other receivables	-	-	-	-
(e) Loans	-	4,00,888	87,928	4,88,816
(f) Other financial assets	-	-	26,117	26,117
Total - financial assets	-	4,02,243	3,04,588	7,06,831
(2) Financial liabilities				
(a) Derivative financial instruments	-	475	-	475
(b) Payables				
(I) Trade payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	291	291
(II) Other payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
(c) Debt securities	66,000	-	1,19,677	1,85,677
(d) Borrowings (other than debt securities)	-	-	4,02,413	4,02,413
(e) Subordinated liabilities	-	-	33,150	33,150
(f) Other financial liabilities	-	-	14,939	14,939
Total - financial liabilities	66,000	475	5,70,470	6,36,945

(In Rs. Lakhs)

As at March 31, 2021	Carrying amount			
	FVTPL	FVTOCI	Amortised cost	Total
(1) Financial assets				
(a) Cash and cash equivalents	-	-	66,835	66,835
(b) Bank balance other than (a) above	-	-	62,181	62,181
(c) Derivative financial instruments				
(d) Receivables				
(i) Trade receivables			37	37
(ii) Other receivables	-	-	-	-
(e) Loans	-	2,93,906	92,810	3,86,716
(f) Other financial assets	-	-	14,560	14,560
Total - financial assets	-	2,93,906	2,76,223	5,70,129
(2) Financial liabilities				
(a) Derivative financial instruments	-	-	-	-
(b) Payables				
(I) Trade payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises			227	227
(II) Other payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
(c) Debt securities	22,682	-	1,50,972	1,73,654
(d) Borrowings (other than debt securities)	-	-	2,82,367	2,82,367
(e) Subordinated liabilities	-	-	32,275	32,275
(f) Other financial liabilities	-	-	9,062	9,062
Total	22,682	-	4,74,863	4,97,745

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets/ liabilities, payables are considered to be the same as their face values, due to their short-term nature.

38.2 Measurement of fair values:

Valuation techniques and significant unobservable inputs:

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

As at March 31, 2022 (In Rs. Lakhs)

Financial assets (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Loans	-	4,00,888	-	4,00,888	-
Derivative financial instruments	-	1,355	-	1,355	-
Total	-	4,02,243	-	4,02,243	-

As at March 31, 2021 (In Rs. Lakhs)

Financial assets (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Loans	-	2,93,906	-	2,93,906	-
Total	-	2,93,906	-	2,93,906	-

As at March 31, 2022 (In Rs. Lakhs)

Financial liabilities (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Derivative financial instruments	-	475	-	475	-
Debt securities	66,000	-	-	66,000	-
Total	66,000	475	-	66,475	-

Note: None for March 31, 2021

Valuation technique used for Loan Portfolio:

The scheduled future cash flows (including principal and interest) are discounted using the lending rate prevailing as at the balance sheet date. The discounting factor is applied assuming the cash flows will be evenly received in a month.

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Note 40: Capital management:

The Group maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Group.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Group ensures to maintain a healthy CRAR at all the times.

Capital management

The primary objectives of the Group's capital management policy are 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. The Group monitors its capital to risk weighted assets ratio (CRAR) on a monthly basis.

Note 40.1: Additional disclosures given in terms of Notification dated March 24, 2021 issued by Ministry of Corporate affairs:

a. Title deed of immovable properties
The title deed of properties are held in the name of the Group. Hence, other disclosure requirements are not applicable.
b. As at March 31, 2022 and as at March 31, 2021, the Group does not have any loans and advances outstanding to promoters, directors, KMPs and the related parties, that are repayable on demand or without specifying any terms of repayment.
c. Capital work in progress & intangible assets under development amounts to Nil as at March 31, 2022 and March 31, 2021.
d. There is no proceedings initiated/ pending against the Group for benami property.
e. The Group has not been sanctioned any working capital limits in excess of Five crores rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, no quarterly returns filed by the Group with the banks or financial institutions.

f. The Group has not been declared as Wilful Defaulter by any bank or financial institution or any lender.
g. During FY2022 and FY2021, the Group did not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

h. There is no charge which is yet to be created with ROC. Where any charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof shall be disclosed. The Group shall provide the details in relation to each charge or satisfaction that are not registered by the statutory date. Such details may include a brief description of the charges or satisfaction, the location of the Registrar, the period (in days or months) by which such charge had to be registered and the reason for delay in registration.

i. Compliance with number of layers of Companies: As per Companies (Restriction on number of layers) Rules, 2017, non-banking financial companies are exempted from restriction on number of layers.

j. The Group has not advanced or loaned or invested (either from borrowed fund or share premium or any other sources or other kinds of funds) to or in any other person or entity, including foreign entity ('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 the Ultimate Beneficiaries.

k. The Group has not traded or invested in crypto currencies during the financial year.

l. The Group has not entered in to any scheme of arrangement.

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Note 41: Risk management

1 Introduction and risk profile

Annapurna Finance Private Limited ('Group') is one of the leading microfinance institutions in India focused on providing financial support to women from low income households engaged in economic activity with limited access to financial services. The Group predominantly offers collateral free loans to women from low income households, willing to borrow in a group and agreeable to take joint liability. The wide range of lending products address the critical needs of customers throughout their lifecycle and include income generation, home improvement, sanitation and personal emergency loans. With a view to diversifying the product profile, the Group has introduced individual loans for matured group lending customers. These loans are offered to customers having requirement of larger loans to expand an existing business in their individual capacity.

The common risks for the Group are operational, business environment, political, regulatory, concentration, expansion and liquidity. As a matter of policy, these risks are assessed and steps as appropriate, are taken to mitigate the same.

1.1 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 Risk Management framework approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Group. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organisation and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Group's policy is that risk management processes throughout the Group are audited quarterly by the Internal Audit function, which examines 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 Audit Committee.

1.2 Risk mitigation and risk culture

Risk assessments shall be conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Group. Procedures shall be established to update risk assessments at appropriate intervals and to review these assessments regularly. Based on the Risk Control and Self Assessment (RCSA), the Group shall formulate its Risk Management Strategy / Risk Management plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation can be planned using the following key strategies:

Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

Risk Reduction: Employing methods/solutions that reduce the severity of the loss

Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible.

1.3 Risk measurement and reporting systems

The Mangement would review the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting.

- Review of business growth and portfolio quality.
- Discuss and review the reported details of PAR, Key Risk Threshold breaches (KRI's), consequent responses and review of operational loss events, if any.
- Review of process compliances including audit performance across organisation
- Review of HR management, training and employee attrition .
- Review of new initiatives and product/policy/process changes
- Discuss and review performance of IT systems
- Review the status of strategic projects initiated
- Review, where necessary, policies that have a bearing on the operational risk management and recommend amendments.
- Discuss and recommend suitable controls/mitigations for managing operational risk and assure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing/mitigating the same.

1.4 Risk management strategies

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.
The following management strategies and policies shall be adopted by the Group to manage the various key risks.

Political Risk mitigation measures:
- Low cost operations and Low pricing for customers
- Customer centric Approach, High Customer Retention
- Rural Focus
- Systematic customer awareness activities
- High Social Focused Activities
- Adherence to client protection guidelines
- Robust Grievance Redressal Mechanism
- Adherence to regulatory guidelines in letter and spirit

Concentration Risk mitigation measures:
- District Centric Approach
- District Exposure Cap
- Restriction on growth in urban locations
- Maximum Disbursement Cap per loan account
- Maximum loan exposure Cap per customer
- Diversified Funding Resources

Operational & HR Risk mitigation measures:
- Stringent customer enrolment process
- Multiple products
- Proper recruitment policy and appraisal system
- Adequately trained field force
- Weekly & fortnightly collections – higher customer touch, lower amount instalments
- Multilevel monitoring framework
- Strong Independent and fully automated Internal Audit Function
- Strong IT system with access to real time client and loan data

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Liquidity Risk mitigation measures:
- Diversified funding resources
- Asset Liability management
- Effective Fund management
- Maximum Cash holding Cap

Expansion Risk mitigation measures:
- Contiguous growth
- District centric approach
- Rural focus
- Branch selection based on Census Data & Credit Bureau Data
- Three level survey of the location selected

2 **Impairment assessment/ credit risk (Also refer Note 8a)**

Credit risk is the risk of loss that may occur from defaults by our Borrowers under our loan agreements. In order to address credit risk, we have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. We also follow a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area. Further, our client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to confirm that they meet our criteria.

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.

2.1 **Definition of default, significant increase in credit risk and stage assessment**

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1 includes loans for which the credit risk at the reporting date is in line with the credit risk at the initial recognition (i.e. disbursement date)

Stage 2 includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk)

Stage 3 includes default loans. A loan is considered default at the earlier of (i) the bank considers that the obligor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing collateral (if held); or (ii) the obligor is past due 90 days or more on any material credit obligation to the Group.

The Group offers products with monthly repayment frequency, and has identified the following stage classification to be the most appropriate for its Loans:
Stage 1: Low credit risk, i.e. 0 to 30 days past due
Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due (SICR)
Stage 3: Credit impaired assets, i.e. more than 90 days past due or cases where the company suspects fraud and legal proceedings are initiated (default).

2.2 **Probability of default**

PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each state separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of all loans in stage 1 moving into stage 3 in 12-months' time.
PD for stage 2: is derived as %age of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.
PD for stage 3: is derived as 100% considering that the default occurs as soon as the loan becomes overdue for 90 days which matches the definition of stage 3.

Probability of default (PD) using 12 months static pool methodology is computed for each 12-month period of observation starting from March 2016 till March 2022 which is 7-years period of historical information.

2.3 **Exposure at default**

EAD represents gross carrying amount at the reporting date adjusted for future estimated prepayments in case of stage 1 and stage 2. In case of stage 3 loans EAD represents gross carrying amount at the time when the default occurred for first time.

2.4 **Loss given default**

LGD is the opposite of recovery rate, LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.
The set of cash flow from the date of default, discounted at the contractual interest rate and divided by the exposure at default gives the LGD estimate. The default weighed historic LGD are used to align the ECL calculation to the actual scenario and to improve the predictive power of the model.

2.5 **Grouping financial assets measured on a collective basis**

The Group believes that the all loans disbursed in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio are treated as separate groups and the Group will separately calculate credit losses for them.

2.6 **Analysis of inputs to the ECL model under multiple economic scenarios**

Adjusting the ECL to reflect the expected changes (if any) in the economic environment for forward looking information in the form of management overlay.

3 **Liquidity risk and funding management**

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate cost and tenure. The Group may face an asset-liability mismatch caused by a difference in the maturity profile of our assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet all borrower and lender-related funding requirements.

There are liquidity risk mitigation measures put in place which helps in maintaining the following:

3.1 Diversified funding resources:

The Group treasury department secures funds from multiple sources, including banks, financial institutions and is responsible for diversifying our capital sources, managing interest rate risks and maintaining strong relationships with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies. The Group continuously seek to diversify its sources of funding to facilitate flexibility in meeting our funding requirements. Due to the composition of our loan portfolio, which also qualifies for priority sector lending, it also engages in securitization and assignment transactions.

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4 **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Group is exposed to interest rate risk as follows:

4.1 **Interest rate risk (IRR)**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We are subject to interest rate risk, principlely because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately. The Group has board approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant: the profit before tax is affected through the impact on floating rate borrowings, as follows:

(In Rs. Lakhs)

	Impact on profit		Impact on pre tax equity	
Finance cost	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
0.50 % Increase	(282)	(256)	(282)	(256)
0.50 % Decrease	282	224	282	224

5.0 **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 arise majorly on account of foreign currency borrowings. The Group manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge. The Group currently doesnot have any exposure to foreign currency.

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Annapurna Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2022

Note 42: Additional disclosure in terms of Schedule III to the Companies Act, 2013

(Rs. In Lakhs)

Name of the entity in the Group	Net assets i.e.total assets minus total liabilities		Share in profit (or loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Holding company								
Annapurna Finance Private Limited	99.27%	79,322	99.56%	1,712	100.00%	1,562	100.00%	3,274
Subsidiaries								
Annapurna SME Finance Private Limited	0.64%	508	0.44%	8	0.00%	-	0.00%	-
Annapurna Employee Welfare Trust	0.10%	76	0.00%	-	0.00%	-	0.00%	-
Total	100.00%	79,906	100.00%	1,719	100.00%	1,562	100.00%	3,274
a) Adjustment arising out of consolidation		-		-		-		-
b) Non controlling interest in Annapurna SME Finance Private Limited		-	0.04%	0		-		-
Total		79,906	0%	1,719		1,562		3,274

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Note 43: Impact of COVID-19 on business and expected credit losses

The outbreak of COVID-19 pandemic has affected several countries across the world, including India, resulting in significant volatility in financial market and significant decrease in global and Indian economy. The government is undertaking several measures to restrict the spread of virus and provide financial support to some stressed sectors. While the situation had improved significantly and there had been an all-round recovery in economic activity, the situation will have to closely monitored till the pandemic is finally put to rest. Management will continue to closely monitor the material changes in macro-economic factors impacting the operations of the Group. The Group has incorporated estimates, assumptions, judgements specific to the impact of Covid-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated based on the conditions prevailing as at the date of approval of financial statements.

Note 44: There have been no events after the reporting date that require adjustment / disclosure in these financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 27, 2022

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC016831

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 27, 2022

B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To the Members of Annapurna Finance Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Annapurna Finance 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), the standalone statement of changes in equity and the 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 (the "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.

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.

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Report on the Audit of the Standalone Financial Statements *(Continued)*

Key Audit Matters *(Continued)*

Description of Key Audit Matter

Key audit matter	**How the matter was addressed in our audit**
Impairment of loans to customers Charge: INR 19,383 lakhs for year ended 31 March 2022 Provision: INR 44,461 lakhs as at 31 March 2022	
Refer to the accounting policies in "Note 3 (xv) (A) (III) to the Standalone Financial Statements: Impairment of financial assets", "Note 3(I) to the Standalone Financial Statements: Significant Accounting Policies- use of estimates and judgments" and "Note 8 to the Standalone Financial Statements: Loans"	
Subjective estimate Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss ("ECL") estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: • Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data used to create assumptions in the model. • Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: **Testing of design and operating effectiveness of controls:** Performing end to end process walkthroughs to identify the key systems, applications and controls used in computation of ECL. Testing the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in computation of ECL. *Key aspects of our controls testing involved the following:* • Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models. • Testing the 'Governance Framework' controls over evaluation, implementation and model monitoring in line with Reserve Bank of India guidance. • Testing the design and operating effectiveness of the key controls over the application of the staging criteria. • Testing key controls relating to selection and implementation of key macro-economic variables and the controls over the scenario selection and application of probability weights. • Testing controls over authorisation and computation of post model adjustments i.e. management overlays.

Key audit matter	How the matter was addressed in our audit
Impairment of loans to customers *(Continued)*	
• Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment arising from COVID-19. • Qualitative adjustments - Adjustments to the model-driven ECL results are recorded to address known impairment model limitations or emerging trends as well as risks not captured by models. They represent approximately 9% of ECL balances as at 31 March 2022. These adjustments are inherently uncertain and significant judgement is involved in estimating these amounts especially in relation to economic uncertainty as a result of COVID-19. 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. The extent to which the COVID-19 pandemic will impact the Company's current estimate of impairment loss allowances is dependent on future developments, which are highly uncertain at this point. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the standalone financial statements, we have considered this as a key audit matter.	• Testing key controls operating over the information technology system in relation to loan impairment including system access and change management, program development and computer operations. Involvement of specialists - we involved financial risk modelling specialists for the following: • Evaluating the Company's Ind AS 109 impairment methodologies and assumptions used (including management overlays). • Evaluating the relevance of inputs used in the model for computation of ECL. • Testing the Company's considerations of the impact of the current economic environment due to COVID-19 on ECL determination. **Test of details:** Key aspects of our testing included: • Testing samples over key inputs, data and assumptions impacting ECL computations to assess the completeness, accuracy and relevance of data, economic forecasts, weights, and model assumptions applied. • Testing model computations through re-performance, where applicable. • Testing post model adjustments, considering the size and complexity of management overlays with a focus on COVID-19 related overlays, in order to assess the adjustments by challenging key assumptions, inspecting the methodology and tracing a sample of the data used back to source data.
Key audit matter	**How the matter was addressed in our audit**
Information technology	
Information Technology (IT) systems and controls The Company's key financial accounting and reporting processes are dependent on the automated controls in the information systems.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: • Evaluating the design and implementation and operating effectiveness of the scoped-in IT systems.

Key audit matter	How the matter was addressed in our audit
Information technology *(Continued)*	
There exists a risk in the IT control environment which could result in the financial accounting and reporting records being misstated. Further, during the year, one of the loan origination systems where MSME loans are recorded has been migrated to a new system.	• Testing a sample of key controls operating over the information technology in relation to financial accounting and reporting systems. • Testing the design and operating effectiveness of a sample of key controls over user access management. Access management includes granting access rights, access right modification, removal of user rights and preventative controls designed to enforce segregation of duties. • Reperforming procedures to determine the operating effectiveness of application controls over financial and reporting systems. • Testing change management control for information technology application / General IT controls which were changed during the year. • Assessing other areas including password policies, system configurations, controls over changes to applications, privileged access to applications and operating system or databases is restricted to authorized personnel. • Evaluating the program development for the new system implemented during the audit period, to determine adequate information technology controls have been established.
Key audit matter	**How the matter was addressed in our audit**
First year audit transition	
A first-year audit engagement involves zero basing of key audit considerations like understanding of company specific risks, controls, policies and processes in order to develop an audit strategy and audit plan. This includes understanding the Company specific risks, controls, policies and processes in order to establish an audit strategy and audit plan. We have to perform initial audit procedures to obtain sufficient evidence regarding opening balances and selection and consistent application of accounting policies as per SA 510. Accordingly, it has been considered as a key audit matter.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: • Preparing a detailed transition plan to enable us to analyse the strategy, risks, internal control measures and their impact on the Company's accounting policies. • Holding audit planning meetings to understand about the Company and its processes. • Reading presentations to the board and audit committee presentation for year ended 31 March 2021 by the predecessor auditors. • Understanding the Company's significant accounting policies by reading audited financial statements for the year ended 31 March 2021. • Performing initial audit procedures to obtain sufficient evidence regarding opening balances and selection and consistent application of accounting policies as per SA 510.

Key audit matter	How the matter was addressed in our audit
First year audit transition *(Continued)*	
	Based upon the knowledge gained through these procedures, we planned our risk assessment and determined the scope and coverage for the audit.

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 Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The other information is expected to be made available to us after the date of this auditor's report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's and Board of Director's 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, 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.

Report on the Audit of the Standalone Financial Statements *(Continued)*

Auditor's Responsibilities for the Audit of the Standalone Financial Statements *(Continued)*

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 Management and Board of Directors.
- Conclude on the appropriateness of 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 on 30 June 2021.

Report on the Audit of the Standalone Financial Statements *(Continued)*

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; and

   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 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 does not have any pending litigations which would impact its financial position.

   b) Provision has been made in the standalone financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts.

   c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   d) (i) Management has represented that, to the best of its knowledge and belief, 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 ("Ultimate Beneficiaries") by or on behalf of the Company or
      - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

      (ii) Management has represented, that, to the best of its knowledge and belief, 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:

Report on the Audit of the Standalone Financial Statements *(Continued)*

Report on Other Legal and Regulatory Requirements *(Continued)*

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has 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 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.: 101248W/W-100022

Sameer Mota
Partner
Membership No.109928
UDIN: 22109928AJSGNF1626

27 May 2022
Bhubaneswar

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We report that:

i (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (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 by which all property, plant and equipment are verified every quarter. 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 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 pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii (a) The Company is a NBFC-MFI, primarily providing loans. Accordingly, it does not hold any physical inventories. Accordingly, clause 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 not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to 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 not made any investments or provided any guarantee or security to companies, limited liability partnership or other parties during the year. The Company has 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:

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements *(Continued)*

(a) As the Company's principal business is to give loans, 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 terms and conditions of the grant of loans and advances in the nature of loans provided during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company, has not made any investments or provided any guarantee or security to companies, limited liability partnership or other parties 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 and the receipts have been regular except for the following:

Amount in Lakhs	Number of delays#	Extent of delay#
5,385.72	311,001	1-29 days
5,328.73	181,990	30-59 days
5,561.00	101,998	60-89 days
52,960.36	436,302	90 days and above

The number and extent of delays are computed basis loan wise Days Past Due ('DPD') position as at each quarter end during the year ended 31 March 2022. Further, if a loan is in DPD in multiple quarters continuously, same is considered only once in number of delays and highest DPD is considered for extent of delay.

(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 Rs. 35,274 lakhs (principal amount) and Rs 7,984 lakhs (interest) 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.

(e) As the Company's principal business is to give loans, 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 the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies

Act, 2013 (the "Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

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 Goods and Services Tax ("GST").

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 GST, Provident Fund, Employees' State Insurance, Income-Tax, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities. The Company did not have any statutory dues on account of Duty of Customs.

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 GST, Provident Fund, Employees State Insurance, Income-Tax, or Cess or 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 and on the basis of our examination of the records of the Company, statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues, which have not been deposited on account of any dispute.

Name of the statute	**Nature of the dues**	**Amount (Rs.in lakhs)**	**Period to which the amount relates**	**Forum where dispute is pending**
Income Tax Act, 1961	Income Tax	2,666	AY 2017-2018	Commissioner of Income Tax (Appeals)
CGST and Central Excise, Bhubaneshwar	Service Tax	86	FY 2014-2015	Customs, Excise and Service Tax Appellate Tribunal, East Zonal Bench, Kolkata

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements *(Continued)*

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 management, term loans were applied for the purpose for which the loans were obtained, other than Rs 87,714 lakhs which remain unutilised as at 31 March 2022 out of which term loans (including compulsorily convertible preference shares of Rs. 25,972 lakhs which have been classified as debt instrument) amounting to Rs 39,190 lakhs were received towards the end of the year. The Company has temporarily invested such unutilised balance in fixed deposits as at 31 March 2022.

(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 were raised on short-term basis 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 subsidiary 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 subsidiary as defined under the Act. During the year ended 31 March 2022, the Company did not hold any investments in associates or joint ventures 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 our opinion, in respect of private placement of equity shares (fully or partly), convertible preference shares and convertible debentures made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from these issuances have been used for the purposes for which the funds were raised other than Rs. 40,927 lakhs which remain unutilised as at 31 March 2022. The Company has temporarily invested such unutilised balance in fixed deposits as at 31 March 2022.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements *(Continued)*

xi (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that 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 management, there are no whistle blower complaints received by the Company during the year.

xii (a) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(b) of the Order is not applicable.

(c) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(c) of the Order is not applicable.

xiii In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party 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 Reserve Bank of India as per the Reserve Bank of India Act, 1934.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements *(Continued)*

(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) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

xvii The Company has not incurred cash losses in the current and in the immediately preceding financial year.

xviii There has been resignation of the statutory auditors during the year and we have duly taken into consideration the 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, 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 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.

The other information is expected to be made available to us after the date of this auditor's report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements ***(Continued)***

(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

Sameer Mota
Partner
Membership No. 109928
UDIN: 22109928AJSGNF1626

Bhubaneshwar
27 May 2022

Annexure B to the Independent Auditor's report on the standalone financial statements of Annapurna Finance Private Limited for the year ended 31 March 2022

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 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 the standalone financial statements of Annapurna Finance 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 the standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to the 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 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 the standalone 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 the 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").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone 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 the standalone 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 the standalone 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 the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone 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

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Annexure B to the Independent Auditor's report on the standalone financial statements of Annapurna Finance Private Limited for the year ended 31 March 2022 ***(Continued)***

Auditor's Responsibility ***(Continued)***

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 the standalone financial statements.

Meaning of Internal Financial controls with Reference to the Standalone Financial Statements

A company's internal financial controls with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the standalone 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 the 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 the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the standalone 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 the standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to the 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.: 101248W/W-100022

Sameer Mota
Partner
Membership No. 109928
UDIN: 22109928AJSGNF1626

Bhubaneshwar
27 May 2022

Annapurna Finance Private Limited
Standalone balance sheet as at March 31, 2022

(In Rs. Lakhs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	4	95,134	86,135
(b) Bank balance other than (a) above	5	94,889	82,181
(c) Derivative financial instruments	6	1,355	-
(d) Receivables			
(i)Trade receivables	7	5	37
(ii)Other receivables		-	-
(e) Loans	8	4,88,818	3,85,716
(f) Investments	9	500	500
(g) Other financial assets	9.1	26,193	14,580
Subtotal - financial assets (A)		7,06,892	5,70,129
(2) Non-financial assets			
(a) Current tax assets (net)	10.1	2,251	125
(b) Deferred tax assets (net)	10.2	4,810	2,778
(c) Property, plant and equipment	11	1,787	1,178
(d) Intangible assets	12	156	99
(e) Other non-financial assets	9.2	2,165	1,198
Subtotal - non- financial assets (B)		11,169	5,378
Total assets (A+B)		7,18,061	5,75,507
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	6	475	-
(b) Payables			
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	14	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		291	227
(II) Other Payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt securities	15	1,85,677	1,73,854
(d) Borrowings (other than debt securities)	16	4,02,413	2,82,307
(e) Subordinated liabilities	17	33,150	32,275
(f) Other financial liabilities	17.1	14,937	9,082
Subtotal - financial liabilities (A)		6,36,943	4,97,745
(2) Non-financial liabilities			
(a) Provisions	18	1,186	1,034
(b) Other non-financial liabilities	17.2	543	468
Total non- financial liabilities (B)		1,729	1,502
Total liabilities		6,38,672	4,99,247
(3) Equity			
(a) Equity share capital	19	6,880	6,872
	20		
(b) Instruments entirely equity in nature		300	300
(c) Other equity	21	72,209	69,088
Subtotal - equity (C)		79,389	76,260
Total liabilities and equity (A+B+C)		7,18,061	5,75,507

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716930)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 27, 2022

Bhubaneswar
May 27, 2022

Annapurna Finance Private Limited
Standalone statement of profit and loss for the year ended March 31, 2022

(In Rs. Lakhs)

	Particulars	Notes	For the year March 31, 2022	For the year March 31, 2021
	Revenue from operations			
	(i) Interest income	22	99,144	90,709
	(ii) Fees and commission income	23.1	94	271
	(iii) Net gain on fair value changes	23.2	314	-
	(iv) Net gain on assignment transactions	23.3	15,164	6,363
(I)	**Total revenue from operations**		**1,14,716**	**97,343**
(II)	Other income	24	561	368
(III)	**Total income (I + II)**		**1,15,277**	**97,711**
	Expenses			
	Finance costs	25	56,356	51,105
	Impairment of financial instruments	26	19,383	19,175
	Employee benefits expenses	27	28,798	20,599
	Depreciation, amortisation and impairment	28	1,108	893
	Other expenses	29	7,259	5,772
(IV)	**Total expenses**		**1,12,902**	**97,544**
(V)	**Profit before tax (III-IV)**		2,375	167
(VI)	**Tax expense:**			
	Current tax	10.3	3,220	3,705
	Deferred tax credit		(2,558)	(3,720)
(VII)	**Profit for the year (V-VI)**		**1,713**	**182**
(VIII)	**Other comprehensive income (OCI)**			
	A Items that will not be reclassified to profit or loss			
	Remeasurement of the defined benefit liabilities	33.3	40	15
	Income tax relating to items that will not be reclassified to profit or loss	10.3	(10)	(4)
	Subtotal (A)		**30**	**11**
	B Items that will be reclassified to profit or loss			
	Fair value of loans and advances and cash flow hedges through other comprehensive income		2,047	(635)
	Income tax relating to items that will be reclassified to profit or loss	10.3	(515)	160
	Subtotal (B)		**1,532**	**(475)**
	Other Comprehensive Income (A+B)		**1,562**	**(464)**
(IX)	**Total comprehensive income for the year (comprising profit/retained earnings) and other comprehensive income for the year (VII)+(VIII)**		**3,275**	**(282)**
(X)	**Earnings per equity share (face value of ₹10 each)**			
	Basic (Rs.)	30	2.39	0.26
	Diluted (Rs.)		2.25	0.24

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

Sameer Mota

Partner
Membership No.: 109928

Bhubaneswar
May 27, 2022

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 27, 2022

Annapurna Finance Private Limited
Statement of standalone cash flow for the year ended March 31, 2022

(in Rs. Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Cash flows from operating activities		
Profit before tax	**2,375**	**167**
Adjustments for:		
Depreciation, amortisation and impairment	1,106	893
Impairment on financial instruments	19,383	19,175
Provision for insurance claim receivable and others	272	167
Profit on sale of current investments	(314)	-
Profit on sale of property, plant and equipment	(10)	-
Net gain on derecognition of financial instruments	(15,184)	(6,363)
Share based payments to employees	33	126
Interest income	(99,144)	(90,709)
Finance cost	56,356	51,105
Operating loss before working capital changes	**(35,107)**	**(25,439)**
Movements in working capital:		
Decrease in other financial and non financial assets	2,292	319
Increase in bank balance other than cash and cash equivalents	(12,708)	(40,397)
Decrease in trade receivables	32	10
Increase in loans	(1,19,474)	(50,569)
Increase in other financial and non financial liabilities	5,914	645
Increase in provisions	152	385
Increase/ (decrease) in trade payables	64	(109)
Cash used in operations	**(1,58,835)**	**(1,15,155)**
Interest received	97,136	84,876
Finance cost paid	(52,013)	(43,734)
Income tax paid (net of refunds)	(5,346)	(2,122)
Net cash flows used in operating activities (A)	**(1,19,058)**	**(76,135)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,109)	(542)
Proceeds from sale of property, plant and equipment	34	-
Purchase of intangible assets	(344)	(149)
Purchase of current investments	(2,28,100)	-
Sale of current investments	2,28,414	
Investment in equity instruments of subsidiary	-	(500)
Net cash flows used in investing activities (B)	**(1,105)**	**(1,191)**
Cash flows from financing activities		
Proceeds from issuance of equity share capital (including securities premium)	38	7
Proceeds from debt securities	22,779	1,19,820
Repayment of debt securities	(12,312)	(12,239)
Repayment of lease liabilities	(81)	(57)
Proceeds from borrowings (other than debt securities)	3,21,344	1,55,667
Repayment of borrowings (other than debt securities)	(2,03,095)	(1,75,868)
Proceeds of subordinated liabilities	4,490	7,125
Repayment of subordinated liabilities	(3,814)	(880)
Share issue expenses	(187)	(141)
Net cash flows generated from financing activities (C)	**1,29,162**	**93,434**
Net increase in cash and cash equivalents (A+B+C)	**8,999**	**16,108**
Cash and cash equivalents at the beginning of the year	86,135	70,027
Cash and cash equivalents at the end of the year (Refer note 4)	**95,134**	**86,135**
Components of cash and cash equivalents at the end of the year		
Balances with banks:		
on current accounts	37,950	41,975
deposit with original maturity of less than three months	56,697	44,013
Cash on hand	487	147
Total cash and cash equivalents at the end of the year	**95,134**	**86,135**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 27, 2022

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 27, 2022

Annapurna Finance Private Limited
Statement of standalone changes in equity for the year ended March 31, 2022

a. Equity share capital

Current reporting period

(In Rs. Lakhs)

Balance at the beginning of April 01, 2021	Changes in equity share capital due to prior period errors	Restated balance at the beginning of April 01, 2021	Changes in equity share capital during April 01, 2021 to March 31, 2022	Balance at the end of March 31, 2022
6,872	-	-	8	6,880

Previous reporting period

(In Rs. Lakhs)

Balance at the beginning of April 01, 2020	Changes in equity share capital due to prior period errors	Restated balance at the beginning of April 01, 2020	Changes in equity share capital during April 01, 2020 to March 31, 2021	Balance at the end of March 31, 2021
6,870	-	-	2	6,872

b. Other equity

(In Rs. Lakhs)

Reserves and surplus	Statutory reserve (as required by Sec 45-IC of Reserve Bank of India Act, 1934)	Securities premium	Stock option outstanding	Retained earnings	Other items of comprehensive income (fair valuation on portfolio & cashflow hedges)	Total
Balance as at April 1, 2020	**4,169**	**40,217**	**1,169**	**16,063**	**7,767**	**69,385**
Profit for the year	-	-	-	182	-	182
Other comprehensive income	-	-	-	11	(475)	(464)
Total comprehensive income for the year	-	-	-	193	(475)	(282)
Transfer to/from retained earnings	36	-	-	(36)	-	-
Share issue / debenture issues expenses	-	(141)	-	-	-	(141)
Amortization of vesting expenses of Employee stock option plan	-	-	126	-	-	126
Balance as at March 31, 2021	**4,205**	**40,076**	**1,295**	**16,220**	**7,292**	**69,088**
Profit for the year	-	-	-	1,713	-	1,713
Other comprehensive income	-	-	-	30	1,532	1,562
	-	-	-	**1,743**	**1,532**	**3,275**
Transfer to/from retained earnings	343	-	-	(343)	-	-
Share issue / debenture issues expenses	-	(187)	-	-	-	(187)
Amortisation of vesting expenses of Employee stock option plan	-	-	33	-	-	33
ESOP excercised	-	30	(30)	-	-	-
Balance as at March 31, 2022	**4,548**	**39,919**	**1,298**	**17,620**	**8,824**	**72,209**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 27, 2022

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1988PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02718330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 27, 2022

1 Corporate information

Annapurna Finance Private Limited ('the Company') is a private company incorporated in India. The Company was registered as a non-deposit taking Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and was classified as a Non-Banking Financial Company – Micro Finance Institution ("NBFC-MFI") with effect from October 22, 2013.

The Company's registered office is at Bhubaneshwar, Odisha, India. Its debentures are listed on recognised stock exchange in India.

The Company is engaged primarily in providing micro finance services to women in rural areas of India, who are enrolled as members and organized as Self Help Groups ('SHG') and Joint Liability Group ('JLG').

The Board of Directors approved the standalone financial statements for the year ended March 31, 2022 (the 'financial statements') and authorized for issue on May 27, 2022.

2 Basis of preparation of financial statements

2.1 Statement of compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the 'Act') and the other relevant provisions of the Act. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 3.1 - Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian rupees (INR) and all values are rounded to the nearest lakh, except when otherwise indicated.

2.2 Historical cost convention

The financial statements have been prepared on historical cost basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair value at the end of each reporting period as explained in the accounting policies below.

2.3 Presentation of financial statements

The financial statements of the Company are presented as per Schedule III (Division III) of the Act applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). The statement of cash flows has been presented using indirect method as per the requirements of Ind AS 7 statement of cash flows.

3 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities and disclosures of contingent liabilities at the date of these financial statements and reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.
Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates is revised and future period affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in following notes :

a) Note 3 (xv)- Business model assessment for classification and measurement of financial assets.

b) Note 3 (xv)(a)(iii) - Impairment allowences of financial assets based on the expected credit loss model.

c) Note 3(vii) and 3(viii)- Useful lives of property, plant and equipment and intangible assets.

d) Note 3(xi) and 33- Measurement of assets and obligations of defined benefit employee plans.

e) Note 3(iv) and 10 - Recoverability and recognition of deferred tax assets.

f) Note 3(xii) - Measurement of provisions and contingencies.

g) Note 3(xvii) and 40 - Fair value measurement of financial instruments.

h) Note (xv)- Effective interest rate ('EIR') methodology that represents the best estimate of a constant rate of return over the expected behavioural life of financial instruments.
i) Note (ix)- Determination of lease term where the Company is a lessee.

(ii) Revenue recognition

<u>Revenue from operations</u>

(a) Income on loans arising from financing activities

Interest income is recognised by applying the effective interest rate ('EIR') to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset.
The EIR in case of a financial asset is computed

- the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

- by considering all the contractual terms of the financial instrument in estimating the cash flows.

- including all fees/ service charges and incentives paid and received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

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(b) **Dividend Income**

Dividend income is recognised in the statement of profit or loss on the date

- 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 entity; and
- the amount of dividend can be reliably measured

(c) **Net gain on assignment transactions**

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

(d) **Fees and commission income**

Fees and commissions which do not form part of the effective interest rate calculation are recognised when the Company satisfies the performance obligation over time and are accrued as and when they are due.

Other income

Other income are recognised when the Company satisfies the performance obligation over time and are accrued as and when they are due.

(iii) **Foreign currency**

These financial statements are presented in Indian rupees, which is the functional currency of the Company.
Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.
Exchange differences are recognised in the statement of profit and loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalised as part of borrowing costs.

(iv) **Income taxes**

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the statement of profit & loss except when they relate to items that are recognised outside the statement of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside the statement of profit and loss.

Current income taxes are determined based on respective taxable income of the Company and tax rules applicable for respective tax jurisdictions.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.
Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current and deferred tax assets and liabilities on a net basis.

(v) **Cash and cash equivalents**

Cash and cash equivalents, comprise cash on hand, cash at bank and deposits with an original maturity of three months or less, that are readily convertible to insignificant risk of changes in value.

(vi) **Earning per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

(vii) **Property, plant and equipment (PPE) and intangible assets**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. Cost includes purchase price, non-refundable taxes and levies and other directly attributable costs of bringing the assets to its location and working condition for its intended use.
The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods, and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses, are charged to the statement of profit and loss during the period in which they are incurred.
An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss, arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

(viii) **Depreciation and amortization**

Depreciation

Depreciation on property, plant and equipment is measured using the written down value method at the rates arrived based on the useful lives of the assets, prescribed under Schedule II of the Act, which also represents the estimate of the useful life of the assets by the management. The useful life estimated by the management is as under:

Category of asset	Useful life (Years)
Furniture and fittings	10
Office equipment's	5
Vehicles	8
Computers	3

Amortisation

Intangible assets are amortized on a written down value method over the estimated useful economic life. The management has determined its estimate of useful economic life as 1-5 years. The useful lives of intangible assets are reviewed at each financial year and adjusted prospectively.

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(ix) **Leases :**

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company assesses at contract inception whether,a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.
Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, ranging from 2 to 5 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.5 Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases of office (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, that are of low value. Lease payments on short term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(x) **Impairment of non financial assets**

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

(xi) **Employee benefits**

(A) Short term employee benefits
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services renderad by employees is recognised during the period when the employee renders the service. These benefits include salaries and performance incentives/ bonuses which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

(B) Post employment/retirement benefit Plans

(1) Defined contribution plans
Retirement benefits in the form of provident fund and superannuation are defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognises contribution payable to the respective funds as expenditure, when an employee renders the related service.

(2) Defined benefit plans

(a) Gratuity

For defined benefit schemes in the form of gratuity plan, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each year end. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.
The Company have an obligation towards gratuity, post employment/ retirement defined benefit plan covering eligible employees. The benefit is in the form of lump sum payments to eligible employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days' to 30 days' basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The liability determined basis actuarial valuation is compared with the fair value of plan assets and the shortfall or excess is accounted for as a liability or an asset respectively.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.
The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability is recognised in the statement of profit and loss.

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Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(C) Other long term employee benefit plans

(1) Defined benefit plans

(a) Compensated absences

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit or Loss.

b) Employee stock option plan

The employee stock option plan provides for the grant of options to acquire equity shares of the company to its eligible employees are measured at fair value of the equity instruments at the grant date. The period of vesting and period of exercise are as specified within the respective schemes. The fair value at the grant date of the equity settled share based payment options granted to the employees is recognized as an employee benefit expenses with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the options. At the end of each reporting period, the company revives its estimate of the number of equity instruments expected to vest. The impact of the revision of original estimetes, if any, is recognised in statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to share based options outstanding account. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. Also, the employee stock option granted to the eligible employees of the subsidiary companies are accounted in accordance with the guidelines of Ind AS 102 – Share based payments.

(xii) Provisions and contingent liabilities

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.
If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to the net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company.

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.
Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements.

(xiii) Dividend (including dividend distribution tax)

Any dividend declared or paid by the Company is based on the profits available for distribution as reported in the financial statements. Indian law mandates that dividend be declared out of distributable profits, after setting off un-provided losses and depreciation of previous years. In case of inadequacy or absence of profits in a particular year, a Company may pay dividend out of accumulated profits of previous years transferred to statement of profit and loss. However, in the absence of accumulated profits a Company may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable.Pursuant to Finance Act, 2020, any dividend declared, distributed or paid on or after April 01, 2020 was taxable in the hands of the shareholders and the Group was not required to pay dividend distribution tax on above dividend payments.

(xiv) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The power to assess the financial performance and position of the Company and make strategic decisions is vested in the Board of Directors Committee who has been identified as the Chief Operating Decisions Maker.

(xv) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument.

(A) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.
Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Classification and Subsequent measurement

For the purposes of initial recognition, financial assets are classified in the following categories :-
a. at amortised cost, or
b. at fair value through other comprehensive income (FVOCI), or
c. at fair value through profit or loss (FVTPL)

The above classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flow.

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(I) Debt instruments
Initial classification of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

(a) At amortised cost:
A debt instrument is measured at amortised cost, if both the following conditions are satisfied/ fulfilled

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans arising from financing activities and investments.

(b) At FVTOCI:
A debt instrument is classified at FVTOCI, if both of the following criteria are met:
- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Company recognises interest income, impairment losses and reversals in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(c) At FVTPL:
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.
In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as "accounting mismatch").
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(II) Equity instruments/investments
Investments in equity instruments are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For equity instruments, other than held for trading, the Company has irrevocable option to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

(III) Impairment of financial assets

The Company applies the Expected Credit Loss (ECL) model in accordance with Ind AS 109 for recognising impairment loss on financial assets except for
- equity instruments which are not subject to impairment under Ind AS 109, and
- other debt financial assets held at fair value through profit or loss (FVTPL)

The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial assets ('lifetime ECL), unless there had been no significant increase in credit risk of a default occurring since origination or initial recognition, in which case, the impairment allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL (both life time and 12 months) are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company believes that the all loans disbursed (MFI and MSME loans) in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio (segregated at MFI and MSME loans) are treated as separate groups for the purpose of Expected credit loss computation.

The impairment methodology applies depends on whether there has been significant increase in credit risk. When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

The expected credit loss is a product of exposure at default ("EAD"), probability of default ("PD") and loss given default ("LGD"). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial assets. The Company categorises financial assets at the reporting date into stages based on the days past due ("DPD") status as under:

- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Credit impaired assets, i.e. more than 90 days past due or cases where the company suspects fraud and legal proceedings are initiated.

Definition of default

The Company considers a financial asset to be in 'default' and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

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. It is usually expressed as a percentage of the EAD.

The set of cash flow from the date of default, discounted at the contractual interest rate and divided by the exposure at default gives the LGD estimate. The default weighted historic LGD are used to align the ECL calculation to the actual scenario and to improve the predictive power of the model.

PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. PD estimation process is done based on historical internal data available with the Company.

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EAD represents gross carrying amount at the reporting date adjusted for future estimated prepayments in case of stage 1 and stage 2. In case of stage 3 loans EAD represents gross carrying amount at the time when the default occurred for first time.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like Gross domestic product (GDP), Consumer Price Index (CPI), Unemployment rate (UER), Credit growth with the estimate of PD determined by the Company based on its internal data. While the internal estimates of PD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Based on the consideration of external actual and forecast information, the Company forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all the categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows 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 ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of financial statements. The Company regularly reviews its models in the context of actual loss experience and makes adjustments when such differences are significantly material.

The amount of ECL (or reversal) at the reporting date is recognised as an impairment loss/(gain) in the statement of profit and loss.

ECL on Debt instruments measured at amortised cost

The ECLs for debt instruments measured at amortised cost is reduced from the gross carrying amount of these financial assets in the balance sheet.

ECL on Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the gross 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.

Write-off

The gross carrying amount of a financial assets is written- off (either partially or fully) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any subsequent recoveries against such financial assets are credited to the statement of profit and loss.

(IV) Derecognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability as collateralised borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI, and accumulated in equity is recognised in the Statement of Profit and Loss.

(B) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments, issued by the Company, are classified as either financial liabilities or as equity, in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(i) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value. However, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of financial liabilities. The transaction costs directly attributable to the issue of financial liabilities at fair value through profit or loss are immediately recognised in profit or loss.

The Company's financial liabilities majorly comprise of trade and other payables, loans and borrowings, including bank overdrafts and cash credit facility and derivative financial instruments.

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method or at fair value through profit or loss (FVTPL).

(a) At FVTPL:

Financial liabilities includes derivative financial instruments entered into by the Company that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Financial liabilities, designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

(b) At amortised cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance cost in the profit or loss.

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Derecognition of financial liabilities:
The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Modification/ renegotiation that do not result in derecognition

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the statement of profit and loss. Any subsequent changes in the estimation of the future cash flows of financial liability is recognised under finance cost in the statement of profit or loss with the corresponding adjustment to the carrying amount of the financial liability.

(II) Equity Instrument
An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities.
Incremental costs incurred which are directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from the proceeds.

(xvi) Derivatives and hedging activities
The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk, including cross currency interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument (Refer sub note (a) below), in which event the timing of recognition in profit or loss depends on the nature of the hedging relationship and nature of the hedge item.

Embedded derivatives
Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host and accordingly, are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(a) Hedge accounting
The Company designates foreign currency forward derivative contracts as hedges of foreign exchange risk associated with the cash flows of foreign currency risks associated with the borrowings denominated in foreign currency (referred to as 'cash flow hedges').

The Company documents at the inception of the hedging transaction the economic relationship between the hedging instruments and hedge items including whether the hedging instrument is expected to offset changes in the cash flows of hedge items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of the hedging relationship.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity to effective portion (as described above) are reclassified to profit or loss in the periods when the hedge item affects profit or loss, in the same line as the recognised hedge item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

(xvii) Fair value measurement
A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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.

Fair value measurements under Ind AS 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: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;

Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date

(xviii) Offsetting financial instruments
Financial assets and financial liabilities are offset when it currently has a legally enforceable right (not contingent on future events) to off-set the recognised amounts and the Company intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 4: Cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	497	147
Balances with banks	37,950	41,975
Fixed deposit with maturity of less than 3 months	56,687	44,013
Total	**95,134**	**86,135**

Note 5: Bank balance other than cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposit with remaining maturity of more than 3 months		
Fixed deposit with banks (security against bank guarantee)	31,257	25,717
Other term deposits	60,919	53,837
Interest accrued on fixed deposits*	2,713	2,627
Total	**94,889**	**82,181**

(*) Includes interest accrued of Rs. 1,369 lakhs (March 31, 2021: Rs. 98 lakhs) on fixed deposits marked as lien towards term loans availed from banks, as cash collateral placed in connection with portfolio loan securitised and business correspondent activities entered with the banks.

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 6: Derivative financial instruments

(In Rs. Lakhs)

	As at March 31, 2022				As at March 31, 2021			
Part I	Notional Amounts	Fair value-assets	Notional Amounts	Fair value-liabilities	Notional Amounts	Fair value-assets	Notional Amounts	Fair value-liabilities
(i)Currency derivatives;								
Cross currency swaps	12,613	704	10,873	322	-	-	-	-
Subtotal (i)	12,613	704	10,873	322	-	-	-	-
(ii)Interest rate derivatives	-	-	-	-	-	-	-	-
(iii)Credit derivatives	-	-	-	-	-	-	-	-
(iv) Equity linked derivatives	-	-	-	-	-	-	-	-
(v) Other								
Cross currency interest rate swaps	18,521	651	9,708	153	-	-	-	-
Total Derivatives financial instruments	31,134	1,355	20,581	475	-	-	-	-
PART II								
Included in above are derivatives held for hedging and risk management as follows								
(i)Fair value hedging	-	-	-	-	-	-	-	-
(ii) Cashflow hedging								
Cross currency interest rate swaps	18,521	651	9,708	153	-	-	-	-
Cross currency swaps	12,613	704	10,873	322	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-	-	-
(iv) Undesignated derivatives	-	-	-	-	-	-	-	-
Total derivatives financial instruments	31,134	1,355	20,581	475	-	-	-	-

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 7: Trade receivables

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables considered good- unsecured	5	37
Total	5	37

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30-90 days.

Ageing of trade receivables as at March 31, 2022

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments					Total
	<6 months	6 months- 1 year	1-2 years	2-3 years	>3 years	
(i) Undisputed trade receivables considered good	5	-	-	-	-	5
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables considered good	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-

Ageing of trade receivables as at March 31, 2021

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments					Total
	<6 months	6 months- 1 year	1-2 years	2-3 years	>3 years	
(i) Undisputed trade receivables considered good	37	-	-	-	-	37
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables considered good	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 8: Loans
Considered good unless stated otherwise

Particulars	As at March 31, 2022			As at March 31, 2021		
	Amortised cost	At fair value Through other comprehensive income	Total	Amortised cost	At fair value Through other comprehensive income	Total
i) Term loans						
Considered good	80,670	3,98,918	4,79,588	97,869	2,81,980	3,79,839
Credit impaired	14,843	38,434	53,277	213	29,836	30,049
Total term loans	95,513	4,37,352	5,32,865	98,072	3,11,819	4,09,891
ii) Staff loan	412	-	412	372	-	372
Total (A) - Gross	95,925	4,37,352	5,33,277	98,444	3,11,819	4,10,263
Less: Impairment loss allowance	7,997	36,464	44,461	5,634	17,913	23,547
Total (A) - Net	87,928	4,00,888	4,88,816	92,810	2,93,906	3,86,716
Term loans						
i) Secured by tangible assets (refer note below)	2,670	31,151	33,821	23,925	-	23,925
ii) Unsecured	92,843	4,06,201	4,99,044	74,147	3,11,819	3,85,966
Sub-total - Term loans	95,513	4,37,352	5,32,865	98,072	3,11,819	4,09,891
Staff loan						
-Unsecured	412	-	412	372	-	372
Sub-total - Staff loan	412	-	412	372	-	372
Total (B) - Gross	95,925	4,37,352	5,33,277	98,444	3,11,819	4,10,263
Less : Impairment loss allowance	7,997	36,464	44,461	5,634	17,913	23,547
Total (B) - Net	87,928	4,00,888	4,88,816	92,810	2,93,906	3,86,716
Loans in India						
i) Public Sector	-	-	-	-	-	-
ii) Others	95,925	4,37,352	5,33,277	98,444	3,11,819	4,10,263
Total - Gross	95,925	4,37,352	5,33,277	98,444	3,11,819	4,10,263
Less: Impairment loss allowance	7,997	36,464	44,461	5,634	17,913	23,547
Total - Net	87,928	4,00,888	4,88,816	92,810	2,93,906	3,86,716
Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total - Net	-	-	-	-	-	-
Total (C)	87,928	4,00,888	4,88,816	92,810	2,93,906	3,86,716

Note
The Company covers/secures the credit risk associated with the loans given to customer by creating a charge/ hypothecation/ security on the assets as mentioned in the loan agreements with customers.

Reconciliation of impairment allowance

Particulars	As at March 31, 2022			As at March 31, 2021		
	Amortised cost	At fair value Through other comprehensive income	Total	Amortised cost	At fair value Through other comprehensive income	Total
Opening provision	4,700	18,847	23,547	1,753	4,299	6,053
Add: Impairment provision created during the year (Refer note 26)	3,297	16,096	19,393	4,586	14,587	19,173
Add: Receivable by guarantee scheme/ CGTMSE disclosed under other financial assets	-	1,643	1,643	-	-	-
Less: Loan portfolio (own) written off during the year	-	-	-	(817)	-	(817)
Less-: EIS receivable on assignment transaction written off during the year	-	-	-	(760)	-	(760)
Less-: Provision for managed portfolio disclosed under 'provisions' (refer note 18)	-	(112)	(112)	(104)	-	(104)
Less: Recovery made during the year	-	-	-	-	-	-
Closing provision	7,997	36,464	44,461	4,700	18,847	23,547

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 8A

Gross carrying value of assets as at March 31, 2022

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Standard	4,67,835	11,755	-	4,79,590
Non performing assets	-	-	53,275	53,275
Total	4,67,835	11,755	53,275	5,32,865

Steps taken for recovering overdues balances

To reduce the exposure and increasing collection in the stage - III assets, a cross-department team is deployed in the branches to monitor and follow up with the higher DPD customers. To maximise collection efforts, regular reminders are sent to customers via SMS/ Tele-calling and by visiting customer premises and creating awareness of the consequences of defaults.

Gross carrying value of assets as at March 31, 2021

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Standard	3,41,161	38,678	-	3,79,839
Non performing assets	-	-	30,052	30,052
Total	3,41,161	38,678	30,052	4,09,891

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans:

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at April 1, 2021	3,41,161	38,678	30,052	4,09,891
Add: New assets originated during the year (net of collections)	1,22,974	-	-	1,22,974
Less: assets written off during the year	-	-	-	-
Movement between stages				
Transfer from stage 1	(19,862)	12,047	7,815	-
Transfer from stage 2	23,517	(38,971)	15,454	-
Transfer from stage 3	46	1	(47)	-
Gross carrying value of assets as at March 31, 2022	4,67,836	11,755	53,274	5,32,865

(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2021	749	4,494	18,304	23,547
Provision created / (reversed) during the year	3,733	(1,753)	18,934	20,914
Assets written off during the year	-	-	-	-
ECL allowance as at March 31, 2022	4,482	2,741	37,238	44,461

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(In Rs. Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at April 1, 2020	**3,51,510**	**2,800**	**4,886**	**3,59,196**
Add: New assets originated during the year (net of collections)	51,512			51,512
Less: assets written off during the year	-	(453)	(364)	(817)
Movement between stages				
Transfer from stage 1	(61,929)	38,423	23,506	-
Transfer from stage 2	67	(2,092)	2,025	-
Transfer from stage 3	1	-	(1)	-
Gross carrying value of assets as at March 31, 2021	**3,41,161**	**38,678**	**30,052**	**4,09,891**

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2020	3,970	231	1,852	6,053
Provision created / (reversed) during the year	(3,221)	4,716	16,816	18,311
Assets written off during the year	-	(453)	(364)	(817)
ECL allowance as at March 31, 2021	**749**	**4,494**	**18,304**	**23,547**

Sensitivity analysis on ECL

Reasonably possible changes at the reporting date to the relevant macroeconomic assumptions, holding other assumptions constant, would have affected the defined ECL provisions by the amounts shown below:

(In Rs. Lakhs)

Scenario	Conditions	ECL provision as per model	+/- from normal case
Extreme scenario	100% probability of high stress 0% probability of low stress 0% probability of normal situation	41,143	865
Low stress scenario	0% probability of high stress* 0% probability of low stress 100% probability of a normal situation	39,845	(433)

**High stress condition is when the company is expecting 15% increase from the projected values of macroeconomic parameters such as unemployment rate and in consumer price index.*

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 9: Investments

(In Rs. Lakhs)

	As at March 31, 2022				As at March 31, 2021			
Investment	Amortised cost	Fair value through OCI	Fair value through P&L	Total	Amortised cost	Fair value through OCI	Fair value through P&L	Total
Investment								
A) In India	-	-	-	-	-	-	-	-
Equity instruments								
(a) Investment in subsidiary (at cost)								
49,98,000 (March 31, 2021: 49,98,000) equity shares of Rs. 10 each fully paid in Annapurna SME Finance Private Limited	-	-	500	500	-	-	500	500
Less: Impairment loss allowance	-	-	-	-	-	-	-	-
Total	-	-	500	500	-	-	500	500
Above amount includes								
Investment in India	-	-	500	500	-	-	500	500
Investment outside India	-	-	-	-	-	-	-	-
Total	-	-	500	500	-	-	500	500

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Note 9.1: Other financial assets
(at amortised cost)
(Unsecured, considered good unless stated otherwise)

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	342	271
Retained interest on assets assigned	13,509	4,668
Interest accrued on loans designated at FVOCI	7,866	4,182
Fixed deposit with financial institutions*	1,513	1,889
Insurance claim receivable	826	930
Ex-gratia claim receivable#	-	2,213
Receivable from financial guarantees$	1,643	-
Other financial assets- others**	494	407
Total	**26,193**	**14,560**

*deposit with non banking financial companies and financial institutions marked as lien towards term loans availed.
**includes EIS receivable and advances recoverable in cash
#The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, had announced COVID-19 Relief Scheme (the 'Scheme') for grant of ex-gratia payment being difference between compounded interest and simple interest for six months period from March 1, 2020 to August 31, 2020 to eligible borrowers as per the Scheme. The management has credited the differential interest in the borrower accounts in line with the requirement of the Scheme.

$The company has availed the benefits of credit guarantee fund trust for micro and small enterprises (CGTMSE) scheme and Assam microfinance incentives and relief scheme 2021 to secure credit default.

Note 9.2:Other non- financial assets
(Unsecured, considered good unless stated otherwise)

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	1,308	608
Capital advance	183	100
Other Advances *	674	490
Total	**2,165**	**1,198**

*includes advances to vendor

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 10.1:
Current tax assets (net)

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income tax (net of provision)	2,351	125

Note 10.2: Deferred tax assets/ liabilities (net)
Effects of deferred tax assets and deferred tax liabilities

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets:		
Impairment loss allowance on loan portfolio	10,997	5,935
Difference of written down value property, plant and equipment	332	271
Provision for defined benefit obligation and leave encashment	288	230
Difference of lease liabilities and right of use asset	(7)	1
Impact due to amortization of processing fees income	143	(54)
Provision for irrecoverable advances	4	
Fair value loss on debt securities	49	
Deferred tax liabilities:		
Upfront recognition of gain on direct assignment transactions	(3,238)	(985)
Impact due to amortization of processing fees expenses	(395)	(51)
Fair value gain on loans	(3,083)	(2,569)
Deferred tax relating to origination and reversal of temporary differences (net of liabilities)	4,810	2,778

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 10.3: Income tax expense

(In Rs. Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income tax expense in the statement of profit and loss consists of:		
Current income tax:		
Income tax	3,220	3,705
Deferred tax	(2,558)	(3,720)
Income tax expense reported in respect of current year	662	(15)
Tax in respect of earlier years	-	-
Total income tax expense reported in the statement of profit or loss	662	(15)
Income tax recognised in other comprehensive income		
Deferred tax arising on re-measurement gains/ (losses) on defined benefit plans	10	(4)
Deferred tax arising on fair value gain/ (losses) on loan portfolio	515	(180)
Total	525	(184)

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Notes to the standalone financial statements for the year ended March 31, 2022

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 year ended 31 March 2022 and 31 March 2021 are, as follows:

(In Rs. Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax	2,375	167
At India's statutory income tax rate of 25.17%	598	42
Change in tax rates	-	-
Income not subject to tax		
Others		210
Non-deductible expenses		
Expenditure on CSR	40	64
Interest on preference share capital	306	(89)
Additional tax allowances	(282)	(262)
Income tax expense reported in the statement of profit or loss	**662**	**(15)**
Income tax adjustment in respect of current income tax of prior years	-	-
Total Income tax expense reported in the statement of profit or loss	**662**	**(15)**

The effective income tax rate for March 31, 2022 is 27.87% (March 31, 2021: (8.86%)).

Movement in deferred tax balances for the year ended March 31, 2022

(In Rs. Lakhs)

Particulars	Net balance April 1, 2021	(Charge)/ Credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2022	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Difference of written down value of property, plant and equipment	271	81	-	-	352	352	-
Provision for defined benefit obligation and leave encashment	230	68	(10)	-	288	298	(10)
Impairment loss allowance on loan portfolio	5,935	4,762	-	-	10,697	10,697	-
Impact of amortisation of expense, offered to tax on upfront basis	(51)	(344)	-	-	(395)	(395)	-
Impact of amortisation of processing fee income, offered to tax on upfront basis	(54)	197	-	-	143	-	143
Gain on direct assignment deals, accounted for upfront, offered to tax on accrual basis	(985)	(2,253)	-	-	(3,238)	-	(3,238)
Fair value gain on loans	(2,569)		(515)	-	(3,083)	-	(3,083)
Difference of lease liabilities and right of use asset	1	(8)	-		(7)		(7)
Fair value loss on CCPS	-	49	-	-	49	49	
Provision for irrecoverable advances	-	4	-		4	4	-
Net deferred tax assets / (liabilities)	**2,778**	**2,558**	**(525)**		**4,810**	**11,005**	**(6,195)**

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Notes to the standalone financial statements for the year ended March 31, 2022

Movement in deferred tax balances for the year ended March 31, 2021

(In Rs. Lakhs)

Particulars	Net balance April 1, 2020	(Charge)/ Credit in profit and loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2021	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Difference of written down value of property, plant and equipment	193	78	-	-	271	271	-
Provision for defined benefit obligation and leave encashment	168	66	(4)	-	230	230	-
Impairment loss allowance on loan portfolio	1,272	4,663	-	-	5,935	5,935	-
Impact of amortisation of expense, offered to tax on upfront basis	(78)	27	-	-	(51)	-	(51)
Impact of amortisation of processing fee income, offered to tax on upfront basis	160	(214)	-	-	(54)	-	(54)
Gain on direct assignment deals, accounted for upfront, offered to tax on accrual basis	(296)	(689)	-	-	(985)	-	(985)
Fair value gain on loans	(2,729)	-	160	-	(2,569)	-	(2,569)
Difference of lease liabilities and right of use asset	2	(1)	-	-	1	1	-
Other items	210	(210)	-	-	-	-	-
Net deferred tax assets / (liabilities)	(1,098)	3,720	156	-	2,778	6,437	(3,659)

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 11: Property, plant and equipment

(In Rs. Lakhs)

Particulars	Freehold land (refer note)	Office equipment	Furniture and fixtures	Vehicles	Computers	Right of use assets under leases	Total
Cost:							
As at April 01, 2020	14	1,003	743	154	1,015	153	3,082
Additions	-	125	159	-	257	14	556
Disposals*	-	-	-	-	-	(21)	(21)
As at March 31, 2021	14	1,128	902	154	1,272	146	3,617
Additions	-	535	141	89	344	352	1,461
Disposals*				(24)		(10)	(34)
As at March 31, 2022	14	1,663	1,043	219	1,616	489	5,044
Accumulated depreciation:							
As at April 01, 2020	-	584	338	89	743	54	1,807
Depreciation charge for the year	-	210	121	20	227	53	631
Disposal	-	-	-	-	-		-
As at March 31, 2021	-	794	459	109	970	107	2,439
Depreciation charge for the year		292	132	24	304	67	819
Disposal							
As at March 31, 2022	-	1,085	591	133	1,274	174	3,257
Net book value:							
As at March 31, 2021	14	334	443	45	302	39	1,178
As at March 31, 2022	14	579	452	86	342	314	1,787

The details of property, plant and equipment hypothecated against borrowings are presented in Note 15.
*includes adjustments for security deposits in right of use assets.

Note: Title deeds (TD) of immovable property not held in the name of the Company

Details of immovable property not held in the Company's name (other than lease where the Company is lessee)

Relevant line item in balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	TD holder- promoter, director or relative of P/D or employee of P/D	Property held since	Reason for not being held in the name of the Company
NA						

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 12: Intangible assets

(In Rs. Lakhs)

Particulars	Computer software
Deemed cost:	
As at April 01, 2020	**661**
Additions	149
Disposals	-
As at March 31, 2021	**810**
Additions	**345**
Disposals	-
As at March 31, 2022	**1,155**
Accumulated amortisation:	
As at April 01, 2020	**448**
Amortisation charge for the year	263
Disposal	-
As at March 31, 2021	**711**
Amortisation charge for the year	**288**
Disposal	-
As at March 31, 2022	**999**
Net book value:	
As at March 31, 2021	**99**
As at March 31, 2022	**156**

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Note 13: Leases (where the Company is lessee)

As a lessee:

The Company has lease contracts for premises used in its operations. Leases of premises generally have lease terms between 2 and 5 years.

The Company also has certain leases with lease terms of 12 months or less and leases with low-value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**39**	**99**
Adjustment due to change in lease agreement and security deposit reclassification	(10)	(21)
Additions during the year	352	14
Depreciation expense	(67)	(53)
Closing balance	**314**	**39**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	36	85
Adjustment due to change in lease agreement	-	(14)
Additions during the year	352	14
Accretion of interest	16	8
Payments	(81)	(57)
Closing balance	**323**	**36**

The effective interest rate for lease liabilities is from 10.88% to 13.01% with maturity between 2017 and 2031.

The following are the amounts recognised in the statement of profit or loss:

(In Rs. Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on lease liabilities (refer note 25)	16	8
Expense relating to short-term leases and other low value assets leases (included in other expenses) (refer note 29)	2,149	1,672
Total amount recognised in the statement of profit and loss	**2,165**	**1,680**

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 14: **Trade payables:**

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	291	227
Total	291	227

Trade payables ageing schedule as at March 31, 2022

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments						Total
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	285	6	-	-	291
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-

Trade payables ageing schedule as at March 31, 2021

(In Rs. Lakhs)

Particulars	Outstanding for following periods from due dates of payments						Total
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	227	-	-	-	227
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-	-

Note 14.1 **Dues to the micro enterprises and small enterprises:**

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Total	-	-

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Note 15: Debt securities

(In Rs. Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	At amortised cost	At fair value through profit & loss	Total	At amortised cost	At fair value through profit & loss	Total
Redeemable, Non- convertible Debentures (secured)*	1,09,553	-	1,09,553	1,50,972	-	1,50,972
Compulsorily Convertible Preference Shares #	-	50,205	50,205	-	22,882	22,882
						-
Redeemable Non- convertible Debentures (unsecured)**	10,124	-	10,124	-	-	-
Compulsorily Convertible Debentures (Unsecured)##	-	15,795	15,795	-	-	-
Total	1,19,677	66,000	1,85,677	1,50,972	22,882	1,73,854
Debt securities in India	34,367	-	34,367	72,427	-	72,427
Debt securities outside India	85,310	66,000	1,51,310	78,545	22,882	1,01,427
Total	1,19,677	66,000	1,85,677	1,50,972	22,882	1,73,854

* Redeemable non- convertible debentures (secured) (at amortised cost) ('NCDs')

Terms of debentures	Number of debentures		Face value	Amount in Lakhs		Charge details
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021	
12% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1 lakh each redeemable at par at the end of seventy two months from the date of allotment i.e. December 08, 2015.	-	2,004	1,00,000	-	2,058	100%
13.10% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1 lakh each redeemable at par at the end of seventy two months from the date of allotment i.e. December 10, 2015.	-	2,570	1,00,000	-	2,683	100%
13.75 % Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par partially from July 2020 with the date of allotment i.e. June 15, 2016	-	600	3,33,333	-	2,076	100%
12.49 % Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par every six months from March 2021 with the date of allotment i.e. August 30, 2017.	325	325	8,33,333	1,642	2,732	110%
12.376% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. September 22, 2020, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	700	700	10,00,000	7,021	7,012	110%
12.1113% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from the date of allotment i.e. November 15, 2016, subject to exercise of put option by the lender or call option by the company at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	460	460	10,00,000	4,808	4,791	105%
12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakhs each redeemable at par at the end of eighty four months from the date of allotment i.e. December 19, 2018.	60,00,000	60,00,000	100	1,563	6,209	110%
12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of thirty five months from the date of allotment i.e. December 20, 2018.	-	350	10,00,000	-	3,849	100%
11.8468% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from the date of allotment i.e. March 01, 2019, subject to exercise of put option by the lender or call option by the company at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	1,000	1,000	10,00,000	10,097	10,047	105%
11.9626% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from the date of allotment i.e. August 31, 2020, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	1,000	1,000	10,00,000	10,102	9,961	100%
12.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every six month from the date of allotment i.e. June 16, 2020.	1,000	1,000	8,33,333	5,000	8,822	100%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every year from the date of allotment i.e. July 30, 2020.	250	250	10,00,000	1,898	2,545	100%
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every quarter from the date of allotment i.e. November 18, 2020.	1,000	1,000	10,00,000	2,529	10,073	110%
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. November 18, 2020.	350	350	10,00,000	3,541	3,536	110%

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10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. November 18, 2020.	100	100	10,00,000	1,012	1,010	110%
10.39% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par partially beginning from the end of sixth month from the date of allotment i.e. March 30, 2021.	600	600	10,00,000	5,640	5,596	110%
11.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. July 24, 2020.	250	250	10,00,000	2,709	2,699	115%
10.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. September 29, 2020.	-	500	10,00,000	-	5,248	115%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. June 05, 2020.	-	100	10,00,000	-	1,093	100%
10.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. December 04, 2020.	250	250	10,00,000	2,584	2,581	110%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 07, 2020.	-	500	10,00,000	-	5,077	110%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 07, 2020.	-	500	10,00,000	-	5,077	110%
10.00% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. July 21, 2020.	-	200	10,00,000	-	2,136	110%
11.60% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty three months from the date of allotment i.e July 15, 2020.	1,000	1,000	10,00,000	10,242	10,228	125%
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. June 26, 2020.	150	150	10,00,000	1,631	1,630	100%
10.76% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 12, 2020.	-	500	10,00,000	-	5,335	110%
12.00% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every year from the date of allotment i.e. December 22, 2020.	275	275	10,00,000	1,897	2,812	110%
9.68% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 8 lakh each redeemable at par at the end of every six month from the date of allotment i.e. July 12, 2019.	695	695	7,00,000	3,647	4,942	110%
12.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of sixty months from the date of allotment i.e. July 07, 2020.	18,750	18,750	25,000	4,809	4,758	110%
12.20% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of fifty nine months from the date of allotment i.e. October 16, 2019.	730	730	10,00,000	7,712	7,637	100%
11.8926% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of Sixty months from the date of allotment i.e. July 09, 2021.	400	-	10,00,000	4,106	-	105%
11.8488% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of Sixty months from the date of allotment i.e. July 13, 2021.	370	-	10,00,000	3,792	-	105%
11% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 7500 each redeemable at par at the end of Forty two months from the date of allotment i.e. September 24, 2021.	86654	-	7,500	5,026	-	100%
11.30% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1lakh each redeemable at par at the end of Sixty months from the date of allotment i.e. December 20, 2021.	-	-	-	6,530	-	100%
11.60% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. April 23, 2021.	75	-	10,00,000	750	-	100%

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** Redeemable non- convertible debentures (Unsecured) (at amortised cost) ('NCDs')

Terms of debentures	Number of debentures		Face value	Amount in Lakhs		Charge details
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021	
12.164% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of Seventy two months from the date of allotment i.e. December 24, 2021.	300	-	10,00,000	3,098	-	0%
12.11% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 1 million each redeemable at par at the end of seventy two months from the date of allotment i.e. March 20, 2019, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	700	700	10,00,000	7,027	7,021	0%

Compulsorily Convertible Preference Shares ('CCPS') (FVTPL)

Terms	Number of CCPS		Face value	Amount in Lakhs		Charge details
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021	
5%, 1,94,18,612 Series A compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	1,94,18,612	1,94,18,612	10.00	24,065	22,882	0%
0%, 8492469 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	84,92,469	-	10.00	10,000	-	0%
0%, 10608723 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	1,06,08,723	-	10.00	12,727	-	0%
0%, 2717622 Series A1 compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	27,17,622	-	10.00	3,200	-	0%

Compulsorily convertible debentures ('CCD') (FVTPL)

Terms	Number of CCD		Face value	Amount in Lakhs		Charge details
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021	
15% Cumulative Compulsorily Convertible Debentures of face value of Rs. 10 each convertible at conversion rate the end of Eighty four months from the date of allotment i.e. November 23, 2021.	15,00,00,000	-	10.00	15,795	-	0%

Note: terms of conversion for CCPS

At the discretion of CCPS holder, the CCPS shall be converted into equity shares at the earlier of;
(i) at any time but not earlier than June 30, 2022 if the audited accounts for the financial year ending on 31 March 2022 are available or such other date on which the audited accounts for the financial year ending on 31 March 2022 are available ("Target Conversion Date");
(ii) at the time of closing of a subsequent round;
(iii) at the time of a Qualified IPO of the Company in accordance with the shareholders' agreement; or
(iv) upon the Transfer of 100% (one hundred percent) of the share capital of the Company, such date being the 'Conversion Date', at the 'Conversion Rate', which shall be determined in accordance with this Schedule XVII of the shareholder agreement.

Note: terms of conversion for CCD

Mandatory conversion
All the CCDs shall mandatorily convert into equity shares on the earlier of the following dates:
(a) Where the Company is undertaking an IPO, on the investor business day immediately preceding the date of filing of the red herring prospectus with SEBI in connection with such IPO; or
(b) the final maturity date.

Voluntary Conversion
Without prejudice to the mandatory conversion events, DEG and/or any holder shall have right, exercisable by issuing a notice in writing to the Company, to convert such number of CCDs as specified in such notice, into equity shares in the following manner and on the following dates:
(a) at any time with the consent of the Company, on such date as may be mutually agreed with the Company; or
(b) in the event that DEG and/or any holder transfer their CCDs in accordance with the provisions of the shareholder's agreement on the date immediately prior to the date of consummation of the transfer of the securities.

Note: Charge against non convertible debentures
Non convertible debentures are secured against hypothecation of all the underlying receivables/book debts to the extent 1.1/1.0/1.05 times of the principal loan amount.

Note: Covenant breaches

The Company is in the process of obtaining lender consents / waivers for certain loan covenant breaches that are existing as on March 31, 2022. The Company has performed an assessment of its liquidity position, taking into account the impact of the loan covenant breaches, current liquid funds held and expected inflows from various sources of borrowings. Based on the foregoing assessment, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future.

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Notes to the Standalone financial statements for the year ended March 31, 2022

Note 15.1 Terms of repayment of borrowings as on March 31, 2022

(In Rs. Lakhs)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 and 2 Years		Due between 2 and 3 Years		Due between 3 and 4 Years		Due between 4 and 5 Years		Due between 5 and 6 Years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly														
0-3 years	5.15%-12.50%	1,062	1,43,092	423	72,905	47	10,278	-	-	-	-	-	-	2,26,275
Above 3 years	9.45%-12.30%	27	4,241	3	406	-	-	-	-	-	-	-	-	4,647
Monthly total		1,089	1,47,333	426	73,311	47	10,278	-	-	-	-	-	-	2,30,922
Quarterly														
0-3 years	7.50%-12.25%	71	46,095	62	38,862	29	11,539	-	-	-	-	-	-	96,496
Above 3 years	10.00%-10.75%	4	2,652	3	1,761	-	-	-	-	-	-	-	-	4,413
Quarterly total		75	48,747	65	40,623	29	11,539	-	-	-	-	-	-	1,00,909
Half yearly														
0-3 years	7%-12.75%	3	9,740	3	4,810	3	9,459	-	-	-	-	-	-	24,009
Above 3 years	9.68%-12.49%	16	12,578	13	9,723	13	11,794	-	-	-	-	-	-	34,095
Half yearly total		19	22,318	16	14,533	16	21,253	-	-	-	-	-	-	58,104
Annually														
0-3 years	11.50%-12.00%	2	1,835	2	1,739	-	-	-	-	-	-	-	-	3,574
Annually total		2	1,835	2	1,739	-	-	-	-	-	-	-	-	3,574
Bullet														
0-3 years	9.50%-12.78%	11	31,979	3	13,915	-		-	-	-	-	-	-	45,894
Above 3 years	10.50%-16.50%	5	21,368	5	16,981	7	17,621	6	25,826	7	23,475	5	8,191	1,13,662
Bullet total		16	53,347	8	30,896	7	17,621	6	25,826	7	23,475	5	8,191	1,59,556
Grand total		1,201	2,73,580	517	1,61,102	98	60,891	6	25,826	7	23,475	5	8,191	5,53,065

A. Debentures
Non-convertible debentures issued by the Company are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Company to the extent of security cover ratio of 1.1:1 in favour of the debenture holders.

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

C. External commercial borrowings
The Company holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

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Annapurna Finance Private Limited
Notes to the standalone financial statements for the year ended March 31, 2022

Note 15.2 Terms of repayment of borrowings as on March 31, 2021

(In Rs. Lakhs)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 and 2 Years		Due between 2 and 3 Years		Due between 3 and 4 Years		Due between 4 and 5 Years		Due between 5 and 6 Years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly														
0-3 years	6.43%-16.5%	603	82,441	316	46,390	106	14,922	1	269	-	-	-	-	1,44,022
Above 3 years	11.75%-13.65%	31	994	13	415	-	-	8	60	-	-	-	-	1,469
Monthly total		634	83,435	329	46,805	106	14,922	9	329	-	-	-	-	1,45,491
Quarterly														
0-3 years	10.35%-12.50%	133	50,694	78	30,106	9	1,803	1	207	-	-	-	-	82,810
Above 3 years	11.85%	4	499	2	249	-	-	-	-	-	-	-	-	748
Quarterly total		137	51,193	80	30,355	9	1,803	1	207	-	-	-	-	83,558
Half Yearly														
0-3 years		-	-	-	-	-	-	-	-	-	-	-	-	-
Above 3 years	9.68%-12.35%	10	9,573	12	10,090	10	7,939	8	5,200	5	4,110	-	-	36,912
Half yearly total		10	9,573	12	10,090	10	7,939	8	5,200	5	4,110	-	-	36,912
Bullet														
0-3 years	10.25%-12.78%	9	17,142	2	4,929	5	15,913	-	-	-	-	-	-	37,984
Above 3 years	11.17%-14.75%	5	10,099	11	23,006	5	17,028	4	10,606	3	14,239	4	11,811	86,789
Bullet total		14	27,241	13	27,935	10	32,941	4	10,606	3	14,239	4	11,811	1,24,773
Grand total*		795	1,71,442	434	1,15,185	135	57,605	22	16,343	8	18,349	4	11,811	3,90,734

* Vehicle loans of Rs. 3 lakhs have not been included in the above disclosure.

A. Debentures
Non-convertible debentures issued by the Company are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Company to the extent of security cover ratio of 1.1:1 in favour of the debenture holders.

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

C. External commercial borrowings
The Company holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

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Note 16: Borrowings other than debt securities *(at amortised cost)*

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Term loans (secured)*		
Banks	2,66,278	1,70,932
Financials institutions	46,285	45,813
Non banking financial companies	15,276	12,700
External commercial borrowings**	42,802	32,679
Term loans (unsecured)		
External commercial borrowings**	11,409	16,006
Borrowings from Securitisation arrangement (secured)		
Securitisation transactions	363	4,169
Total	4,02,413	2,82,307
Borrowings in India	3,48,202	2,33,622
Borrowings outside India	54,211	48,685
Total	4,02,413	2,82,307

*Term loans are secured against hypothecation of all the underlying receivables/ loan assets/ book debts to the extent 1.0/ 1.05/ 1.1 times of the principal loan amount and margin money deposits. Secured term loans are repayable in equated principal plus interest as well as in equated instalments carrying interest rate ranging from 6.38% to 12.50% (March 31, 2021: 6.43% - 14.25%). The above loans are also secured by personal guarantee of promoters.

**External commercial borrowings are secured against hypothecation of all the underlying receivables/loan assets/book debts to the extent 1.0/1.05 times of the principal loan amount. Secured term loans are repayable in bullet payments/semi annual payments carrying interest rate ranging from 10.00% - 12.78% (March 31, 2021: 10.50% - 12.18%).

Borrowings under securitisation arrangements

Represents securities issued by the special purpose vehicles ('SPVs') to the investors pursuant to the securitisation arrangement carrying a rate of interest in the rate of 8.90-10.90%. Since such arrangements do not fulfil the derecognition criteria under Ind AS 109, the Company has recognised the associated liabilities with a corresponding debit to loans and advances.

Utilisation of borrowings

Term loans were applied for the purpose for which the loans were obtained, other than Rs 87,714 lakhs which remain unutilised as at 31 March 2022 out of which term loans (including compulsorily convertible preference shares of Rs. 25,972 lakhs which have been classified as debt instrument) amounting to Rs 38,190 lakhs were received towards the end of the year. The Company has temporarily invested such unutilised balance in fixed deposits as at 31 March 2022.

Note 17: Subordinated liabilities *(at amortised cost)*

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Indian Rupee term loan		
Subordinate debt (unsecured)- debentures*	30,650	28,746
Subordinate debt (unsecured)- term loans#	2,500	3,529
Total	33,150	32,275
Borrowings in India	14,387	17,916
Borrowings outside India	18,763	14,359
Total	33,150	32,275

*Subordinate debt NCDs are repayable in bullet payment carrying interest rate ranging from 12.21% to 14.9% p.a. (March 31, 2021: 12.21% - 17% p.a.)
#Subordinate debt term loans are repayable in bullet payment carrying interest rate ranging from 13.5% to 16.5% p.a. (March 31, 2021: 13.5% - 16.5% p.a.)

Subordinate debt (unsecured)- Debentures (at amortised cost)

Terms of debentures	Number of debentures		Face value	Amount in Lakhs	
	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021
14.90% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty six months from the date of allotment i.e. March 15, 2016.	-	200	10,00,000	-	2,008
14.90% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty six months from the date of allotment i.e. March 28, 2016.	-	50	10,00,000	-	500
14.25% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. September 29, 2016.	250	250	10,00,000	2,501	2,490
13.99% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from the date of allotment i.e. March 24 2017	34,000	34,000	10,00,000	3,421	3,414
13.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of sixty six months from the date of allotment i.e. March 27 2018	150	150	10,00,000	1,502	1,499
12.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakhs each redeemable at par at the end of eighty four months from the date of allotment i.e. May 2 2019	30,00,000	30,00,000	100	3,000	2,957
13% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of eighty five months from the date of allotment i.e. March 24 2020	396	396	10,00,000	3,985	3,979

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12.29% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of eighty five months from the date of allotment i.e. February 18 2028	28,500	28,500	25,000	7,310	7,006
12.21% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from the date of allotment i.e. March 31 2020	340	340	10,00,000	3,400	3,395
14.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from the date of allotment i.e. March 27, 2020	15,000	15,000	10,000	1,500	1,497
12.30% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from the date of allotment i.e. April 23, 2021	449	-	10,00,000	4,490	-

Sub debt (unsecured)- Term Loans (at amortised cost) (In Rs. Lakhs)

Terms of term loan	Rate	As at March 31, 2022	As at March 31, 2021
16.5% Unsecured term loan , having tenure of 68 months, maturing in FY 2020-21	16.50%	-	1,000
13.5% Unsecured term loan , having tenure of 66 months, maturing in FY 2023-24	13.50%	2,500	2,529
Total		**2,500**	**3,529**

Note 17.1: Other financial liabilities (In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance premium payable	1,748	962
Employee dues	1,753	1,118
Payable towards securitisation transaction	9,274	4,628
Liability against interest subvention scheme	-	914
Arranger / processing charges payable	-	612
Death claim payable to customers	-	474
Other financial liabilities - Other payable*	1,839	338
Lease liability for Right of use assets	323	36
Total	**14,937**	**9,082**

* consists of payable to vendors

Note 17.2: Other non-financial liabilities (In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	543	468
Total	**543**	**468**

Note 18: Provisions (In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits:		
Gratuity (refer note 33)	484	404
Leave encashment and availment	702	526
Provision on managed loan portfolio (under business correspondence arrangement)	-	104
Total	**1,186**	**1,034**

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 19: Equity Share Capital

The reconciliation of equity shares outstanding at the beginning and at the end of the year
(Amount in Rs. Lakhs except no. of shares)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
8,30,00,000 (March 31, 2021: 8,30,00,000) equity shares of Rs.10/- each	8,300	8,300
5,60,00,000 (March 31, 2021: 2,40,00,000) preference shares of Rs.10/- each	5,600	2,400
	13,900	10,700
Issued and subscribed		
7,28,95,160 (March 31, 2021: 6,87,15,948; April 1, 2020: 6,86,99,648) equity shares of Rs.10/- each (in Rs Lakhs)	7,289	6,872
	7,289	6,872
Fully paid up		
6,87,61,148 (March 31, 2021: 6,87,15,948; April 1, 2020: 6,86,99,648) equity shares of Rs.10/- each (in Rs Lakhs)	6,876	6,872
	6,876	6,872
Partly paid up		
41,34,012 (March 31, 2021: Nil; April 1, 2020: Nil) equity shares of Rs.0.09/- each (in Rs Lakhs)	4	-
Total Paid up	6,880	6,872

Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

Particulars	In Nos.	Amount in Rs. Lakhs
As at March 31, 2020	6,86,99,648	6,870
Issued during the year	16,300	2
As at March 31, 2021	6,87,15,948	6,872
Issued during the period	41,79,212	8
As at March 31, 2022	7,28,95,160	6,880

Terms/ rights attached to equity shares
The Company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share for matters other than "Investor Reserved Matters".

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the Investors at their sole discretion have the option to receive an amount equal to 100% of each investor's aggregate investment amount after distribution of all creditors and preferential amounts. Thereafter, the promoters and promoter shareholders other than the investor shall receive pro-rata distribution of all their entire subscription amounts in proportion to their shareholding in the Company. Remaining surplus, if any shall be distributed to all equity shareholders on a pro rata basis.

Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% of holding in the class	No. of shares held	% of holding in the class
Equity shares of Rs.10 each fully paid				
Gobinda Chandra Pattanaik	80,00,546	10.98%	67,60,348	9.84%
Belgian Investment Company for Developing Countries NV - SA (Investor)	95,27,723	13.07%	95,27,723	13.87%
Oikocredit Ecumenical Development Cooperative Society U.A. (Investor)	75,40,536	10.34%	75,40,536	10.97%
Women's World Banking Capital Partners, LP	58,00,000	7.96%	58,00,000	8.44%
Bamboo Financial Inclusions Fund II	46,45,695	6.37%	46,45,695	6.76%
Omen India Joint Investment Fund II	1,80,48,942	24.76%	1,80,48,942	26.27%
Asian Development Bank	1,16,88,702	16.03%	1,16,88,702	17.01%
Total	6,52,52,144		6,49,11,941	
Compulsory convertible preference shares of Rs. 10 each fully paid				
Pratap Chandra Dash on behalf of AIDS Awareness Trust of Orissa	30,00,000	6.75%	30,00,000	13.38%
Nuveen Global Impact Fund India S.A.R.L (*)	1,94,18,612	43.70%	1,94,18,612	86.62%
Accion Gateway Fund LLC (Sr A1 CCPS) (*)	34,92,469	10.11%	-	-
ESF HOLDINGS II (Sr A1 CCPS) (*)	1,08,08,723	24.32%	-	-
Oikocredit Ecumenical Development Cooperative Society U.A.(Sr A1 CCPS) (*)	27,17,622	6.12%	-	-
Total	4,44,37,426		2,24,18,612	

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.

* treated as financial liabilities in accordance with Ind AS 32 and hence disclosed under note 15

Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) of the Company, please refer Note 37.1 and 37.2.

Shareholding of promoters

Sr. No.	Promoter's name	No of shares	% of total shares	% change during the year
1	Gobinda Chandra Pattanaik	80,00,546	10.98%	18.35%
2	Dibyajyoti Pattanaik	17,19,805	2.36%	2497.88%

Information regarding issue of shares in the last five years
a. The Company has not issued any shares without payment being received in cash.
b. The Company has not issued any bonus shares.
c. The Company has not undertaken any buyback of shares.

Dividend not recognised at the end of the reporting year
a. The Company has not declared dividend at the end of reporting period. No dividend has been declared during the year (March 31, 2021- Nil).

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Note 20: Instruments entirely equity in nature

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Compulsorily convertible preference shares (30,00,000 preference shares (March 31, 2021: 30,00,000 preference shares) of Rs 10 each fully paid up)	300	300
Total	**300**	**300**

Compulsorily convertible preference shares are non interest bearing, dividend is at the discretion of the Board of Directors and convertible at par at the option of the holder of the instrument, on account of which the company have this instruments as equity.

Note 21: Other equity

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	4,548	4,205
Securities premium	39,919	40,076
Stock option outstanding	1,298	1,295
Retained earnings	17,620	16,220
Other comprehensive income	8,824	7,292
Total	**72,209**	**69,088**

(In Rs. Lakhs)

Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	Amount
Balance as at April 1, 2020	4,169
Transfer from retained earnings	36
Balance as at March 31, 2021	**4,205**
Transfer from retained earnings	343
Balance as at March 31, 2022	**4,548**

(In Rs. Lakhs)

Securities premium	Amount
Balance as at April 1, 2020	**40,217**
Share issue / debenture issues expenses	(141)
Balance as at March 31, 2021	**40,076**
Share issue / debenture issues expenses	(187)
ESOP exercised	30
Balance as at March 31, 2022	**39,919**

(In Rs. Lakhs)

Stock option outstanding	Amount
Balance as at April 1, 2020	**1,169**
Amortisation of vesting expenses of employee stock option plan	126
Balance as at March 31, 2021	**1,295**
Amortisation of vesting expenses of employee stock option plan	33
ESOP exercised	(30)
Balance as at March 31, 2022	**1,298**

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(In Rs. Lakhs)

Retained Earnings	Amount
Balance as at April 1, 2020	**16,063**
Profit for the year	182
Other comprehensive income	11
Transfer to statutory reserve	(36)
Balance as at March 31, 2021	**16,220**
Profit for the year	1,713
Other comprehensive income	30
Transfer to statutory reserve	(343)
Balance as at March 31, 2022	**17,620**

(In Rs. Lakhs)

Other items of Comprehensive Income (Fair valuation on portfolio & hedging)	Amount
Balance as at April 1, 2020	**7,767**
Other comprehensive income	(475)
Balance as at March 31, 2021	**7,292**
Other comprehensive income	1,532
Balance as at March 31, 2022	**8,824**

21.1 **Securities premium reserve**
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

21.2 **Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)**
Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 451C of Reserve Bank of India Act 1934.

21.3 **Stock option outstanding**
The stock option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

21.4 **Other comprehensive income**
The company recognises changes in the fair value of loan portfolio held with business objective of collect and sell in other comprehensive income and fair value of derivative contracts designated as cashflow hedges. These changes are accumulated within the FVOCI reserve in equity. The company transfers amounts from this reserve to the statement of profit and loss when the loan is repaid. Any impairment loss on such instruments is reclassified immediately to the statement of profit and loss.

21.5 **Retained earnings**
Retained earnings represent the cumulative profit/(loss) of the company and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013.

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 22: Interest income

(In Rs. Lakhs)

Particulars	For the year ended 31 March, 2022			For the year ended 31 March, 2021		
	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total
Interest income on loans	64,575	28,779	93,354	70,568	13,332	83,900
Interest income on securitised loans	-	-	-	-	857	857
Interest income on fixed deposits with Banks	-	5,648	5,648	-	5,792	5,792
Interest income on margin money deposits with NBFC/FI	-	79	79	-	117	117
Interest income on others	-	63	63	-	43	43
Total	64,575	34,569	99,144	70,568	20,141	90,709

Note 23.1: Fees and commission income

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loan portfolio servicing fees	94	271
Total	94	271

Note 23.2: Net gain on fair value changes*

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net gain on financial instruments at fair value through profit or loss	314	-
Total	314	-
Total fair value changes:		
- Realised	314	-
- Unrealised	-	-
Total	314	-

*includes fair value changes for mutual fund.

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Note 23.3: Net gain on assignment transactions

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net gain on assignment transactions*	15,164	6,363
Total	15,164	6,363

* represents net gain accounted on derecognition of loans (assignment transactions) during the year designated at FVOCI

Note 24: Other income

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net gain on derecognition of property, plant and equipment	10	-
Bad debt recovery	188	142
Miscellaneous income	363	226
Total	561	368

Note 25: Finance costs

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Interest expenses on financial assets classified at amortised cost	Interest expenses on financial assets classified at fair value through profit or loss	Total	Interest expenses on financial assets classified at amortised cost	Interest expenses on financial assets classified at fair value through profit or loss	Total
Interest on debt securities #	17,419	2,003	19,422	13,380	-	13,380
Interest on borrowings other than debt securities	31,988	-	31,988	33,656	-	33,656
Interest on subordinated liabilities	4,597	-	4,597	3,736	-	3,736
Interest on lease liabilities	16	-	16	8	-	8
Other borrowing costs*	333	-	333	325	-	325
Total	54,353	2,003	56,356	51,105	-	51,105

* consists of credit rating fees, bank charges etc.
# including net loss of Rs. 194.06 lakhs on fair value changes.

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Note 26: Impairment of Financial instruments

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total
Impairment on loan portfolio (own portfolio)	15,974	3,297	19,271	14,587	4,484	19,071
Impairment on loan portfolio (managed portfolio)	112	-	112	-	104	104
Total	16,086	3,297	19,383	14,587	4,588	19,175

Note 27: Employee benefit expenses

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	25,851	18,519
Contributions to provident fund and other funds	1,595	1,103
Gratuity expense (refer note 33)	379	292
Expenses on employee stock option plan (refer note 37.1 and 37.2)	33	126
Staff welfare expenses	940	559
Total	28,798	20,599

The Code on social security, 2020 ('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 is yet to be notified and the final rules/interpretation are yet to be promulgated. The Company is assessing the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 28: Depreciation and amortisation expenses

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	818	631
Amortisation on intangible assets	288	262
Total	1,106	893

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Note 29: Other expenses

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent, taxes and energy costs	2,149	1,672
Office maintenance	461	313
Office expenses	741	547
Director fees, allowance and expenses	20	20
Travelling and conveyance	162	95
Communication expenses	309	266
Printing and stationery	375	253
Legal and professional fees	1,269	1,159
Auditor's fees and expenses (refer note 29.1 below)	140	85
Insurance	61	58
Provision and other contingencies*	272	167
Advertisement	12	15
Training and meeting expenses	494	317
Electricity charges	224	161
Corporate social responsibility expenses (refer note 29.2 below)	161	335
Miscellaneous expense	409	309
Total	**7,259**	**5,772**

* represents provision for insurance claims in respect of dues from deceased borrowers

Note 29.1: Auditor's fees and expenses

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor:		
Audit fee (excluding taxes)	73	59
Tax audit fee	-	-
Limited review fee	52	21
Other services (certification fees etc.)	15	6
Reimbursement of expenses	-	-
Total	**140**	**86**

Note 29.2: Corporate social responsibility

Gross amount required to be spent by the Company during the current year ended is Rs. 126.86 Lakhs (March 31, 2021: Rs. 123.91 Lakhs)

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Construction/acquisition of any assets	-	-	-	-	-	-
Corporate social responsibility expenses	161	-	161	335	-	335
Total	**161**	**-**	**161**	**335**	**-**	**335**

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Note 29.3: Excess amount spent as per Section 135 (5) of the Companies Act, 2013

(In Rs. Lakhs)

Particulars	Amount
Opening Balance**	-
Amount required to be spent during the year	127
Amount spent during the year	161
Closing balance - excess amount spent	34

**brought forward CSR obligation of financial year 2020-21 is NIL

Note 29.4: Details of ongoing projects for financial year 2021-22

(In Rs. Lakhs)

Particulars	Amount
Opening Balance	-
Amount required to be spent during the year	67
Amount spent during the year	79
Closing balance - excess amount spent	12

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Note 30: Earnings per share

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit after tax as per the statement of profit and loss (In Rs. Lakhs)	1,713	182
Weighted average number of ordinary shares for basic earnings per share (Nos.)	7,17,30,256	6,87,15,948
Effect of dilution:		
Stock options granted under ESOP (Nos.)	39,42,065	39,42,065
Compulsorily convertible preference shares (Nos.)	-	30,00,000
Partly paid shares (Nos.)	3,47,939	-
Weighted average number of ordinary shares adjusted for effect of dilution (Nos.)	7,60,20,260	7,56,58,013
Earnings per share		
Basic earnings per share (Rs.)	2.39	0.26
Diluted earnings per share (Rs.)	2.25	0.24
Nominal Value per share (Rs.)	10	10

Note 31: Segment information

The Company is solely engaged in providing financial services to borrowers and accordingly there is only reportable business segment i.e. financial services for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

Note 32: Transfer of financial assets

Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for de-recognition, together with the associated liabilities:

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Securitisations		
Carrying amount of transferred assets measured at FVOCI	363	4,169
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	363	4,169
Fair value of transferred assets	363	4,169
Fair value of associated liabilities	363	4,169
Net position at fair value	-	-

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Note 33 Defined benefit plan

33.1 Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/assets and its components:

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	882	548
Current service cost	357	279
Interest cost	63	37
Past service cost	-	-
Benefits settled	(25)	(6)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	(10)	(3)
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	1	27
Transfer in	-	-
Obligation at the end of the year	1,268	882
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	475	282
Interest income on plan assets	41	25
Re-measurement- actuarial gain / (loss)	(11)	6
Return on plan assets recognised in other comprehensive income	-	-
Contributions	304	168
Benefits settled	(25)	(6)
Plan assets at the end of the year, at fair value	784	475
Net defined benefit liability	484	407

33.2 Expense recognised in profit or loss

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	357	279
Interest cost	63	37
Interest income	(41)	(24)
Net gratuity cost	379	292

33.3 Re-measurement recognised in other comprehensive income

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Re-measurement of the net defined benefit liability		
- Changes in experience adjustments	(10)	(3)
- Changes in financial assumptions	1	27
Re-measurement of the net defined benefit asset		
Return on plan assets (greater) / less than discount rate	(11)	6
Total Actuarial (gain)/ loss included in OCI	(20)	30

33.4 Plan assets

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Funds managed by insurer	100%	100%

33.5 Defined benefit obligation - Actuarial assumptions

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7.10%	6.75%
Future salary growth	7.00%	7.00%
Attrition rate	Varying between 8% per annum to 1% per annum depending on duration and age of employees	Varying between 8% per annum to 1% per annum depending on duration and age of employees
Average term of liability (in years)	28.88	28.89

33.6 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:

(In Rs. Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	1,121	1,442	777	1,011
Future salary growth (1% movement)	1,442	1,118	1,012	774
Attrition rate (1% movement)	1,255	1,276	888	897

33.7 Expected payment for future years

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Within the next 12 months (next annual reporting period)	43	27
Between 2 and 5 years	218	198
Between 5 and 10 years	536	304
Total expected payments	797	529

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 34 Asset liability management:

Maturity pattern of assets and liabilities as on March 31, 2022:

(In Rs. Lakhs)

Particulars	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings	25,036	23,335	21,222	1,27,177	1,28,265	2,23,360	49,604	23,241	6,21,240
Advances (gross)	40,115	27,694	35,100	1,14,647	1,29,783	1,84,235	9,606	11,685	5,32,865
Investment in fixed deposit	67,091	9,468	16,423	13,149	21,499	24,343	1,115	-	1,53,088

Maturity pattern of assets and liabilities as on March 31, 2021:

(In Rs. Lakhs)

Particulars	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings	20,484	12,287	17,206	58,569	1,31,695	1,81,788	45,018	21,388	4,88,435
Advances (gross)	24,480	24,148	23,571	67,997	1,12,951	1,34,025	8,396	14,324	4,09,892
Investment in fixed deposit	47,985	22,051	5,671	15,584	18,961	15,778	184	-	1,26,194

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 35: Additional disclosures pursuant to the master directions issued by RBI :

A) Information on net interest margin (NIM)

Computation of aggregate margin cap:

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a)	Average interest charged by the Company on loans (%)	20.63	20.75
b)	Average effective cost of borrowings of the Company (%)	10.99	11.36
c)	Net interest margin (a-b) (%)	9.64	9.39

Note:

1 Above computation is in accordance with the method accepted by RBI vide its letter no DNBS.PD.NO.4906/08.10.038/ 2012-13 dated April 4, 2013 to micro-finance institutions Network (the 'MFIN format') read with the FAQs issued by RBI on October 14, 2016 and RBI Circular dated March 13, 2020 on Implementation of Indian Accounting Standards.

2 Average loan outstanding determined for the purpose of calculating NIM is based on the carrying value of loans under Ind AS , excluding effect of the following-

(a) Securitised loans qualifying for de-recognition as per RBI's 'true sale' criteria and related interest income have not been considered for computation of "average interest charged" in accordance with the MFIN format. Accordingly, the purchase consideration received towards such securitisations and related finance costs have not been considered for computation of "average effective cost of borrowings". As per Ind AS 109, such loans and borrowings continue to be recognized on the balance sheet in the Ind AS financial statements;

(b) fair value changes recognised through other comprehensive income and;

(c) impairment allowance adjusted from the carrying value of loans in accordance with Ind AS 109.

3 Interest income considered for computation of "average interest charged" excludes loan processing fee collected from customers in accordance with para 56.(vi) of the RBI Master Directions. As per Ind AS 109, such loan processing fee forms part of interest income in the Ind AS financial statements.

B) Exposure to gold loan

The Company has no exposure to gold loan directly or indirectly.

C) Disclosures required as per the Non Banking Financial Company - Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016:

	Particulars	Remarks
1.	Capital to risk (weighted) assets ratio	Refer note no. 35 (D)
2.	Investments	Refer note 9
3.	Derivatives	The Company has entered into cross currency interest rate swaps (refer note 8 and 16)
	i) Forward rate agreement / Interest rate swap	The Company has no unhedged foreign currency exposure as on March 31, 2022 and March 31, 2021.
	ii) Exchange traded interest rate (IR) derivatives	
	iii) Disclosures on risk exposure in derivatives	
	iv) Forward rate agreement/interest rate swap	
4.	Disclosures relating to securitisation	
	i) Information duly certified by the SPV's auditors obtained by the originating NBFC from the SPV.	Refer note no. 35 (E.1)
	ii) Details of financial assets sold to securitisation / reconstruction company for asset reconstruction	The Company has not sold financial assets to securitisation or reconstruction company for assets reconstruction during the current and previous year.
	iii) Details of assignment transactions undertaken by NBFCs	Refer note no. 35 (E.2)
5.	Details of non-performing financial assets purchased / sold	The Company has not purchased / sold non-performing financial assets during the current and previous year.
	i) Details of non-performing financial assets purchased :	
	ii) Details of non-performing financial assets sold :	
6.	Asset liability management maturity pattern of certain items of assets and liabilities	Refer note no. 34
7.	Exposures	
	i) Exposure to real estate sector	The Company has no exposure to real estate directly or indirectly.
	ii) Exposure to capital market	The Company has no exposure to capital market directly or indirectly.
8.	Details of financing of parent company products	This disclosure is not applicable as the Company does not have any holding or parent company.

	Particulars	Remarks
9.	Details of single borrower limit (SGL) / group borrower limit (GBL) exceeded by the NBFC	The Company has not exceeded any limit in respect of qualifying asset SGL / GBL during the current and previous year.
10.	Unsecured advances	Refer note no. 35 (F)
11.	Miscellaneous	
	i) Registration obtained from other financial sector regulators	Refer note no. 35 (G)
	ii) Disclosure of penalties imposed by RBI and other regulators	No penalties were imposed by RBI and other regulators during the current and previous year.
	iii) Related party transactions	Refer note no. 36
	iv) Ratings assigned by credit rating agencies and migration of ratings during	Refer note no. 35 (H)
	v) Remuneration of directors	Refer note no. 36
	vi) Net profit or loss for the period, prior period items and changes in accounting policies	Refer accounting policy
	vii) Revenue recognition	Refer accounting policy
	viii) Ind AS 110 - Consolidated Financial Statements (CFS)	During the previous year, the Company has incorporated a new subsidiary "Annapurna SME Finance Private Limited" and hence consolidated financial statements is applicable from the year ended March 31, 2021.

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12. Additional disclosures	
i) Provisions and contingencies	Refer note no. 35 (I)
ii) Draw down from reserves	There has been no draw down from reserves during the year ended March 31, 2022 (March 31, 2021 : Nil).
iii) Concentration of deposits, advances, exposures and NPAs	
a) Concentration of deposits (for deposit taking NBFCs)	This disclosure is not applicable as the Company as it is not a deposit taking NBFC.
b) Concentration of advances	Refer note no. 35 (J)
c) Concentration of exposure	Refer note no. 35 (K)
d) Concentration of NPAs	Refer note no. 35 (L)
e) Sector-wise NPAs	Refer note no. 35 (M)
f) Movement of NPAs	Refer note no. 35 (N)
iv) Overseas assets (for those with joint ventures and subsidiaries abroad)	The Company has no exposure or transaction with overseas assets.
v) Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)	There are no off balance sheet exposure as on March 31, 2022 and March 31, 2021.
13. Disclosure of complaints	Refer note no. 35 (O)

D) Capital to Risk-Assets ratio (CRAR)

	Particulars	As at March 31, 2022	As at March 31, 2021
i)	CRAR (%)	29.78%	27.71%
ii)	CRAR - Tier I capital (%)	25.07%	21.94%
iii)	CRAR - Tier II capital (%)	4.71%	5.77%
iv)	Amount of subordinated debt raised as Tier - II capital (In Rs. Lakhs)	33,375	32,385
v)	Amount raised by issue of perpetual debt instruments (In Rs. Lakhs)	15,000	-

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E.1) The followings figures are being reported based on certificate issued by the auditors of the SPV

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1 No of SPVs sponsored by the NBFC for securitisation transactions	1	2
2 Total amount of securitised assets as per books of the SPVs sponsored by the NBFC as on the balance sheet date	360	5,416
3 Total amount of exposures retained by the NBFC to comply with MRR as on the date of Balance Sheet		
a) Off-balance sheet exposures		
- First loss	-	-
- Others	-	-
b) On-balance sheet exposures		
- First loss	278	1,139
- Others	-	-
4 Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
- First loss	-	-
- Others	-	-
ii) Exposure to third party securitisations		
- First loss	-	-
- Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
- First loss	-	-
- Others	-	-
ii) Exposure to third party securitisations		
- First loss	-	-
- Others	-	-

E.2) The following figures are being reported based on direct assignment undertaken by the Company.

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Numbers of loans assigned	5,49,250	2,40,247
Aggregate value of accounts sold	1,45,192	72,438
Aggregate consideration	1,45,192	72,438
Portfolio loan assigned and outstanding as at the year end	1,35,748	78,437
Income from direct assignment recognised in the statement of profit and loss	15,164	6,363

The Company has transferred all the rights and obligations relating to above assigned loan assets to the buyers.

F) Unsecured Advances

(In Rs Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Portfolio loans	4,99,044	3,85,966

G) Registration obtained from other financial sector regulators :

The Company is registered with the 'Ministry of Corporate Affairs' (Financial regulators as described by Ministry of Finance) having CIN no. U65999OR1986PTC015931.

H) Ratings assigned by credit rating agencies and migration of ratings during the year

A Credit rating agency had assigned a rating of 'A-' on the term loans of the Company on March 28, 2022 (Previous Year 'A-').

I) Provisions and Contingencies

(In Rs Lakhs)

Break up of provisions and contingencies shown under the head expenditure in profit and loss account	For the year ended March 31, 2022	For the year ended March 31, 2021
i) Provision made towards income tax (including adjustment for deferred tax)	662	(19)
ii) Payment made against the securitised/ managed portfolio	-	104
iii) Other provision and contingencies		
a) Provision for gratuity	379	292
b) Provision for leave benefit	175	124
c) Provision for insurance claims	272	167
iv) Provision towards NPA*	37,238	37,238
v) Provision for standard assets**	7,223	5,243

* Represents impairment allowance on stage III loans

** Represents impairment allowance on stage I and stage II loans

J) Concentration of advances

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total advances to twenty largest borrowers *	502	5,006
Percentage of advances to twenty largest borrowers to total advances of the NBFC	0.09%	1.22%

* Represents amount outstanding as per contract with customers

K) Concentration of exposures

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total exposure to twenty largest borrowers / customers *	350	739
Percentage of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	0.07%	0.24%

* Represents amount disbursed during the year as per contract with customers

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L) Concentration of NPAs

(In Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total exposure to top four NPA accounts	66	3

M) Sector-wise NPAs

Sector		% of NPAs to total advances in that sector as at March 31, 2022	% of NPAs to total advances in that sector as at March 31, 2021
i)	Agriculture & allied activities	8.10%	7.62%
ii)	MSME	17.85%	6.95%
iii)	Corporate borrowers		-
iv)	Services	37.19%	13.56%
v)	Unsecured personal loans	6.51%	3.97%
vi)	Auto loans	-	-
vii)	Other personal loans	-	-

N) Movement of NPAs*

(In Rs. Lakhs)

Particulars		As at March 31, 2022	As at March 31, 2021
i)	Net NPAs to net advances (%)#	2.86%	3.04%
ii)	Movement of gross NPAs		
	a) Opening balance	30,052	4,888
	b) Additions during the year	23,223	25,530
	c) Reductions during the year (represents loan portfolio written-off)	-	(364)
	d) Closing balance	53,275	30,052
iii)	Movement of net NPAs		
	a) Opening balance	11,748	3,035
	b) Additions during the year	4,289	8,714
	c) Reductions during the year	-	-
	d) Closing balance	16,036	11,749
iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	a) Opening balance	18,304	1,852
	b) Provisions made during the year	18,934	16,816
	c) Write-off / write-back of excess provisions	-	(364)
	d) Closing balance	37,238	18,304

* refers to Stage III loans

Net non-performing asset (Stage III) on gross advances is 2.86%, excluding FVOCI.

O) Disclosure of Complaints

Particulars		As at March 31, 2022	As at March 31, 2021
i)	No. of complaints pending at the beginning of the year	84	195
ii)	No. of complaints received during the year	15,045	11,592
iii)	No. of complaints redressed during the year	15,129	11,703
iv)	No. of complaints pending at the end of the year	-	84

The Company has a customer grievance redressal mechanism for convenience of customers to register their complaints and for the Company to monitor and redress them.

The above information is as certified by the management and relied upon by the auditors.

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P) Public disclosure on liquidity risk as on March 31, 2022 pursuant to RBI guidelines on liquidity risk management framework for non-banking financial companies dated November 4, 2019

Public disclosures on liquidity risk management

i) Funding concentration based on significant counterparty (both deposits and borrowings) for the year ended March 31, 2022

Number of significant counter parties	Amount (in Lakhs)*	% of Total deposits	% of Total liabilities
Twenty Seven (27)	4,70,609	NA	73.69%

Funding concentration based on significant counterparty (both deposits and borrowings) for the year ended March 31, 2021

Number of significant counter parties	Amount (in Lakhs)*	% of Total deposits	% of Total liabilities
Twenty Eight (28)	3,62,993	NA	72.61%

ii) **Top 20 large deposits** (amount in Lakhs and % of total deposits) - not applicable. The Company being a systematically important non deposit taking NBFC registered with the RBI does not accept public deposits.

iii) Top 10 Borrowings (amount in lakhs and % of total borrowings) for the year ended March 31, 2022

Amount in Lakhs	% of Total borrowings
1,41,917	23.07%

Top 10 Borrowings (amount in lakhs and % of total borrowings) for the year ended March 31, 2021

Amount in Lakhs	% of Total borrowings
1,07,707	23.58%

iv) Funding concentration based on significant instrument/product for the year ended March 31, 2022

Name of the instrument/product	Amount (in Lakhs)*	% of Total liabilities
Term loan from banks	1,06,978	16.75%
Term loan from FIs	30,000	4.70%
Secured redeemable non convertible debentures	27,300	4.27%
Compulsorily convertible debentures	15,000	2.35%
Compulsorily convertible preference shares	45,593	7.14%
External commercial borrowings	37,691	5.90%
Subordinate debt (unsecured) - debentures	24,125	3.78%
Total borrowings	**2,86,687**	**44.89%**
Total liabilities	**6,38,672**	

Funding concentration based on significant instrument/product for the year ended March 31, 2021

Name of the instrument/product	Amount (in Lakhs)*	% of Total liabilities
Term loan from banks	7,109	1.42%
Term loan from FIs	9,164	1.84%
Secured redeemable non convertible debentures	94,633	18.95%
Term loan from NBFCs	54,899	11.00%
External commercial borrowings	29,553	5.92%
Subordinate debt (unsecured) - debentures	7,125	1.43%
Total borrowings	**2,02,483**	**40.56%**
Total liabilities	**4,99,247**	

Note : The above does not include borrowings on account of securitisation agreements recognised as per Ind AS 109

v) Stock ratios as at March 31, 2022

Particulars	as a % of total public funds	as a % of total liabilities	as a % of total assets
Commercial papers	-	-	-
Non-convertible debentures (original maturity of less than 1 year)	-	-	-
Other short term liabilities	1.64%	1.25%	1.11%

Stock ratios as at March 31, 2021

Particulars	as a % of total public funds	as a % of total liabilities	as a % of total assets
Commercial papers	-	-	-
Non-convertible debentures (original maturity of less than 1 year)	-	-	-
Other short term liabilities	3.6%	3.5%	3.0%

*Represents amount outstanding as per contracts with lenders

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v) **Institutional set up for liquidity risk management**

The Company's Board of Directors has the overall responsibility of management of liquidity risk. The Board decides the strategic policies and procedures of the company to manage liquidity risk in accordance with the risk tolerance limit as decided by the board

The Company also has a Risk Management Committee, which is a sub-committee of the board and is responsible for evaluating the overall risk faced by the company including liquidity risks.

Asset Liability Management Committee (ALCO) of the company is responsible for ensuring adherence to risk tolerance limits as well as implementing the liquidity risk management strategy of the company

Chief risk officer(CRO) shall be a part of the process of identification, measurement and mitigation of liquidity risks

The ALM support group consists of chief financial officer (CFO) and head-treasury who shall be responsible for analysing, monitoring and reporting the liquidity profile to the ALCO .

Notes

1. A significant counterparty is defined as a single counterparty or a group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI, NBFC-D total liabilities and 10% of the other non-deposit taking NBFC.

2. A significant instrument/product is defined as a single instrument/product of group of similar instruments/products which in aggregate amounts to more than 1% of the NBFC-NDSI, NBFC-D total liabilities and 10% of the other non-deposit taking NBFC's.

3. Total liabilities has been computed as sum of all liabilities (balance sheet figures) less equity and reserves & surplus.

4. Public funds shall include funds raised either directly or indirectly through public deposits, commercial papers and debentures, inter-corporate deposits and bank finance but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue as defined in regulatory framework for core investment companies issued vide Notification No. DNBS (PD) CC No. 205/03.10.001/2010-11 dated January 5, 2011.

5. The amount stated in the disclosure is based on the audited financial statements for the year ended March 31, 2022 and March 31, 2021.

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Note 35.2: Disclosure required as per RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

As at March 31, 2022

(In Rs. Lakhs)

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying value as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying value	Provisions required as per IRACP norms (note 1)	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	4,67,835	4,482	4,63,353	3,697	785
	Stage 2	11,755	2,741	9,014	637	2,104
Subtotal		4,79,590	7,223	4,72,367	4,334	2,889
Non- Performing Assets (NPA)						
Substandard	Stage 3	53,275	37,238	16,036	33,027	4,211
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
Stage 3	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
Subtotal		53,275	37,238	16,036	33,027	4,211
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		53,275	37,238	16,036	33,027	4,211
Total	Stage 1	4,67,835	4,482	4,63,353	3,697	785
	Stage 2	11,755	2,741	9,014	637	2,104
	Stage 3	53,275	37,238	16,037	33,027	4,211
	Total	5,32,865	44,461	4,88,404	37,361	7,099

Note 1: Figures in this column represents provisions determined in accordance with the asset classification and provisioning norms as stipulated under Master Directions.

As at March 31, 2021

(In Rs. Lakhs)

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying value as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying value	Provisions required as per IRACP norms (note 2)	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	3,41,161	749	3,40,412	176	573
	Stage 2	38,678	4,494	34,184	3,399	1,095
Subtotal		3,79,839	5,243	3,74,596	3,575	1,668
Non- Performing Assets (NPA)						
Substandard	Stage 3	30,052	18,304	11,748	18,300	4
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
Stage 3	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
Subtotal		30,052	18,304	11,748	18,300	4
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		30,052	18,304	11,748	18,300	4
Total	Stage 1	3,41,161	749	3,40,412	176	573
	Stage 2	38,678	4,494	34,184	3,399	1,095
	Stage 3	30,052	18,304	11,748	18,300	4
	Total	4,09,891	23,547	3,86,344	21,875	1,672

Note 2: Figures in this column represents provisions determined in accordance with the asset classification and provisioning norms as stipulated under Master Directions.

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 35.3: Frauds

1 Information on instances of fraud for the year ended March 31, 2022:

(In Rs. Lakhs)

Nature of fraud	No. of cases	Amount of fraud	Amount Recovered	Considered as Recoverable	Amount Provided for
Cash embezzlement	6	29	1	-	28

2 Information on instances of fraud for the year ended March 31, 2021:

(In Rs. Lakhs)

Nature of fraud	No. of cases	Amount of fraud	Amount Recovered	Considered as Recoverable	Amount Provided for
Cash embezzlement	9	65	11	-	54

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Note 35.4 Additional disclosures given in terms of Notification dated March 24, 2021 issued by Ministry of Corporate affairs.

a. Title deed of immovable properties

The title deed of properties are held in the name of the Company. Hence, other disclosure requirements are not applicable.

b. As at March 31, 2022 and as at March 31, 2021, the Company does not have any loans and advances outstanding to promoters, directors, KMPs and the related parties, that are repayable on demand or without specifying any terms of repayment.

c. Capital work in progress & intangible assets under development amounts to Nil as at March 31, 2022 and March 31, 2021.

d. There is no proceedings initiated/pending against the Company for benami property.

e. The Company has not been sanctioned any working capital limits in excess of Five crores rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, no quarterly returns filed by the company with the banks or financial institutions.

f. The Company has not been declared as Wilful Defaulter by any bank or financial institution or any lender.

g. During FY2022 and FY2021, the Company did not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

h. There is no charge which is yet to be created with ROC. Where any charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof shall be disclosed. The Company shall provide the details in relation to each charge or satisfaction that are not registered by the statutory date. Such details may include a brief description of the charges or satisfaction, the location of the Registrar, the period (in days or months) by which such charge had to be registered and the reason for delay in registration.

i. Compliance with number of layers of Companies: As per Companies (Restriction on number of layers) Rules, 2017, Non-Banking financial companies are exempted from restriction on number of layers.

j. The Company has not advanced or loaned or invested (either from borrowed fund or share premium or any other sources or other kinds of funds) to or in any other person or entity, including foreign entity ('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 the Ultimate Beneficiaries.

The Company has not received any funds (which are material either individually or in aggregate) from any person or entity, including foreign entity ('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.

k. The Company has not traded or invested in crypto currencies during the financial year.

l. The Company has not entered in to any scheme of arrangement.

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Notes to the standalone financial statements for the year ended March 31, 2022

Note 36: Related party transactions

Name of the related parties (as per Ind AS 24) (Refer Note (a) below)

Relationship	Name of the party
(i) Key management personnel	Mr. Gobinda Chandra Pattanaik - Managing Director Mr. Dibyajyoti Pattanaik - Director Ms. Christina Stefanie Juhasz - Nominee Director Ms. Laetitia Counye - Nominee Director Mr. Ranganathan Varadarajan Dilip Kumar - Nominee Director (with effect from June 25, 2021) Mr. Prakash Kumar - Nominee Director Mr. Sunit Vasant Joshi - Nominee Director Mr. Venkiteswaran Mecherimadam Ramakrishnan - Nominee Director Ms. Radhika Jayant Sharoff - Nominee Director (with effect from June 25, 2021) Mr. Abhishek Agarwal - Nominee Director (with effect from December 23, 2021) Mr. Salish Chava - Nominee Director (till March 03, 2022) Mr. Ashok Ranjan Samal- Independent Director Mr. K.K. Tiwary- Independent Director Mr. Sean Leslie Nossel - Independent Director
(ii) Enterprise having significant influence over the Company	Oman India Joint Investment Fund II
(iii) Subsidiary company	Annapurna SME Finance Private Limited (incorporated on December 18, 2020)
(iv) Trust	Annapurna Employees Welfare Trust (the 'Trust')

Related Party transactions during the year:

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Key management personnel		
Salary, incentives and perquisites (Refer Note (b) below)		
Mr. Gobinda Chandra Pattanaik	200	153
Mr. Dibyajyoti Pattanaik	101	70
	301	**223**
Sitting fees paid		
Mr. Ashok Ranjan Samal	8	10
Mr.K.K. Tiwary	6	8
Mr. Sean Leslie Nossel	6	6
	20	**24**
(ii) Subsidiary company		
Investment in Annapurna SME Finance Private Limited	500	500
	500	**500**
(iii) The Trust		
Loan to the Trust	76	11
Equity shares of the Company held by the Trust	72	16

Note:

a) Related parties have been identified on the basis of the declaration received by the Company and other records available.

b) The above remuneration to the key managerial personnel constitute the short term employee benefits and above does not include the provisions made towards post employment gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

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Note 37.1 Employees stock option plan (ESOP)

The Company provides share-based payment schemes to its key management personnel. The plan in operation as on March 31, 2021 are ESOP Series- A and ESOP - Series -B.

Particulars	Series A	Series B (i)	Series B (ii)
Date of grant	June 29, 2012	March 19, 2014	March 19, 2014
Date of board approval	June 29, 2012	March 19, 2014	March 19, 2014
Date of shareholder's approval	June 29, 2012	March 19, 2014	March 19, 2014
Number of options expected to exercise within the vesting period	8,16,214	4,16,119	20,83,304
Exercise price per share (Rs.)	2.5	5	5
Method of settlement	Equity	Equity	Equity
Vesting period	March 31, 2013	March 31, 2015	March 31, 2018
Exercise period	Immediate after vesting period subject to shareholders' approval	Immediate after vesting period subject to shareholders' approval	Immediate after vesting period subject to shareholders' approval
Vesting conditions	Performance milestones as set out in shareholder agreement dated June 29, 2012	Performance milestones as set out in shareholder agreement dated March 19, 2014	Performance milestones as set out in shareholder agreement dated March 19, 2014

The detail of the plans have been summarised below:

Series A

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of options	Exercise price (Rs.)	No. of options	Exercise price (Rs.)
Outstanding at the beginning of the year	8,16,214	-	8,16,214	-
Adjustment of opening:	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	8,16,214	-	8,16,214	-
Exercisable at the end of the year	8,16,214	-	8,16,214	-
Weighted average remaining contractual life in years	-	-	-	-

Series B

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of options	Exercise price (Rs.)	No. of options	Exercise price (Rs.)
Outstanding at the beginning of the year	24,99,423	5.00	24,99,423	5.00
Adjustment of opening:	-	-	-	-
Granted during the year	-	-		-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	24,99,423	5.00	24,99,423	5.00
Exercisable at the end of the year	24,99,423	5.00	24,99,423	5.00
Weighted Average Remaining Contractual Life in Years	-	-	-	-

Effect of share-based payment plans (ESOP) on the statement of profit and loss:

Particulars	As at March 31, 2022	As at March 31, 2021
Stock options outstanding (gross)	1,298	1,295
Deferred compensation cost outstanding	-	-
Stock options outstanding (net)	1,298	1,295

The Stock option outstanding contains of Rs 544 lakhs for ESOP (A & B) as on March 31, 2022 (March 31, 2021: Rs. 544 lakhs) and Rs. 751 lakhs (March 31, 2021: Rs. 751 lakhs) for ESOP

Note :
The issue of shares will be in accordance with the provisions of the Companies Act, 2013

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Note 37.2 Employee stock option plan (ESOP)

On November 30, 2016 the board of directors approved the Annapurna stock option plan 2017 for issue of stock options to eligible employees of the Company. The relevant terms of the grant are as below:

Description	Grant - 2	Grant - 1
Date of grant	01 July 2018	01 July 2017
Date of board approval	30 November 2016	30 November 2016
Number of options granted	18,17,461	10,90,477
Method of settlement	Equity	Equity
Graded vesting	Vesting of the option will take place in equal proportion over a period of 3 years from the date of grant of options	
Exercise period		

The vested options can be exercised within a period of 5 years as per the table below:

End of the year	Exercise period	Exercise period
1	Within 4 years of 1st Vesting	Within 5 years of 1st Vesting
2	Within 3 years of 2nd Vesting	Within 4 years of 2nd Vesting
3	Within 2 years of 3rd Vesting	Within 3 years of 3rd Vesting

Vesting conditions	Continuous service with the company and has not served any notice of resignation	
Weighted average remaining contractual life (years)	3 years	3 years
Weighted average exercise price per option (Rs.)	49	41

The details of activity under the plan 2017 are summarized below:

Grant 1

Description	March 31, 2022 (No. of options)	March 31, 2021 (No. of options)
Outstanding at the beginning of the year	9,52,800	11,28,400
Granted during the year	-	-
Forfeited during the year	16,100	1,64,600
Exercised during the year	31,000	11,000
Outstanding at the end of the year	9,05,700	9,52,800
Exercisable at the end of the year	9,05,700	9,52,800
Weighted average remaining contractual life of options (years)	-	-
Weighted average share price during the exercise period (Rs.)	41	41

Grant 2

Description	March 31, 2022 (no. of options)	March 31, 2021 (no. of options)
Outstanding at the beginning of the year	4,32,600	5,08,300
Granted during the year	-	-
Forfeited during the year	8,700	70,500
Exercised during the year	14,000	5,200
Outstanding at the end of the year	4,09,900	4,32,600
Exercisable at the end of the year	4,09,900	4,32,600
Weighted average remaining contractual life of options (years)	-	1
Weighted average share price during the exercise period (Rs.)	49	49

The black scholes valuation model has been used for computing the weighted average fair value considering the following inputs -

Particulars	Grant 2	Grant 1
Share price on the date of grant (Rs.)	90.64	76.09
Exercise price (Rs.)	49.00	41.00
Dividend yield (%)	-	-
Expected volatility (%)	56.14-57.59%	43.88% - 46.22%
Risk-free interest rate (%)	7.23-7.32%	6.80% - 6.74%
Weighted average fair value of stock options (Rs.)	61.13	48.29
Weighted average share price (Rs.)	90.64	76.09

The expected volatility reflects the assumption that is indicative of future trends, which may also not necessarily be the actual outcome. The cost of employee stock option plan has been recognised at fair value.

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Note 38: Maturity analysis of assets and liabilities

The table below shows assets and liabilities analysed according to when they are expected to be recovered or settled.

(In Rs. Lakhs)

Particulars	Within 12 months	After 12 months	Total
As at March 31, 2022			
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	95,134	-	95,134
(b) Bank balance other than (a) above	34,129	60,760	94,889
(c) Derivative financial instruments	1,355	-	1,355
(d) Receivables	-	-	-
(i) Trade receivables	5	-	5
(ii) Other receivables			
(e) Loans	3,47,339	1,41,477	4,88,816
(f) Investments	-	500	500
(g) Other financial assets	21,347	4,846	26,193
Subtotal - Financial assets (A)	4,99,309	2,07,583	7,06,892
(2) Non-financial Assets			
(a) Current tax assets (net)	-	2,251	2,251
(b) Deferred tax assets (net)	-	4,810	4,810
(c) Property, plant and equipment	703	1,064	1,767
(d) Intangible assets	98	58	156
(e) Other non-financial assets	1,453	712	2,165
Subtotal - Non- financial assets (B)	2,254	8,915	11,169
Total Assets (A+B)	5,01,563	2,16,498	7,18,061
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	475	-	475
(b) Payables			
(I) Trade Payables			
(i)Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	291	-	291
(c) Debt securities	67,101	98,576	1,65,677
(d) Borrowings (other than debt securities)	2,33,838	1,88,575	4,02,413
(e) Subordinated liabilities	2,700	30,450	33,150
(f) Other financial liabilities	14,674	263	14,937
Subtotal - Financial liabilities (A)	3,39,079	2,97,864	6,36,943
(2) Non-financial liabilities			
(a) Provisions	421	765	1,186
(b) Other non-financial liabilities	543	-	543
Subtotal - Non - financial liabilities (B)	964	765	1,729
(3) Equity			
(a) Equity share capital	-	6,880	6,880
(b) Instruments entirely equity in nature	-	300	300
(c) Other equity	-	72,209	72,209
Subtotal - Equity (C)	-	79,389	79,389
Total Liabilities and Equity (A+B+C)	3,40,043	3,78,018	7,18,062

(In Rs. Lakhs)

Particulars	Within 12 months	After 12 months	Total
As at March 31, 2021			
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	86,135	-	86,135
(b) Bank balance other than (a) above	39,621	42,560	82,181
(c) Receivables	37	-	37
(i) Trade receivables			
(ii) Other receivables			
(d) Loans	2,29,971	1,56,745	3,86,716
(e) Investments	-	500	500
(f) Other financial assets	8,528	6,032	14,560
Subtotal - Financial assets (A)	3,64,292	2,05,837	5,70,129
(2) Non-financial Assets			
(a) Current tax assets (net)	-	126	126
(b) Deferred tax assets (net)	-	2,778	2,778
(c) Property, plant and equipment	508	670	1,178
(d) Intangible assets	62	37	99
(e) Other non-financial assets	534	664	1,198
Subtotal - Non- financial assets (B)	1,104	4,274	5,378
Total Assets (A+B)	3,65,396	2,10,111	5,75,507
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Payables			
(I) Trade Payables			
(i)Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	227		227
(b) Debt securities	56,950	1,16,904	1,73,854
(c) Borrowings (other than debt securities)	1,79,714	1,02,593	2,82,307
(d) Subordinated liabilities	3,578	28,697	32,275
(e) Other financial liabilities	9,079	3	9,082
Subtotal - Financial liabilities (A)	2,49,548	2,48,197	4,97,745
(2) Non-financial liabilities			
(a) Provisions	417	617	1,034
(b) Other non-financial liabilities	468	-	468
Subtotal - Non - financial liabilities (B)	885	617	1,502
(3) Equity			
(a) Equity share capital	-	6,872	6,872
(b) Instruments entirely equity in nature	-	300	300
(c) Other equity	-	69,088	69,088
Subtotal - Equity (C)	-	76,260	76,260
Total Liabilities and Equity (A+B+C)	2,50,433	3,25,074	5,75,507

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Note 39: Changes in liability arising from financing activities

(In Rs. Lakhs)

Particulars	As at April 1, 2021	Cash flows	Other	As at March 31, 2022
Debt securities	1,73,854	11,629	-	1,85,483
Borrowings other than debt securities	2,82,307	1,20,106	-	4,02,413
Subordinated liabilities	32,275	875	-	33,150
Lease liabilities	35	(78)	366	323
Total liabilities from financing activities	**4,88,471**	**1,32,532**	**366**	**6,21,369**

(In Rs. Lakhs)

Particulars	As at April 1, 2020	Cash flows	Other	As at March 31, 2021
Debt securities	64,179	1,09,675	-	1,73,854
Borrowings other than debt securities	3,00,783	(18,476)	-	2,82,307
Subordinated liabilities	25,776	6,499	-	32,275
Lease liabilities	85	(65)	15	35
Total liabilities from financing activities	**3,90,823**	**97,633**	**15**	**4,88,471**

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Note 40: Financial instruments – fair values

40.1 Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy
Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
There have been no transfers between Level 1 and Level 2 during the year.

(In Rs. Lakhs)

As at March 31, 2022	Carrying amount			
	FVTPL	FVTOCI	Amortised cost	Total
(1) Financial assets				
(a) Cash and cash equivalents	-	-	95,134	95,134
(b) Bank balance other than (a) above	-	-	54,889	54,889
(c) Derivative financial instruments	-	1,355	-	1,355
(d) Receivables				
(i) Trade receivables	-	-	5	5
(ii) Other receivables	-	-	-	-
(e) Loans		4,00,888	87,928	4,88,816
(f) Investment	500	-	-	500
(g) Other financial assets	-	-	26,193	26,193
Total - financial assets	500	4,02,243	3,64,149	7,06,892
(2) Financial liabilities				
(a) Derivative financial instruments	-	475	-	475
(b) Payables				
(I) Trade payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	291	291
(II) Other payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
(c) Debt securities	66,000	-	1,19,877	1,85,877
(d) Borrowings (other than debt securities)	-	-	4,02,413	4,02,413
(e) Subordinated liabilities	-	-	33,150	33,150
(f) Other financial liabilities	-	-	14,937	14,937
Total - financial liabilities	66,000	475	5,70,668	6,36,943

(In Rs. Lakhs)

As at March 31, 2021	Carrying amount			
	FVTPL	FVTOCI	Amortised cost	Total
(1) Financial assets				
(a) Cash and cash equivalents	-	-	89,135	89,135
(b) Bank balance other than (a) above	-	-	82,151	82,151
(c) Derivative financial instruments				
(d) Receivables				
(i) Trade receivables	-	-	37	37
(ii) Other receivables	-	-	-	-
(e) Loans	-	2,93,906	92,810	3,86,716
(f) Investment	500	-	-	500
(g) Other financial assets	-	-	14,560	14,560
Total - financial assets	499.80	2,93,906	2,75,723	5,70,129
(2) Financial liabilities				
(a) Derivative financial instruments	-	-	-	-
(b) Payables				
(I) Trade payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises			227	227
(II) Other payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
(c) Debt securities	22,882	-	1,50,972	1,73,854
(d) Borrowings (other than debt securities)	-	-	2,82,307	2,82,307
(e) Subordinated liabilities	-	-	32,275	32,275
(f) Other financial liabilities	-	-	9,062	9,062
Total	22,882	-	4,74,843	4,97,746

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets / liabilities, payables are considered to be the same as their face values, due to their short-term nature.

40.2 Measurement of fair values:

Valuation techniques and significant unobservable inputs:

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

As at March 31, 2022 (In Rs. Lakhs)

Financial assets (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Loans	-	4,00,888	-	4,00,888	-
Investments	500	-	-	-	500
Derivative financial instruments	-	1,355	-	1,355	-
Total	500	4,02,243	-	4,02,243	500

As at March 31, 2021 (In Rs. Lakhs)

Financial assets (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Loans	-	2,93,906	-	2,93,906	-
Investments	500	-	-	-	500
Total	500	2,93,906	-	2,93,906	500

As at March 31, 2022 (In Rs. Lakhs)

Financial liabilities (measured at fair value)	Carrying amount		Fair value		
	FVTPL	FVOCI	Level 1	Level 2	Level 3
Derivative financial instruments	-	475	-	475	-
Debt securities	66,000	-	-	66,000	-
Total	66,000	475	-	66,475	-

Note: None for March 31, 2021

Valuation technique used for Loan Portfolio:

The scheduled future cash flows (including principal and interest) are discounted using the lending rate prevailing as at the balance sheet date. The discounting factor is applied assuming the cash flows will be evenly received in a month.

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Note 41: Capital management:

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the company ensures to maintain a healthy CRAR at all the times.

Capital management

The primary objectives of the Company's capital management policy are 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 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. The Company monitors its capital to risk weighted assets ratio (CRAR) on a monthly basis.

(in Rs. lakhs)

Regulatory capital	As at March 31, 2022	As at March 31, 2021
Tier 1 Capital	1,25,089	85,806
Tier 2 Capital	23,507	22,552
Total capital	**1,48,596**	**1,08,358**
Risk weighted assets	4,98,941	3,91,150
Tier 1 CRAR	25.07%	21.94%
Tier 2 CRAR	4.71%	5.77%
Total capital ratio	**29.78%**	**27.71%**

Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings including current year profit less accrued dividends . Certain adjustments are made to Ind AS–based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is Tier 2 capital instruments.

The Company is meeting the capital adequacy requirements of the Reserve Bank of India (RBI) of India.

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Note 42: Risk management

1 Introduction and risk profile

Annapurna Finance Private Limited (the 'Company') is one of the leading microfinance institutions in India focused on providing financial support to women from low income households engaged in economic activity with limited access to financial services. The Company predominantly offers collateral free loans to women from low income households, willing to borrow in a group and agreeable to take joint liability. The wide range of lending products address the critical needs of customers throughout their lifecycle and include income generation, home improvement, sanitation and personal emergency loans. With a view to diversifying the product profile, the Company has introduced individual loans for matured group lending customers. These loans are offered to customers having requirement of larger loans to expand an existing business in their individual capacity.

The common risks for the Company are operational, business environment, political, regulatory, concentration, expansion and liquidity. As a matter of policy, these risks are assessed and steps as appropriate, are taken to mitigate the same.

1.1 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 risk management framework approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Company. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organisation and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Company's policy is that risk management processes throughout the Company are audited quarterly 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 Audit Committee.

1.2 Risk mitigation and risk culture

Risk assessments shall be conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Company. Procedures shall be established to update risk assessments at appropriate intervals and to review these assessments regularly. Based on the Risk Control and Self Assessment (RCSA), the Company shall formulate its risk management strategy / risk management plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation can be planned using the following key strategies:

Risk avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

Risk reduction: Employing methods / solutions that reduce the severity of the loss

Risk retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible.

1.3 Risk measurement and reporting systems

The Management would review the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting.

- Review of business growth and portfolio quality.
- Discuss and review the reported details of portfolio at risk, key risk threshold breaches, consequent responses and review of operational loss events, if any.
- Review of process compliances including audit performance across organisation
- Review of HR management, training and employee attrition
- Review of new initiatives and product / policy / process changes
- Discuss and review performance of IT systems
- Review the status of strategic projects initiated
- Review, where necessary, policies that have a bearing on the operational risk management and recommend amendments.
- Discuss and recommend suitable controls / mitigations for managing operational risk and assure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing / mitigating the same.

1.4 Risk management strategies

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.
The following management strategies and policies shall be adopted by the Company to manage the various key risks.

Political risk mitigation measures:
- Low cost operations and low pricing for customers
- Customer centric approach, high customer retention
- Rural focus
- Systematic customer awareness activities
- High social focused activities
- Adherence to client protection guidelines
- Robust grievance redressal mechanism
- Adherence to regulatory guidelines in letter and spirit

Concentration risk mitigation measures:
- District centric approach
- District exposure cap
- Restriction on growth in urban locations
- Maximum disbursement cap per loan account
- Maximum loan exposure cap per customer
- Diversified funding resources

Operational & HR Risk mitigation measures:
- Stringent customer enrolment process
- Multiple products
- Proper recruitment policy and appraisal system
- Adequately trained field force
- Weekly & fortnightly collections – higher customer touch, lower amount instalments
- Multilevel monitoring framework
- Strong, independent and fully automated internal audit function
- Strong IT systems with access to real time client and loan data

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Liquidity risk mitigation measures:
- Diversified funding resources
- Asset liability management
- Effective fund management
- Maximum cash holding cap

Expansion risk mitigation measures:
- Contiguous growth
- District centric approach
- Rural focus
- Branch selection based on census data & credit bureau data
- Three level survey of the location selected

2 **Impairment assessment/ credit risk (Also refer Note 8a)**

Credit risk is the risk of loss that may occur from defaults by our Borrowers under our loan agreements. In order to address credit risk, we have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. We also follow a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area. Further, our client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to confirm that they meet our criteria.

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.

2.1 **Definition of default, Significant increase in credit risk and stage assessment**

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1 includes loans for which the credit risk at the reporting date is in line with the credit risk at the initial recognition (i.e. disbursement date)

Stage 2 includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk)

Stage 3 includes default loans. A loan is considered default at the earlier of (i) the bank considers that the obligor is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realizing collateral (if held); or (ii) the obligor is past due 90 days or more on any material credit obligation to the company.

The Company offers products with monthly repayment frequency, and has identified the following stage classification to be the most appropriate for its Loans:
Stage 1: Low credit risk, i.e. 0 to 30 days past due
Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due (SICR)
Stage 3: Credit impaired assets, i.e. more than 90 days past due or cases where the company suspects fraud and legal proceedings are initiated (default).

2.2 **Probability of default**

PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each state separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of all loans in stage 1 moving into stage 3 in 12-months' time.
PD for stage 2: is derived as %age of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.
PD for stage 3: is derived as 100% considering that the default occurs as soon as the loan becomes overdue for 90 days which matches the definition of stage 3.

-Probability of default (PD) using 12 months static pool methodology is computed for each 12-month period of observation starting from March 2016 till March 2022 which is 7-years period of historical information.

2.3 **Exposure at default (EAD)**

EAD represents gross carrying amount at the reporting date adjusted for future estimated prepayments in case of stage 1 and stage 2. In case of stage 3 loans EAD represents gross carrying amount at the time when the default occurred for first time.

2.4 **Loss given default**

LGD is the opposite of recovery rate. LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.
The set of cash flow from the date of default, discounted at the contractual interest rate and divided by the exposure at default gives the LGD estimate. The default weighed historic LGD are used to align the ECL calculation to the actual scenario and to improve the predictive power of the model.

2.5 **Grouping financial assets measured on a collective basis**

The Company believes that the all loans disbursed in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio are treated as separate groups and the Company will separately calculate credit losses for them.

2.6 **Analysis of inputs to the ECL model under multiple economic scenarios**

Adjusting the ECL to reflect the expected changes (if any) in the economic environment for forward looking information in the form of management overlay.

3 **Liquidity risk and funding management**

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate cost and tenure. The Company may face an asset-liability mismatch caused by a difference in the maturity profile of our assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet all borrower and lender-related funding requirements.

There are liquidity risk mitigation measures put in place which helps in maintaining the following:

3.1 Diversified funding resources:

The Company's treasury department secures funds from multiple sources, including banks, financial institutions and is responsible for diversifying our capital sources, managing interest rate risks and maintaining strong relationships with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies. The Company continuously seek to diversify its sources of funding to facilitate flexibility in meeting our funding requirements. Due to the composition of our loan portfolio, which also qualifies for priority sector lending, it also engages in securitization and assignment transactions.

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4 **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company is exposed to Interest rate risk as follows:

4.1 **Interest rate risk (IRR)**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We are subject to interest rate risk, principally because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately. The Company has board approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is effected through the impact on floating rate borrowings, as follows:

(In Rs. Lakhs)

	Impact on profit		Impact on pre tax equity	
Finance cost	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
0.50 % Increase	(282)	(256)	(282)	(256)
0.50 % Decrease	282	224	282	224

5.0 **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 arise majorly on account of foreign currency borrowings. The Company manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge. The Company currently does not have any exposure to foreign currency.

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ANNAPURNA FINANCE PVT. LTD. INDIA

Annapurna Finance Private Limited

Notes to the standalone financial statements for the year ended March 31, 2022

Note 43: Liquidity disclosure template as per RBI/2019-20/88

Rs. In crore		Total unweighted value(average)	Total weighted value(average)
High quality liquidity assets			
1	Total high quality liquid assets (HQLA)		
	Cash in hand	5	-
	Balances with banks in current accounts	379	-
	HQLA	**384**	**384**
Cash Outflows			
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	-	-
4	Secured wholesale funding	-	-
5	Additional requirements, of which	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	20	23
(ii)	Outflows related to loss of funding on debt products	-	-
(iii)	Credit and liquidity facilities	-	-
6	Other contractual funding obligations	257	295
7	Other contingent funding obligations	-	-
8	**TOTAL CASH OUTFLOWS**	**277**	**318**
Cash Inflows			
9	Secured lending		
10	Inflows from fully performing exposures	364	273
	Principal Inflow	289	-
	Interest Inflow	75	-
11	Unpledged FDs	640	480
12	**TOTAL CASH INFLOWS**	**1,368**	**753**
			Total Adjusted Value
13	**TOTAL HQLA**		**384**
14	**TOTAL NET CASH OUTFLOWS**		**79.49**
15	**LIQUIDITY COVERAGE RATIO (%) (LCR)**		**483.70%**

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Note 44: Impact of COVID-19 on business and expected credit losses

The outbreak of COVID-19 pandemic has affected several countries across the world, including India, resulting in significant volatility in financial market and significant decrease in global and Indian economy. The government is undertaking several measures to restrict the spread of virus and provide financial support to some stressed sectors. While the situation had improved significantly and there had been an all-round recovery in economic activity, the situation will have to closely monitored till the pandemic is finally put to rest. Management will continue to closely monitor the material changes in macro-economic factors impacting the operations of the Company. The Company has incorporated estimates, assumptions, judgements specific to the impact of Covid-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The final impact of this pandemic is very uncertain and the actual impact may be different then that estimated based on the conditions prevailing as at the date of approval of financial statements.

Note 45: Disclosure pursuant to RBI Notification No RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 pertaining to resolution framework for COVID-19 related stress

(In Rs. Lakhs)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (A) (September 30, 2021)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year (Refer Note)	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year (March 31, 2022)
Personal Loans	32,802	14,108	-	1,751	31,051
Corporate persons					
i) Of which MSMEs	-	-	-	-	-
ii) Others	-	-	-	-	-
Total	**32,802**	**14,108**	**-**	**1,751**	**31,051**

Note: Net of interest amount capitalised during the moratorium period.

Note 46: Information as required by Reserve Bank of India Circular on Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses dated May 5, 2021.

(In Rs. Lakhs)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (A) (September 30, 2021)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year (March 31, 2022) (Refer Note)
Personal Loans	13,480	-	-	3,553	28,566
Corporate persons					
I) Of which MSMEs	-	-	-	-	-
II) Others	-	-	-	-	-
Total	13,480	-	-	3,553	28,566

Note: Includes additional restructuring accounts amounting to INR 13,639.52 lakhs entered during the period from October 2021 to December 2021.

Note 47: There have been no events after the reporting date that require adjustment / disclosure in these financial statements.

As per our report of even date

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

Sameer Mota
Partner
Membership No.: 109928

Bhubaneswar
May 27, 2022

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited
CIN: U65999OR1986PTC015931

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Bhubaneswar
May 27, 2022

S.R. BATLIBOI & CO. LLP
Chartered Accountants

22 Camac Street
3rd Floor, Block 'B'
Kolkata – 700 016, India
Tel +91 33 6134 4000

INDEPENDENT AUDITOR'S REPORT

To the Members of Annapurna Finance Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Annapurna Finance Private Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2021, 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 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 and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the 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 as at March 31, 2021, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of 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 (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the 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 we have obtained 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 43 to the accompanying Consolidated Financial Statements, which describes the extent to which the COVID – 19 pandemic may impact the Group's operations and its financial metrics which are dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

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We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Impairment of loan receivables at balance sheet date (including provision for expected credit losses) *(as described in note 7 and note 41.2 of the consolidated financial statements)*	
Ind AS 109 requires the Group to provide for impairment of its loan receivables using the expected credit loss (ECL) approach. In the process, a significant degree of judgement has been applied by the management including but not limited to the following matters: 1. Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default'. 2. Grouping of loan portfolio under homogenous pools to determine probability of default on a collective basis. 3. Determining effect of less frequent past events on future probability of default. **Additional considerations on account of COVID-19:** The impact of Novel Coronavirus (COVID-19) pandemic, including the changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the year led to a decrease in loan originations and collection efficiency. The Group uses the principles of prudence wherever applicable to assess the impact of pandemic on the consolidated financial statements specifically while assessing management overlays. The Company has recorded a total provision (including management overlay) of Rs. 23,547 lakhs as part of its ECL, to reflect among other things an increased risk of deterioration in macro-economic factors caused by Novel Coronavirus (COVID-19) pandemic. Given the unique nature of the pandemic and the extent of its economic impact which depends on future developments including governmental and regulatory measures and the Group's responses thereto, the	Our audit procedures included the following: • Read and assessed the Group's accounting policy for impairment of loan receivables and its compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India ('RBI') guidelines issued on March 13, 2020. • Tested the assumptions used by the Group for grouping and staging of loan portfolio into various categories and default buckets for determining the probability of default and loss given default rates. • Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 (i.e. default in repayment is within the range of 31 to 90 days) or stage 3 (i.e. the default in repayment is more than 90 days). • Tested the input data used for determining the probability of default and loss given default rates and agreed the data with the underlying books of accounts and records. • Performed inquiries with the Group's management and its risk management function to assess the impact of lock- down on the business activities of the Group. • Assessed the Group's policy with respect to moratorium pursuant to the RBI circular and Microfinance Institutions Network (MFIN) advisory and tested the implementation of such policy on a sample basis.

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Key audit matters	How our audit addressed the key audit matter
actual credit loss can be different than that being estimated. Given the high degree of management's judgement involved in estimation of ECL, accentuated by the considerations for COVID 19 related developments, it is a key audit matter.	• Assessed the additional considerations applied by the management for staging of loans as SICR/ default in view of Group's policy on moratorium by testing on a sample basis. • Tested assumptions used by the management in determining the overlay for macro-economic factors (including COVID-19 pandemic) in accordance with the governance framework approved by the Board of Directors pursuant to RBI guidelines issued on March 13, 2020. • Tested the arithmetical accuracy of computation of ECL provision performed by the Group in spreadsheets. • Assessed the adequacy of disclosures included in the Consolidated Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109. We also evaluated the adequacy of COVID-19 specific disclosures in the Consolidated financial statements and verified the data included in the disclosures. •
(b) Information Technology ('IT') Systems and controls	
The financial accounting and reporting systems of the Group are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting. Deficiency in the IT control environment could potentially result in a material misstatement of the financial accounting and reporting records. Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.	Our audit procedures included the following with support from IT specialist: • The aspects covered in the IT General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs to understand the design and test the operating effectiveness of such controls. • Assessed the changes that were made to the key systems and assessed changes that have impact on financial reporting. • Tested the periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. • Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system.

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Key audit matters	How our audit addressed the key audit matter
	• Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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 such 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of 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 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 Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the company included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the company included in the Group are also responsible for overseeing the financial reporting process of the Group.

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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 Holding 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, 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 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.

We communicate with those charged with governance of the Holding Company and such other entity 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

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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 for the financial year ended March 31, 2021 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

We did not audit the financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of Rs 500 lakhs as at March 31, 2021, and total revenues of Rs. Nil and net cash inflows of Rs 500 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditors.

Our opinion above 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 and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon 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 consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

S.R. Batliboi & Co. LLP Kolkata

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company and its subsidiary incorporated in India for the year ended March 31, 2021;

(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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

(i) The Group does not have any pending litigations which would impact its consolidated financial position;

(ii) The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2021;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary incorporated in India during the year ended March 31, 2021.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner
Membership Number: 055596
UDIN: 21055596AAAACT1332
Place of Signature: Kolkata
Date: June 30, 2021

S R Batliboi & Co. LLP
Kolkata

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ANNAPURNA FINANCE PRIVATE LIMTED

Report on the Internal Financial Controls 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 Annapurna Finance Private Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the company included in the Group, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 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 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 control 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 control with reference to consolidated financial

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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.

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.

Opinion

In our opinion, the Group, which is company incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these one subsidiary, which is company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner
Membership Number: 055596
UDIN: 21055596AAAACT1332
Place of Signature: Kolkata
Date: June 30, 2021

S R Batliboi & Co. LLP
Kolkata

Annapurna Finance Private Limited
Consolidated Balance Sheet as at March 31, 2021

(In Rs. Lakhs)

Particulars	Notes	As at March 31, 2021
ASSETS		
Financial assets		
Cash and cash equivalents	4	86,635
Bank balance other than cash and cash equivalents	5	82,181
Trade receivables	6	37
Loans	7	3,86,716
Other financial assets	8.1	14,560
Subtotal - Financial assets		5,70,129
Non-financial assets		
Current tax assets (net)	9.1	125
Deferred tax assets (net)	9.2	2,778
Property, plant and equipment	10	1,139
Intangible assets	11	99
Right to use assets	12	39
Other non-financial assets	8.2	1,198
Subtotal - Non- financial assets		5,378
Total assets		5,75,507
LIABILITIES AND EQUITY		
Liabilities		
Financial liabilities		
Payables		
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	13	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		227
Debt securities	14	1,73,854
Borrowings (other than debt securities)	15	2,82,307
Subordinated liabilities	16	32,275
Lease liabilities	12	36
Other financial liabilities	17.1	9,046
Subtotal - Financial liabilities		4,97,745
Non-financial liabilities		
Provisions	18	1,034
Other non-financial liabilities	17.2	468
Total non- financial liabilities		1,502
Equity		
Equity share capital	19	6,872
Instruments entirely equity in nature	20	300
Other equity	21	69,088
Subtotal - Equity		76,260
Total liabilities and equity		5,75,507

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.301003E/E300005

per Bhaswar Sarkar
Partner
Membership No.: 055596

S.R. Batliboi & Co. LLP Kolkata

Place: Kolkata
Date: June 30, 2021

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Place: Bhubaneswar
Date: June 30, 2021

ANNAPURNA FINANCE PVT. LTD. INDIA

Annapurna Finance Private Limited
Consolidated Statement of Profit and Loss for the period ended March 31, 2021

(In Rs. Lakhs)

	Particulars	Notes	For the year March 31, 2021
	Revenue from operations		
	Interest income	22	90,709
	Fees and commission income	23.1	271
	Net gain on derecognition of financial instruments	23.2	6,363
	Other operating revenue		
	Bad debt recovery		142
(I)	Total revenue from operations		97,485
(II)	Other income	24	226
(III)	Total income (I + II)		97,711
	Expenses		
	Finance costs	25	51,105
	Impairment of financial instruments	26	19,175
	Employee benefits expenses	27	20,599
	Depreciation and amortisation expenses	28	893
	Other expenses	29	5,772
(IV)	Total expenses		97,544
(V)	Profit before tax (III-IV)		167
(VI)	Tax expense:		
	Current tax	9.3	3,705
	Deferred tax credit		(3,720)
(VII)	Profit for the year (V-VI)		182
(VIII)	Other comprehensive income		
	A Items that will not be reclassified to profit or loss		
	Remeasurement gain/(loss) on defined benefit plan	33.3	15
	Income tax relating to items that will not be reclassified to profit or loss	9.3	(4)
	Subtotal (A)		11
	B Items that will be reclassified to profit or loss		
	Net change in fair value of loans measured at fair value through other comprehensive income		(635)
	Income tax relating to items that will be reclassified to profit or loss	9.3	160
	Subtotal (B)		(475)
	Other Comprehensive Income (A+B)		(464)
(IX)	Total comprehensive income (Comprising profit / (loss) and Other Comprehensive Income for the year) (VII)+(VIII)		(282)
(X)	Earnings per equity share (face value of ₹10.00 each)		
	Basic (Rs.)	30	0.26
	Diluted (Rs.)		0.24

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.301003E/E300005

per Bhaswar Sarkar
Partner
Membership No.: 055596

S R Batliboi & Co. LLP Kolkata

Place: Kolkata
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Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Place: Bhubaneswar
Date: June 30, 2021

ANNAPURNA FINANCE PVT. LTD. INDIA

Annapurna Finance Private Limited
Statement of Consolidated cash flows for the year ended March 31, 2021

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2021
Cash flow from operating activities	
Profit before tax	167
Adjustments for:	
Depreciation and amortisation expenses on property, plant and equipment, intangible assets and right of use assets	893
Impairment of financial instruments	19,175
Provision for insurance claim receivable and others	167
Net gain on derecognition of financial instruments	(6,363)
Share based payments to employees	126
Operating profit before working capital changes	14,165
Movements in working capital:	
Decrease in other financial and non financial assets	319
Increase in bank balance other than cash and cash equivalents (net)	(40,397)
Decrease / (Increase) in trade receivables	10
Increase in loans and advances	(53,099)
Increase in other financial and non financial liabilities	645
Increase in provisions	381
(Decrease) / increase in trade payables	(109)
Cash (used) in operations	(78,085)
Income tax paid (net of refunds)	(2,124)
Net cash flows used in operating activities (A)	(80,209)
Cash flow from investing activities	
Purchase of property, plant and equipment	(542)
Purchase of intangible assets	(149)
Net cash flows used in investing activities (B)	(690)
Cash flow from financing activities	
Proceeds from issuance of equity share capital (including premium)	7
Proceeds from debt securities (net)	1,09,675
Repayment of lease liabilities	(57)
Proceeds from Borrowings (other than debt securities) (net)	(18,476)
Proceeds of Subordinated liabilities (net)	6,499
Share issue expenses	(141)
Net cash flows from financing activities (C)	97,507
Net increase in cash and cash equivalents (A+B+C)	16,608
Cash and cash equivalents at the beginning of the year	70,027
Cash and cash equivalents at the end of the year (Refer note 4)	86,635
Components of cash and cash equivalents at the end of the year	
Balances with banks:	
on current accounts	42,475
deposit with original maturity of less than three months	44,013
Cash on hand	147
Total cash and cash equivalents at the end of the year	86,635
Cash flow from operating activities include interest received of Rs 78,149 lakhs and interest paid of Rs 46,411 lakhs.	

Notes:

1. For reconciliation of liabilities arising from financing activities refer note no 38
2. Figures in () indicate cash outflow.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
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per Bhaswar Sarkar
Partner
Membership No.: 055596

S R Batliboi & Co. LLP Kolkata

Place: Kolkata
Date: June 30, 2021

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Managing Director
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Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Place: Bhubaneswar
Date: June 30, 2021

ANNAPURNA FINANCE PVT. LTD. INDIA

Annapurna Finance Private Limited
Statement of Consolidated changes in Equity for the year ended March 31, 2021

a. Equity Share Capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	In Nos.	In Rs. Lakhs
As at April 1, 2020	6,86,99,648	6,870
Issued during the year (refer note 19)	16,300	2
As at March 31,2021	6,87,15,948	6,872

b. Other Equity

(In Rs. Lakhs)

	Reserves and Surplus					Total
	Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	Securities premium	Stock option outstanding	Retained Earnings	Other Items of Comprehensive Income (Fair valuation on portfolio)	
Balance as at April 1, 2020	4,169	40,217	1,169	16,063	7,767	69,385
Profit for the year	-	-	-	182	-	182
Other comprehensive income	-	-	-	11	(475)	(464)
Total comprehensive income for the year	-	-	-	193	(475)	(282)
Transfer to/from retained earnings	36	-	-	(36)	-	-
Share Issue / debenture issues expenses	-	(141)	-	-	-	(141)
Amortization of vesting expenses of Employee stock option plan	-	-	126	-	-	126
Balance as at March 31, 2021	4,205	40,076	1,295	16,220	7,292	69,088

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.301003E/E300005

per Bhaswar Sarkar
Partner
Membership No.: 055596

S R Batliboi & Co. LLP Kolkata

Place: Kolkata
Date: June 30, 2021

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited

Gobinda Chandra Pattanaik
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Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Place: Bhubaneswar
Date: June 30, 2021

ANNAPURNA FINANCE PVT. LTD. INDIA

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1.1 Corporate Information

Annapurna Finance Private Limited ("the Holding Company or Parent Company") is a private company incorporated in India. The Holding Company was registered as a non-deposit taking Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and was classified as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with effect from October 22, 2013. The Holding Company is engaged primarily in providing micro finance services to women in rural areas of India, who are enrolled as members and organized as Self Help Groups ('SHG') and Joint Liability Group (JLG).

The consolidated financial statements comprise financial statements of the Parent Company and its subsidiary i.e. Annapurna SME Finance Private Limited ('ASFPL' or 'the subsidiary') (collectively the 'Group') for the year ended March 31, 2021. ASFPL is a private limited company incorporated in India under the Companies Act , 2013 on December 18, 2020. ASFPL is yet to make application for NBFC registration to RBI till the date of consolidated financial statements. The subsidiary company has not started its business operations till the date of consolidated financial statements.

The Consolidated financial statements for the year ended March 31, 2021 were approved by the Board of Directors on June 30, 2021.

1.2 Basis of Preparation

These Consolidated audited financial statements of the Annapurna Finance Private Limited ("The Holding Company") and its subsidiary (collectively referred to as the "Group") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amendedfrom time to time) and notified under Section 133 of the Companies Act 2013 ("the Act"). The financial statements has been prepared on going concern basis. These Consolidated audited financial statements include financial statements of the following company.

Name of the company	% of share holding and voting power of the holding company	Consolidated as
Annapurna SME Finance Private Limited*	99.96%	Subsidiary

* During the year ended, March 31, 2021 Annapurna Finance Private Limited has incorporated a new subsidiary "Annapurna SME Finance Private Limited on Decemeber 18, 2020.

Previous year / comparatives figures are not applicable since new subsidiary was formed in the current financial year ended March 31, 2021 and hence first time consolidated audited financial statements has been prepared.

The Consolidated financial statements are prepared on a going concern basis, as the management is satisfied that The Group shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability and cash flows.

These Consolidated financial statements have been prepared on a historical cost basis, except for financial assets and liabilities designated at fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVOCI), all of which have been measured at fair value.

These Consolidated financial statements for the year ended March 31, 2021 have been prepared in Indian Rupee (INR), which is the functional currency of The Group, and all values are rounded to the nearest lakhs, except when otherwise indicated.

1.2.1 Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and its' subsidiary (from the date control is gained), being the entity that it controls. Control is evidenced where the investor 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. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Parent Company.

The Parent Company holds 99.96% shareholding in Annapurna SME Financial Services Private Limited. The financial statements of the subsidiary acquired during the year are included in the consolidated statement of profit and loss from the effective date of acquisition. Intragroup balances and transactions and any unrealized income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

The consolidated financial statements include results of the subsidiary of Annapurna Finance Private Limited. (Holding Company), consolidated in accordance with Ind AS 110 'Consolidated Financial Statements.

Name of the Company	Country of Incorporation	Proportion of Ownership as at March 31, 2021	Proportion of Ownership as at March 31, 2020	Consolidated as
Annapurna SME Finance Private Limited	India	99.96%	Not applicable	Subsidiary

Refer note 42 for additional information as required under Schedule III of Companies Act, 2013, of enterprises consolidated as subsidiary.

1.3 Presentation of financial statements

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 in Note 37.

The Group generally reports financial assets and financial liabilities on a gross basis in the balance sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, The Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. The consolidated financial statements are prepared using the uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, to the extent possible unless otherwise stated.

S R Batliboi & Co. LLP Kolkata

ANNAPURNA FINANCE PVT. LTD. INDIA

2 **Summary of significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 **Revenue recognition Income and expense**

The Group earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised :

(i) Interest Income and expense

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method . 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 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 loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

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.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Dividend Income

Dividend income is recognised when the right to receive payment is established, which is generally when the shareholders approve the dividend.

(iii) Net gain/ loss on fair value changes: The Group recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

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.

(iv) Fees and Commission Income: The Group recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 "Financial instruments" is applicable) based on a comprehensive assessment model as set out in Ind AS 115 "Revenue from contracts with customers". The Group identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received/ receivable.

(v) Other Income and expenses

All other income and expenses are recognised in the period they occur.

2.2 **Cash and cash equivalents**

Cash and cash equivalents, comprise cash in hand, cash at bank and short-term investments with an original maturity of three months or less, that are readily convertible to insignificant risk of changes in value.

2.3 **Property, plant and equipment ('PPE') and Intangible assets**

Initial Recognition and measurement

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to The Group and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

2.4 **Depreciation and amortization**

2.4.1 Depreciation

Depreciation on property, plant and equipment is measured using the written down value method at the rates arrived based on the useful lives of the assets, prescribed under Schedule II of the Act, which also represents the estimate of the useful life of the assets by the management. The useful life estimated by the management is as under:

Category of Asset	Useful Life (Years)
Furniture and fittings	10
Office equipments	5
Vehicles	8
Computers	3

2.4.2 Amortisation

Intangible assets are amortized on a written down value method over the estimated useful economic life. The management has determined its estimate of useful economic life as 1-3 years. The useful lives of intangible assets are reviewed at each financial year and adjusted.

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2.5 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 net selling price and its value in use. The 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 groups of assets. Where the carrying amount of an asset 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

2.6 Provisions

Provisions are recognised when The Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, The Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

2.7 Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of The Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognised a contigent liability but discloses its existence in fianancial statements, if any.
Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

2.8 Retirement and other employee benefits

The Group participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, The Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is The Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on The Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.

2.8.1 Defined contribution plan

Retirement benefits in the form of provident fund and superannuation are defined contribution schemes. The Group has no obligation, other than the contribution payable to the respective funds. The Group recognises contribution payable to the respective funds as expenditure, when an employee renders the related service.

2.8.2 Defined benefit plan

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year. Gains or losses through remeasurements of net benefit liabilities/ assets are recognised with corresponding charge/credit to the retained earnings through other comprehensive income in the period in which they occur.

2.8.3 Other employee benefits

The Group treats accumulated leave expected to be carried forward beyond twelve months as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

2.9 Taxes

2.9.1 Current income tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are as per Income tax Act, 1961. 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 other comprehensive income or directly in equity.

2.9.2 Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the ability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss [either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.10 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.11 Employee Stock Option Plan and Management Stock Option Plan

Equity-settled share based payments to employees and senior management executives, are measured at the fair value of the equity instruments at the grant date.

The cost of equity-settled transactions is measured using the fair value method and recognised, together with a corresponding increase in the "Stock options outstanding account" in reserves, at the date when the grant is made using an appropriate valuation model. 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 expense or credit recognised in the statement of profit and loss for the 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.

S R Batliboi & Co. LLP Kolkata

ANNAPURNA FINANCE PVT. LTD. INDIA

2.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.12.1 Financial Assets

2.12.1.1 Initial recognition and measurement

Financial assets are initially recognised on the trade date, i.e., the date that The Group becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

2.12.1.2 Classification and Subsequent measurement

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms that give rise to contractual cash flows on specified dates, that represent solely payments of principal and interest (SPPI) on the principal amount outstanding in accordance with the requirements of Ind AS 109.

2.12.1.2.1 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.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from The Group's original expectations, The Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

2.12.1.3.1 Loans at amortised cost

Loans are measured at the amortised cost if both the following conditions are met:
(a) Such loan is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

2.12.1.3.1 Loans at fair value through other comprehensive income (FVOCI)

Loans are measured at the FVOCI if both the following conditions are met:
(a) Such loan is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

FVOCI instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income is recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

2.12.2 Financial Liabilities

2.12.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

2.12.2.2 Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. The EIR amortisation is included as finance costs in the statement of profit and loss.

2.12.2.3 Reclassification of financial assets and liabilities

The Group doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which The Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

2.12.3 De-recognition of financial assets and liabilities

2.12.3.1 De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flow from the financial asset have expired. The Group also de-recognises the financial asset if it has transferred the financial asset and the transfer qualifies for de-recognition.

The Group has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset

Or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby The Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Group cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, The Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients. A transfer only qualifies for de-recognition if either:
- The Group has transferred substantially all the risks and rewards of the asset

Or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group considers control to be transferred and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When The Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of The Group's continuing involvement, in which case, The Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that The Group has retained.
On derecognition of a financial asset in its entirety, the difference between: (a) the carrying amount (measured at the date of derecognition) and (b) the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit or loss account.

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2.12.3.2 De-recognition of financial liabilities

Financial liability is de-recognised 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 de-recognition of the original liability and the re-cognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

2.12.4 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13 Impairment of financial assets

In accordance with Ind AS 109, The Group is required to measure expected credit losses on its financial instruments designated at amortized cost and fair value through other comprehensive income. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL)

Both LTECLs and 12m ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.The Group believes that the all loans disbursed in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio are treated as separate groups for the purpose of Expected credit loss computation.

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1 includes loans for which the credit risk at the reporting date is in line with the credit risk at the initial recognition (i.e. disbursement date)
Stage 2 includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk/ SICR)
Stage 3 includes default loans. A loan is considered default at the earlier of (i) the bank considers that the obligor is unlikely to pay its credit obligations to The Group in full, without recourse by The Group to actions such as realizing collateral (if held); or (ii) the obligor is past due 90 days or moreon any material credit obligation to The Group.

The Group offers products with monthly repayment frequency, and has identified the following stage classification to be the most appropriate for its Loans:
Stage 1: 0 to 30 Days Past Due
Stage 2: 31 to 89 Days Past Due (SICR)
Stage 3: above 89 Days Past Due (Default)

2.13.1 The calculation of ECL

The Group calculates ECLs based on historical data to measure the expected cash shortfalls. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

ECL consists of three key components: Probability of Default (PD), Expesure at Default (EAD) and Loss given default (LGD). ECL is calculated by multiplying them. The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

a. Probability of Default (PD): PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each state separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of all loans in stage 1 moving into stage 3 in 12-months' time.
PD for stage 2: is derived as %age of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.
PD for stage 3: is derived as 100% considering that the default occurs as soon as the loan becomes overdue for 90 days which matches the definition of stage 3.

-Probability of Default (PD) using 12 months static pool methodology is computed for each 12-month period of observation starting from March 2012 to March 2013 till March 2019 which is 7-years period of historical information

b. Exposure at default (EAD): Exposure at default (EAD) is the sum of outstanding principal and the interest amount accrued but not received on each loan as at reporting date. EAD includes on Balance Sheet portfolio, Securitized portfolio and over collateral portion (i.e. Company's own risk) pertaining to the Assigned Portfolio.

c. Loss given default (LGD): LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.
LGD is computed as below:
1. All Loans which are above 89 DPD as on 31 March 2013, are taken and the difference in the principal outstanding as on 31st March 2013 and 31st March 2019 is considered as recovery.
2. Likewise the same is done for all the loans (excluding the loans which are already considered in previous years) which are above 89 DPD as on 31 March 2014, 31 March 2015, 31 March 2016, 31 March 2017, 31 March 2018, 31 March 2019 and recovery rate is computed for each year.
3.LGD= 1- Recovery rate which is computed for each period of observation

2.13.2 Forward Looking Information

The Group performs an analysis of inputs to the ECL model, as referred above, under multiple economic scenarios at the end of each reporting period and adjusts the ECL to reflect the expected changes (if any) in the economic environment for forward looking information in the form of management overlay.

2.14 Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date using valuation techniques.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:- In the principal market for the asset or liability, or- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by The Group. (Refer Note 39 to consolidated financial statements for the year ended March 31, 2021)

2.15 Derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.
Derivatives embedded are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

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2.16 Write-offs

Loans are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when The Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write offs. All such write offs are charged to Profit and Loss statement. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

2.17 Convertible Preference Shares

Convertible preference shares are classified as instruments entirely equity in nature as per the terms of the contract since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs, if any, are deducted from equity, net of associated income tax.

2.18 Segment Information

The Group is solely engaged in providing financial services to borrowers and accordingly there is only reportable business segment i.e. financial services for the purpose of Ind AS 108 on "Operating Segments". The Group operates in a single geographical segment i.e. domestic.

2.19 Foreign currency

Transactions in foreign currencies are initially recorded by The Group at the exchange rate prevailing at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the spot exchange rates at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss except for the tax charges and credits attributable to exchange differences on monetary items , which are recorded in other comprehensive income.

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 recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.20 Leases

Ind AS 116 standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.
Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, ranging from 2 to 5 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.5 Impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of Office (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, that are of low value. Lease payments on short term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.21 Share Issue Expenses

Incremental costs that are directly attributable to the issue of an equity instrument (i.e. they would have been avoided if the instrument had not been issued) are deducted from equity

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3 **Significant accounting judgements, estimates and assumptions**

The preparation of The Group's Ind AS financial statements requires Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.:

a. Business model assessment (Refer note 2.12.1.2.1)

b. Fair value of financial instruments (Refer note 2.14)

c. Effective Interest Rate (Refer note 2.1(i))

d. Impairment of Financial assets (Refer note 2.13)

e. Provision (Refer note 2.6)

f. Useful life of Property, plant and equipment and Intangible assets (Refer note 2.4)

g. Actuarial valuation (Refer note 2.8)

h. Taxes- Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses including unabsorbed depreciation can be utilised. Significant management estimate and assumptions is required to determine the amount deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. For details, refer note 2.9

i. Leases- 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 borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. For details, refer note 2.20.

New and amended standards

(i) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the Consolidated financial statements of, nor is there expected to be any future impact to The Group.

(ii)Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The impact of the same is immaterial.

Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Group's financial statements.

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Annapurna Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2021

Note 4: Cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2021
Cash in hand	147
Balances with Banks in current accounts	42,475
Bank deposit with maturity of less than 3 months	44,013
Total	86,635

Balances with banks earn interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Note 5: Bank balance other than cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2021
Fixed deposit with remaining maturity of not more than 12 months*	39,621
Fixed deposit with remaining maturity of more than 12 months*	42,560
Total	82,181

(*) Includes deposit certificates along with interest accrued of Rs. 27,068 lakhs marked as lien towards term loans availed from banks. towards cash collateral placed in connection with portfolio loan securitised and business correspondent activities entered with the banks.

Note 6: Trade Receivables

(In Rs. Lakhs)

Particulars	As at March 31, 2021
Accrued commission on business correspondant activities (Unsecured, considered good)	37
Total	37

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30-90 days.

Note 7: Loans and Advances
Considered good unless stated otherwise

Particulars	As at March 31, 2021		
	Amortised Cost	At fair value Through Other Comprehensive Income	Total
i) Term loans (including securitised pool)	98,072	3,11,819	4,09,891
Considered good	97,859	2,81,980	3,79,839
Credit impaired	213	29,839	30,052
Total term loans	98,072	3,11,819	4,09,891
ii) Staff Loan	372	-	372
Total (A) - Gross	98,444	3,11,819	4,10,263
Less: Impairment loss allowance	5,634	17,913	23,547
Total (A) - Net	92,810	2,93,906	3,86,716
Term loans (including securitised pool)			
i) Secured	23,925	-	23,925
ii) Unsecured	74,147	3,11,819	3,85,966
Sub-total - Term loans	98,072	3,11,819	4,09,891
Staff loan			
-Unsecured	372	-	372
Sub-total - Staff loan	372	-	372
Total (B) - Gross	98,444	3,11,819	4,10,263
Less : Impairment loss allowance	5,634	17,913	23,547
Total (B) - Net	92,810	2,93,906	3,86,716
Loans in India			
i) Public Sector	-	-	-
ii) Others	98,444	3,11,819	4,10,263
Total - Gross	98,444	3,11,819	4,10,263
Less: Impairment loss allowance	5,634	17,913	23,547
Total - Net	92,810	2,93,906	3,86,716
Loans outside India	-	-	-
Less: Impairment loss allowance	-	-	-
Total - Net	-	-	-
Total (C)	92,810	2,93,906	3,86,716

The details of loans hypothecated against borrowings are presented in Note 14-15.

Reconciliation of impairment allowance

Particulars	As at March 31, 2021		
	Amortised Cost	At fair value Through Other Comprehensive Income	Total
Opening Provision	1,793	4,260	6,053
Add: Impairment provision created during the year (Refer note 28)	4,588	14,587	19,175
Less: Loan portfolio (own) written off during the year	(817)	-	(817)
Less-: EIS receivable on assignment transaction written off during the year	(760)	-	(760)
Less-: Provision for managed portfolio disclosed under "provisions" (refer note 18)	(104)	-	(104)
Closing Provision	4,700	18,847	23,547

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Annapurna Finance Private Limited
Notes to the Consolidated financial statements for the year ended March 31, 2021

Note 7A
Gross carrying value of assets as at March 31, 2021

Particulars	Stage 1	Stage 2	Stage 3	Total
Standard	3,41,161	38,678	-	3,79,839
Non Performing assets	-	-	30,052	30,052
Total	3,41,161	38,678	30,052	4,09,891

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at April 1, 2020	3,51,510	2,800	4,886	3,59,196
Add: New assets originated during the year (net of collections)	51,512	-	-	51,512
Less-: assets written off during the year	-	(453)	(364)	-817
Movement between stages				
Transfer from Stage 1	(61,929)	38,423	23,506	-
Transfer from Stage 2	67	(2,092)	2,025	-
Transfer from Stage 3	1	-	(1)	-
Gross carrying value of assets as at March 31, 2021	3,41,161	38,678	30,052	4,09,891

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2020	3,970	231	1,852	6,053
Provision created / (reversed) during the year	(3,221)	4,716	16,816	18,311
Assets written off during the year	-	(453)	(364)	(817)
ECL allowance as at March 31, 2021	749	4,494	18,304	23,547

a) ECL for stage 1 has decreased primarily on account of restructuring done during the year.
b) ECL for stage 2 has increased primarily on account of restructured debt during the year.
c) ECL for stage 3 (net of write off) increased primarily on account of COVID-19 pandemic during the year.

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Annapurna Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2021

Note 8.1: Other financial assets
(at amortised cost)
(Unsecured, considered good unless stated otherwise) (In Rs. Lakhs)

Particulars	As at March 31, 2021
Security deposits	271
Retained interest on assets assigned	4,668
Interest accrued on loans designated at FVOCI	4,182
Fixed deposit with financial institution*	1,889
Insurance claim receivable (Unsecured, considered good)	930
Ex-gratia claim receivable#	2,213
Other financial assets- Others**	407
Total	14,560

*deposit with non banking financial companies and financial institutions marked as lien towards term loans availed.
**includes EIS receivable and advances recoverable in cash
#The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, had announced COVID-19 Relief Scheme ("the Scheme") for grant of exgratia payment being difference between compounded interest and simple interest for six months period from March 1, 2020 to August 31, 2020 to eligible borrowers as per the Scheme. The management has credited the differential interest in the borrower accounts in line with the requirement of the Scheme. As at March 31, 2021, the Group have not received the amount from Government of India and the amount is shown as "ex-gratia claim receivable". The management is confident of the recovery of ex-gratia claim receivable from the Government of India with in 12 months from the date of balance sheet.

Note 8.2:Other Non- financial assets
(Unsecured, considered good unless stated otherwise) (In Rs. Lakhs)

Particulars	As at March 31, 2021
Prepaid expenses	608
Capital advance	100
Other Advances *	490
Total	1,198

*includes advances to vendor

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Annapurna Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2021

Note 9.1: Current tax assets (net)

(In Rs. Lakhs)

	As at March 31, 2021
Advance income tax (net of provision)	125

Note 9.2: Deferred Tax Assets/Liabilities (net)
Effects of Deferred tax assets and Deferred tax liabilities

(In Rs. Lakhs)

	As at March 31, 2021
Deferred Tax Assets:	
Impairment loss allowance on loan portfolio	5,935
Difference of written down value property, plant and equipment	271
Provision for defined benefit obligation and leave encashment	230
Difference of lease liabilities and right of use asset	1
Impact due to amortization of processing fees income	(54)
Others	-
Deferred Tax Liabilities:	
Upfront recognition of gain on direct assignment transactions	(985)
Impact due to amortization of processing fees expenses	(51)
Fair value gain on loans	(2,569)
Deferred tax relating to origination and reversal of temporary differences (Net of liabilities)	2,778

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 9.3: Income Tax expense

(In Rs. Lakhs)

Particulars	Year ended 31 March 2021
Income tax expense in the statement of profit and loss consists of:	
Current Income Tax:	
Income tax	3,705
Deferred tax(*)	(3,720)
Income Tax expense reported in respect of current year	(15)
Tax in respect of earlier years	-
Total Income Tax expense reported in the statement of profit or loss	(15)
Income tax recognised in other comprehensive income	
Deferred tax arising on re-measurement gains/(losses) on defined benefit plans	(4)
Deferred tax arising on fair value gain on loan portfolio	(160)
Total	(164)

* Includes deferred tax charge (net) of Rs.123 lakhs arising from revised estimates pertaining to prior year

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 year ended 31 March 2021 is, as follows:

(In Rs. Lakhs)

Particulars	Year ended 31 March 2021
Accounting profit before tax	167
At India's statutory income tax rate of 25.17%	42
Change in tax rates	-
Income not subject to tax	
Others	210
Non-deductibe expenses	
Expenditure on CSR	84
Others	(89)
Additional tax allowances	(262)
Income tax expense reported in the statement of profit or loss	(15)
Income tax adjustment in respect of current income tax of prior years	-
Total income tax expense reported in the statement of profit or loss	(15)

The effective income tax rate for March 31, 2021 is 25.17%.

Movement in deferred tax balances for the year ended March 31, 2021

(In Rs. Lakhs)

Particulars	Net balance April 1, 2020	(Charge)/Credit in Profit and Loss	Recognised in OCI	Net balance March 31, 2021	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)						
Difference of written down value of property, plant and equipment	193	78	-	271	271	-
Provision for defined benefit obligation and leave encashment	168	66	(4)	230	230	-
Impairment loss allowance on loan portfolio	1,272	4,663	-	5,935	5,935	-
Impact of ammortisation of expense , offered to tax on upfront basis	(78)	27	-	(51)	-	(51)
Impact of ammortisation of processing fee income , offered to tax on upfront basis	160	(214)	-	(54)	-	(54)
Gain on direct assignment deals, accounted for upfront, offered to tax on accrual basis	(296)	(689)	-	(985)	-	(985)
Fair value gain on loans	(2,729)	-	160	(2,569)	-	(2,569)
Difference of lease liabilities and right of use asset	2	(1)	-	1	1	-
Other items	210	(210)	-	-	-	-
Net Deferred tax assets / (liabilities)	(1,098)	3,720	156	2,778	6,437	(3,659)

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Annapurna Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2021

Note 10: Property, plant and equipment

(In Rs. Lakhs)

Particulars	Freehold land	Office equipment	Furniture and Fixtures	Vehicles	Computers	Total
Cost:						
As at April 1, 2020	14	1,003	743	153	1,015	2,928
Additions	-	125	159	-	257	542
Disposals	-	-	-	-	-	-
As at March 31, 2021	14	1,128	902	153	1,272	3,470
Accumulated Depreciation:						
As at April 1, 2020	-	583	338	89	743	1,753
Depreciation charge for the year	-	210	121	20	227	579
Disposal	-	-	-	-	-	-
As at March 31, 2021	-	794	459	109	970	2,331
Net book value:						
As at March 31, 2021	14	334	443	44	302	1,139

The details of property, plant and equipment hypothecated against borrowings are presented in Note 14.

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Notes to the consolidated financial statements for the year ended March 31, 2021

Note 11: Intangible assets

(In Rs. Lakhs)

	Computer software
Deemed Cost:	
As at April 1, 2020	661
Additions	149
Disposals	-
As at March 31, 2021	809
Accumulative amortisation:	
As at April 1, 2020	448
Amortisation charge for the year	262
Disposal	-
As at March 31, 2021	710
Net book value:	
As at March 31, 2021	99

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Notes to the consolidated financial statements for the year ended March 31, 2021

Note 12: Leases (where the Group is the lessee)

As a Lessee:

The Group has lease contracts for premises used in its operations. Leases of premises generally have lease terms between 2 to 5 years.

The Group also has certain leases with lease terms of 12 months or less and leases with low-value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

(In Rs. Lakhs)

Particulars	As at March 31, 2021
Opening balance	99
Adjustment due to change in lease agreement and security deposit reclassification	(21)
Additions during the year	14
Depreciation expense	(53)
Closing balance	39

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(In Rs. Lakhs)

Particulars	As at March 31, 2021
Opening balance	85
Adjustment due to change in lease agreement	(14)
Additions during the year	14
Accretion of interest	8
Payments	(57)
Closing balance	36

The maturity analysis of Lease liabilities are disclosed in Note 38

The effective interest rate for lease liabilities is 11.77% to 13.01% with maturity between 2017- 2022.

The following are the amounts recognised in the statement of profit or loss: (In Rs. Lakhs)

Particulars	Year ended March 31, 2021
Amortisation charge on right of use asset (refer note 28)	53
Interest expense on lease liabilities (refer note 26)	8
Expense relating to short-term leases and other low value assets leases (included in other expenses) (refer note 29)	1,264
Total amount recognised in statement of profit or loss	1,325

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Annapurna Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2021

Note 13: Trade Payables:

Particulars	As at March 31, 2021
Trade Payables	
(a) total outstanding dues of micro enterprises and small enterprises	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	227
Total	227

Note 13.1 Dues to the Micro Enterprises and Small Enterprises:

Particulars	As at March 31, 2021
1. The principal amount remaining unpaid to supplier as at the end of accounting year	-
2. The interest due thereon remaining unpaid to supplier as at the end of accounting year	-
3. The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointment day during the year 2019-20	-
4. 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 year) but without adding the interest specified under this Act.	-
5. The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	-
Total	-

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Note 14: Debt securities (at amortised cost)

Particulars	As at March 31, 2021
Redeemable, Non- convertible Debentures (secured)*	1,50,972
Compulsorily Convertible Preference Shares #	22,882
Total	1,73,854
Debt securities in India	72,427
Debt securities outside India	1,01,427
Total	1,73,854

* Redeemable Non- convertible Debentures (secured) (at amortised cost) ("NCDs")

Terms of debentures	Number of debentures As at March 31, 2021	Face value	Amount in Lakhs As at March 31, 2021
11.90% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from from the date of allotment i.e. May 29, 2015, subject to exercise of put option by the lender or call option by the group at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	-	10,00,000	-
15.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty five months from from the date of allotment i.e. June 29, 2015.	-	10,00,000	-
12% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1 lakh each redeemable at par at the end of Seventy two months from from the date of allotment i.e. December 08, 2015.	2,004	1,00,000	2,058
13.10% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1 lakh each redeemable at par at the end of Seventy two months from from the date of allotment i.e. December 10, 2015.	2,670	1,00,000	2,683
13.78 % Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par partially from July 2020 with the date of allotment i.e. June 15, 2016	600	3,33,333	2,076
12.49 % Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par every six months from March 2021 with the date of allotment i.e. August 30, 2017.	325	8,33,333	2,732
12.376% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from from the date of allotment i.e. September 22, 2020, subject to exercise of put option by the lender or call option by the group at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	700	10,00,000	7,012
12.1113% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from from the date of allotment i.e. November 15, 2018, subject to exercise of put option by the lender or call option by the group at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	460	10,00,000	4,791
12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakhs each redeemable at par at the end of eighty four months from from the date of allotment i.e. December 19, 2018.	60,00,000	100	6,209
12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of thirty five months from from the date of allotment i.e. December 20., 2018.	350	10,00,000	3,649
11.8468% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from from the date of allotment i.e. March 01, 2019, subject to exercise of put option by the lender or call option by the group at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	1,000	10,00,000	10,047
11.9526% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from from the date of allotment i.e. August 31, 2020, subject to exercise of put option by the lender or call option by the group at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	1,000	10,00,000	9,961
12.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every six month from the date of allotment i.e. June 16, 2020.	1,000	8,33,333	8,322
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every year from the date of allotment i.e. July 30, 2020.	250	10,00,000	2,545
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every quarter from the date of allotment i.e. November 18, 2020.	1,000	10,00,000	10,073

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Terms of debentures	Number of debentures As at March 31, 2021	Face value	Amount in Lakhs As at March 31, 2021
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. November 18, 2020.	350	10,00,000	3,536
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. November 18, 2020.	100	10,00,000	1,010
10.39% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par partially beginning from the end of sixth month from the date of allotment i.e. March 30, 2021.	600	10,00,000	5,995
11.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. July 24, 2020.	250	10,00,000	2,699
10.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. September 29, 2020.	500	10,00,000	5,248
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. June 05, 2020.	100	10,00,000	1,093
10.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. December 04, 2020.	250	10,00,000	2,581
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 07, 2020.	500	10,00,000	5,077
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 07, 2020.	500	10,00,000	5,077
10.00% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. July 21, 2020.	200	10,00,000	2,136
11.60% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty three months from the date of allotment i.e. July 15, 2020.	1,000	10,00,000	10,228
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. June 26, 2020.	150	10,00,000	1,630
10.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 12, 2020.	500	10,00,000	5,335
12.00% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every year from the date of allotment i.e. December 22, 2020.	275	10,00,000	2,812
12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1 million each redeemable at par at the end of seventy two months from from the date of allotment i.e. March 20, 2019, subject to exercise of put option by the lender or call option by the group at the end of thirt six months from the date of allotment. Redeemable on maturity if option not exercised.	700	10,00,000	7,021
9.68% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 9 lakh each redeemable at par at the end of every six month from the date of allotment i.e. July 12, 2019.	695	7,00,000	4,942
12.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of sixty months from from the date of allotment i.e. July 07, 2020.	18,750	25,000	4,758
12.20% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of fifty nine months from from the date of allotment i.e. October 16, 2019.	730	10,00,000	7,637
Total			1,50,972

Compulsorily Convertible Preference Shares ("CCPS")

Terms	Number of CCPS As at March 31, 2021	Face value	Amount in Lakhs As at March 31, 2021
5%, 1,94,18,612 Series A compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	1,94,18,612	10.00	22,882
Total			22,882

Grand total (NCDs and CCPS)	1,73,854

Note: terms of conversion for CCPS
At the discretion of CCPS holder, the CCPS shall be converted into Equity Shares at the earlier of.
(i) at any time but not earlier than June 30, 2022 if the audited accounts for the financial year ending on 31 March 2022 are available or such other date on which the audited accounts for the financial year ending on 31 March 2022 are available ("Target Conversion Date");
(ii) at the time of closing of a Subsequent Round;
(iii) at the time of a Qualified IPO of the Company in accordance with the Shareholders' Agreement; or
(iv) upon the Transfer of 100% (one hundred percent) of the Share Capital of the Company, such date being the "Conversion Date", at the Conversion Rate, which shall be determined in accordance with this Schedule XVII of the Shareholder Agreement.

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Notes to the consolidated financial statements for the year ended March 31, 2021

Note 15: Borrowings other than debt securities *(at amortised cost)*

Particulars	At at March 31, 2021
Term loans (secured)*	
Banks	1,70,932
Financials institutions	45,813
Non Banking financial companies	12,708
External commercial borrowings**	32,679
Term loans (unsecured)	
External commercial borrowings**	16,006
Vehicle Loans (secured)	-
Borrowings from Securitisation arrangement (secured)	
- Securitisation transactions	4,169
Total	2,82,307
Borrowings in India	2,33,622
Borrowings outside India	48,685
Total	2,82,307

*Term loans are secured against hypothecation of all the underlying receivables/loan assets/book debts to the extent 1.0/1.05/1.1 times of the principal loan amount and margin money deposits.Secured Term loans are repayable in equated prinipal plus interest as well as in equated instalments carrying interest rate ranging from 6.38% - 12.50%. The above loans are also secured by personal guarantee of promoters.

**External Commercial Borrowings are secured against hypothecation of all the underlying receivables/loan assets/book debts to the extent 1.0/1.05 times of the principal loan amount. Secured Term loans are repayable in bullet payments/semi annual payments carrying interest rate ranging from 10.00% - 12.78%.

Borrowings under Securitisation arrangements
Represents securities issued by the Special Purpose Vehicles (SPVs) to the investors pursuant to the securitisation arrangement carrying a rate of interest in the rate of 8.90-10.90%. Since such arrangements do not fulfil the derecognition criteria under Ind AS 109. The Group has recognised the associated liabilities with a corresponding debit to loans and advances.

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Notes to the consolidated financial statements for the year ended March 31, 2021

Note 15.1 Terms of repayment of borrowings as on March 31, 2021

(In Rs. Lakhs)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due between 3 to 4 Years		Due between 4 to 5 Years		Due between 5 to 6 Years		Total
		No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	
Monthly														
0-3 Yrs.	6.38%-13.5%	812	93,575	416	44,349	3	337	-	-	-	-	-	-	1,38,261
Above 3 Yrs.	9.80%-11.30%	51	7,684	31	6,899	6	2,170	-	-	-	-	-	-	16,754
Monthly Total		863	1,01,259	447	51,249	9	2,507	-	-	-	-	-	-	1,55,016
Quarterly														
0-3 Yrs.	9.10%-12.25%	101	41,643	21	6,710	5	460	-	-	-	-	-	-	48,813
Above 3 Yrs.	10.60%-10.75%	4	533	-	-	-	-	-	-	-	-	-	-	533
Quarterly Total		105	42,176	21	6,710	5	460	-	-	-	-	-	-	49,346
Half Yearly														
0-3 Yrs.	7%-12.75%	4	13,663	3	8,290	1	1,658	-	-	-	-	-	-	23,611
Above 3 Yrs.	9.68%-12.49%	15	12,411	14	11,512	12	9,194	13	11,805	-	-	-	-	44,922
Half Yearly Total		19	26,074	17	19,802	13	10,852	13	11,805	-	-	-	-	68,533
Annually														
0-3 Yrs.	11.50%-12.00%	2	1,793	2	1,741	2	1,741	-	-	-	-	-	-	5,275
Annually Total		2	1,793	2	1,741	2	1,741	-	-	-	-	-	-	5,275
Bullet														
0-3 Yrs.	9.75%-12.78%	15	44,139	7	21,171	4	14,922	-	-	-	-	-	-	80,232
Above 3 Yrs.	10.50%-17.00%	13	24,801	6	15,204	6	35,429	5	18,802	3	14,409	3	21,389	1,30,035
Bullet Total		28	68,940	13	36,375	10	50,351	5	18,802	3	14,409	3	21,389	2,10,267
Grand Total		1,017	2,40,242	500	1,15,877	39	65,911	18	30,608	3	14,409	3	21,389	4,88,436

A. Debentures
Non-convertible debentures issued by the group are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the group to the extent of security cover ratio of 1.1:1 in favour of the debenture holders.

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

C. External Commercial Borrowings
The Group holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

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Note 16: Subordinated liabilities *(at amortised cost)*

Particulars	As at March 31, 2021
Indian Rupee term loan	
Subordinate debt (unsecured)- debentures*	28,746
Subordinate debt (unsecured)- term loans#	3,529
Total	32,275
Borrowings in India	17,916
Borrowings outside India	14,359
Total	32,275

*Subordinate debt NCDs are repayable in bullet payment carrying interest rate ranging from 12.21% - 14.9% p.a.
#Subordinate debt term loans are repayable in bullet payment carrying interest rate ranging from 13.5% - 16.5% p.a.

Subordinate debt (unsecured)- Debentures (at amortised cost)

Terms of debentures	Number of debentures As at March 31, 2021	Face value	Amount in Rs. Lakhs As at March 31, 2021
14.90% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty six months from from the date of allotment i.e. March 15, 2016.	200	10,00,000	2,008
14.90% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty six months from from the date of allotment i.e. March 28, 2016.	50	10,00,000	500
14.25% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from from the date of allotment i.e. September 29, 2016.	250	10,00,000	2,490
13.99% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from from the date of allotment i.e. March 24 2017	34,000	10,000	3,414
13.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of sixty six months from from the date of allotment i.e. March 27 2018	150	10,00,000	1,499
12.87% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakhs each redeemable at par at the end of eighty four months from from the date of allotment i.e. May 2 2019	30,00,000	100	2,957
13% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of eighty five months from from the date of allotment i.e. March 24 2020	396	10,00,000	3,979
12.29% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of eighty five months from from the date of allotment i.e. February 18 2028	28,500	25,000	7,006
12.21% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from from the date of allotment i.e. March 31 2020	340	10,00,000	3,395
14.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from from the date of allotment i.e. March 27, 2020	15,000	10,000	1,497
Total			28,746

Sub debt (unsecured)- Term Loans (at amortised cost)

Terms of term loan	Rate	As at March 31, 2021
16.5% Unsecured term loan , having tenure of 68 months, maturing in FY 2020-21	16.50%	1,001
13.5% Unsecured term loan , having tenure of 66 months, maturing in FY 2023-24	13.50%	2,529
Total		3,529

Grand total of debentures and term loans (subordinate debt) (unsecured)	3,529

Note 17.1: Other financial liabilities (at amortised cost)

Particulars	As at March 31, 2021
Insurance premium payable	962
Employee dues	1,118
Payable towards securitisation transaction	4,628
Liability against interest subvention scheme	914
Arranger / processing charges payable	612
Death claim payable to customers	474
Other financial liabilities - Other payable*	338
Total	9,046

* consists of payable to vendors

Note 17.2: Other non-financial liabilities

Particulars	As at March 31, 2021
Statutory dues payable	468
Total	468

Note 18: Provisions

Particulars	As at March 31, 2021
Provision for employee benefits:	
Gratuity (refer note 33)	404
Leave encashment and availment	527
Provision on managed loan portfolio (under business correspondence arrangement)	104
Total	1,034

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Notes to the consolidated financial statements for the year ended March 31, 2021

Note 19: Equity Share Capital

The reconciliation of equity shares outstanding at the beginning and at the end of the year
(Amount in Rs. Lakhs except no. of shares)

Particulars	As at March 31, 2021
Authorised	
8,30,00,000 equity shares of Rs.10/- each	8,300
2,40,00,000 preference shares of Rs.10/- each	2,400
	10,700
Issued, subscribed and fully paid up	
6,87,15,948 equity shares of Rs.10/- each (in Rs. Lakhs)	6,872
	6,872

Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

Particulars	In Nos.	Amount in Rs. Lakhs
As at April 1, 2020	6,86,99,648	6,870
Issued during the period	16,300	2
As at March 31, 2021	6,87,15,948	6,872

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share for matters other than "Investor Reserved Matters".

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the investors at their sole discretion have the option to receive an amount equal to 100% of each investor's aggregate investment amount after distribution of all creditors and preferential amounts. Thereafter, the promoters and promoter shareholders other than the investor shall receive pro-rata distribution of all their entire subscription amounts in proportion to their shareholding in the Company. Remaining surplus, if any shall be distributed to all equity shareholders on a pro rata basis.

Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at March 31, 2021	
	No. of Shares held	% of Holding in the class
Equity Shares of Rs.10 each fully paid		
Gobinda Chandra Pattanaik	67,60,343	9.84%
Belgian Investment Company for Developing Countries NV - SA (Investor)	95,27,723	13.87%
Oikocredit Ecumenical Development Cooperative Society U.A. (Investor)	75,40,536	10.97%
Women's World Banking Capital Partners, LP	58,00,000	8.44%
Bamboo Financial Inclusions Fund II	46,45,695	6.76%
Oman India Joint Investment Fund II	1,80,48,942	26.27%
Asian Development Bank	1,16,88,702	17.01%
Total	6,40,11,941	
Compulsory Convertible Preference Shares of Rs. 10 each fully paid		
Pratap Chandra Dash on behalf of AIDS Awareness Trust of Orissa	30,00,000	13.38%
Nuveen Global Impact Fund India S.A.R.L (*)	1,94,18,612	86.62%
Total		

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.

* treated as financial liabilities in accordance with Ind AS 32 and hence disclosed under note 14

Shares reserved for issue under options

For details of shares reserved for issue under the management stock option plan (MSOP) and employee stock option (ESOP) of the Company, please refer Note 36.1 and 36.2.

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Notes to the consolidated financial statements for the year ended March 31, 2021

Note 20: Instruments entirely equity in nature

In Rs. Lakhs

Particulars	As at March 31, 2021
Compulsorily Convertible Preference Shares (30,00,000 preference shares of Rs 10 each fully paid up)	300
Total	300

Compulsorily convertible Preference shares are non interest bearing and convertible at par at the option of the holder of the instrument.

Note 21: Other equity*

In Rs. Lakhs

Particulars	As at March 31, 2021
Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	4,205
Securities premium	40,076
Stock option outstanding	1,295
Retained earnings	16,220
Other Comprehensive income	7,292
Total	69,088

* For detailed movement of reserves refer Statement of Changes in Equity for the year ended March 31, 2021

Nature and purpose of reserve

21.1 **Securities premium reserve**
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

21.2 **Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)**
Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 451C of Reserve Bank of India Act 1934.

21.3 **Stock option outstanding**
The stock option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

21.4 **Other comprehensive income**
The Group recognises changes in the fair value of Loan portfolio held with business objective of collect and sell in other comprehensive income. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to the statement of profit and loss when the loan is repaid. Any impairment loss on such instruments is reclassified immediately to the statement of profit and loss.

21.5 **Retained Earnings**
Retained earnings represent the cumulative profit/(loss) of the Group and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013.

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Notes to the consolidated financial statements for the year ended March 31, 2021

Note 22: Interest Income (Rs. In Lakhs)

Particulars	For the year ended 31 March, 2021		
	On Financial Assets measured at FVOCI	On Financial Assets measured at Amortised cost	Total
Interest income on loans	70,568	13,332	83,900
Interest income on securitised loans	-	858	858
Interest income on fixed deposits with Banks	-	5,792	5,792
Interest income on margin money deposits with NBFC/FI	-	117	117
Interest income on others	-	43	43
Total	70,568	20,141	90,709

Note 23.1: Fees and Commission Income (Rs. In Lakhs)

Particulars	For the year ended March 31, 2021
Loan portfolio servicing fees	271
Total	271

Note 23.2: Net gain on derecognition of loans designated at FVOCI (Rs. In Lakhs)

Particulars	For the year ended March 31, 2021
Net gain on derecognition of loans designated at FVOCI(*)	6,363
Total	6,363

* represents net gain accounted on assignment transactions during the year

Note 24: Other Income (Rs. In Lakhs)

Particulars	For the year ended March 31, 2021
Miscellaneous income	226
Total	226

Note 25: Finance costs (Rs. In Lakhs)

Particulars	For the year ended March 31, 2021
Interest on debt securities	13,380
Interest on borrowings other than debt securities	33,656
Interest on subordinated liabilities	3,736
Interest on Lease liabilities	8
Other borrowing costs*	325
Total	51,105

* consists of credit rating fees, bank charges etc.

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Note 26: Impairment of Financial assets

Particulars	For the year ended March 31, 2021		
	On Financial Assets measured at FVOCI	On Financial Assets measured at Amortised cost	Total
Impairment on loan portfolio (Own portfolio) (including loan portfolio written off)	14,587	4,484	19,071
Impairment on loan portfolio (Managed portfolio)	-	104	104
Total	14,587	4,588	19,175

Note 27: Employee benefit expenses (Rs. in Lakhs)

Particulars	For the year ended March 31, 2021
Salaries, wages and bonus	18,519
Contributions to provident fund and other funds	1,103
Gratuity expense (refer note 33)	292
Expenses on employee stock option plan (refer note 37.1 and 37.2)	126
Staff welfare expenses	559
Total	20,599

The Code on Social Security, 2020 ('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 is yet to be notified and the final rules/interpretation are yet to be promulgated. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 28: Depreciation and amortisation expenses (Rs. in Lakhs)

Particulars	For the year ended March 31, 2021
Depreciation on property, plant and equipment	578
Amortisation charge on right of use asset (refer note 12)	53
Amortisation on intangible assets	262
Total	893

Note 29: Other expenses (Rs. in Lakhs)

Particulars	For the year ended March 31, 2021
Rent on building (refer note 12)	1,264
Rent on property, plant and equipment (refer note 12)	185
Rates and taxes	224
Office maintenance	313
Office expenses	548
Director sitting fees	20
Travelling and conveyance	95
Communication expenses	266
Printing and stationery	253
Legal and professional fees	1,159
Payment to auditors	85
Insurance	58
Provision and other contingencies*	167
Advertisement	15
Training and meeting expenses	317
Electricity charges	161
Corporate Social Responsibility expenses	335
Miscellaneous expense	309
Total	5,772

* represents provision for insurance Claims in respect of dues from deceased borrowers

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Note 30: Earning per share

The following reflects the profit/loss after tax and equity share data used in the basic and diluted EPS calculations:

Particulars	Year ended March 31, 2021
Net profit after tax as per the Statement of profit and loss (Rs. in lakhs)	182
Net profit after tax as above for calculation of basic EPS and diluted EPS (Rs. in lakhs)	182
Weighted average number of ordinary shares for basic earnings per share	687
Effect of dilution:	
Stock options granted under ESOP (Nos.)	39
Compulsorily Convertible Preference Shares	30
Weighted average number of ordinary shares adjusted for effect of dilution	756
Earnings per share	
Basic earnings per share (Rs.)	0.26
Diluted earnings per share (Rs.)	0.24
Nominal Value per share (Rs.)	10

Note 31: Segment information

The Group is solely engaged in providing financial services to borrowers and accordingly there is only reportable business segment i.e. financial services for the purpose of Ind AS 108 on "Operating Segments'. The Group operates in a single geographical segment i.e. domestic.

Note 32: Transfer of financial assets

Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for de-recognition, together with the associated liabilities:

	As at March 31, 2021
Securitizations	
Carrying amount of transferred assets measured at FVOCI	4,169
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	4,169
Fair value of transferred assets	4,169
Fair value of associated liabilities	4,169
Net position at fair value	-

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Note 33 Defined benefit plan

33.1 Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/assets and its components:

Particulars	As at March 31, 2021
Reconciliation of present value of defined benefit obligation	
Obligation at the beginning of the year	548
Current service cost	279
Interest cost	37
Benefits settled	(6)
Actuarial (gains)/ losses recognised in other comprehensive income	
- Changes in experience adjustments	(3)
- Changes in financial assumptions	23
Obligation at the end of the year	878
Reconciliation of present value of plan assets	
Plan assets at the beginning of the year, at fair value	283
Interest income on plan assets	24
Re-measurement- actuarial gain	6
Contributions	168
Benefits settled	(6)
Plan assets at the end of the year, at fair value	474
Net defined benefit liability	404

33.2 Expense recognised in profit or loss

Particulars	For the year ended March 31, 2021
Current service cost	279
Interest cost	37
Interest income	(24)
Net gratuity cost	292

33.3 Re-measurement recognised in other comprehensive income

Particulars	For the year ended March 31, 2021
Re-measurement of the net defined benefit liability	
- Changes in experience adjustments	(3)
- Changes in financial assumptions	23
Re-measurement of the net defined benefit asset	
Return on plan assets (greater) / less than discount rate	(6)
Total Actuarial (gain)/ loss included in OCI	15

33.4 Plan assets

Particulars	For the year ended March 31, 2021
Funds managed by insurer	100%

33.5 Defined benefit obligation - Actuarial assumptions

Particulars	As at March 31, 2021
Discount rate	6.76%
Future salary growth	7.00%
Attrition rate	Varying between 8% per annum to 1% per annum depending on duration and age of employees
Average term of liability (in years)	28.89

33.6 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.

Particulars	As at March 31, 2021	
	Increase	Decrease
Discount rate (1% movement)	777	1,011
Future salary growth (1% movement)	1,012	774
Attrition rate (1% movement)	868	897

33.7 Expected payment for future years

Particulars	As at March 31, 2021
Within the next 12 months (next annual reporting period)	27
Between 2 and 5 years	198
Between 5 and 10 years	304
Beyond 10 years	-
Total expected payments	529

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Note 34 Asset liability management:

Maturity pattern of assets and liabilities as on March 31, 2021: (Rs. in lakhs)

Particulars	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings	20,484	12,287	17,206	59,569	1,31,695	1,81,788	45,018	21,388	4,88,436
Advances (Gross) [refer note 7(a)]	24,480	24,148	23,571	67,997	1,12,951	1,34,025	8,396	14,324	4,09,891
Investment in Fixed deposit	47,965	22,051	5,671	15,584	18,961	15,778	184	-	1,26,194

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Notes to the consolidated financial statements for the year ended March 31, 2021

Note 35: Related Party Transactions

Name of the Related Parties (as per Ind AS 24)

Relationship	Name of the party
(i) Key Management Personnel	Mr. Gobinda Chandra Pattanaik- Managing Director Mr. Dibyajyoti Pattanaik- Director Mr. Satyajit Das - Chief Financial Officer Mr. Subrat Pradhan- Group Secretary Mr. Ashok Ranjan Samal- Independent Director Mr. K.K. Tiwary- Independent Director Mr. Sean Leslie Nossel - Independent Director
(ii) Enterprise having significant influence over the Group	Oman India Joint Investment Fund II

Related Party transactions during the year:

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2021
(i) Key management personnel	
Salary, incentives and perquisites (Refer Note (b) below)	
Mr. Gobinda Chandra Pattanaik	153
Mr. Dibyajyoti Pattanaik	70
Mr. Satyajit Das	62
Mr. Subrat Pradhan	18
	303
Expenses on employee stock option plan	
Mr. Subrat Pradhan	2
	2
Sitting Fees Paid	
Mr. Ashok Ranjan Samal	10
Mr.K.K. Tiwary	8
Mr. Sean Leslie Nossel	6
	24

Note:
a) Related parties have been identified on the basis of the declaration received by the management and other records available.
b) The above remuneration to the key managerial personnel consitute the short term employee benefits and above does not include the provisions made towards post employement gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

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Note 36.1 Management Stock Option Plan (MSOP)

The Group provides share-based payment schemes to its key management personnel. The plan in operation as on March 31, 2021 are MSOP Series- A and MSOP - Series -B.

Particulars	MSOP - Series A	MSOP - Series B (I)
Date of Grant	June 29, 2012	March 19, 2014
Date of Board Approval	June 29, 2012	March 19, 2014
Date of Shareholder's Approval	June 29, 2012	March 19, 2014
Number of Options expected to exercise within the vesting period	8,16,214	4,16,119
Exercise Price per Share (Rs.)	2.5	5
Method of settlement	Equity	Equity
Vesting Period	March 31, 2013	March 31, 2015
Exercise Period	Immediate after vesting period subject to shareholders' approval	Immediate after vesting period subject to shareholders' approval
Vesting Conditions	Performace milestones as set out in shareholder agreement dated June 29, 2012	Performace milestones as set out in shareholder agreement dated March 19, 2014

The detail of the plans have been summarised below:

MSOP- Series A

Particulars	31-Mar-21	
	No. of Options	Exercise Price (Rs.)
Outstanding at the beginning of the year	8,16,214	-
Adjustment of opening:	-	-
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	8,16,214	-
Exercisable at the end of the year	8,16,214	-
Weighted average remaining contractual life in years	-	-

MSOP- Series B

Particulars	31-Mar-21	
	No. of Options	Exercise Price (Rs.)
Outstanding at the beginning of the year	24,99,423	5.00
Adjustment of opening:	-	-
Granted During the year	-	-
Forfeited During the year	-	-
Exercised During the year	-	-
Expired During the year	-	-
Outstanding at the end of the year	24,99,423	5.00
Exercisable at the end of the year	24,99,423	5.00
Weighted Average Remaining Contractual Life in Years	-	-

Effect of share-based payment plans (MSOP & ESOP) on the statement of profit and loss:

Particulars	March 31, 2021
Stock options outstanding (gross)	1,295
Deferred compensation cost outstanding	-
Stock options outstanding (net)	1,295

The Stock option outstanding contains of Rs 544 lakhs for MSOP (A & B) as on March 31, 2021 and Rs. 751 lakhs for ESOP.

Notes :
i) The issue of shares will be in accordance with the provisions of the Companies Act, 2013.

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Note 36.2 Employee Stock Option Scheme (ESOS)

On November 30, 2016 the board of directors approved the Annapurna Stock Option Scheme 2017 for issue of stock options to eligible employees of the Group. The relevant terms of the grant are as below:

Description	Grant - 2	Grant - 1
Date of Grant	01 July 2018	01 July 2017
Date of Board approval	30 November 2016	30 November 2016
Number of options granted	18,17,461	10,90,477
Method of Settlement	Equity	Equity
Graded Vesting	Vesting of the option will take place in equal proportion over a period of 3 years from the date of grant of options	
Exercise period		

The vested options can be exercised within a period of 5 years as per the table below:

End of the Year	Exercise period	Exercise period
1	Within 4 year of 1st Vesting	Within 5 year of 1st Vesting
2	Within 3 year of 2nd Vesting	Within 4 year of 2nd Vesting
3	Within 2 year of 3rd Vesting	Within 3 year of 3rd Vesting

Vesting Conditions	Continuous service with the Group and has not served any notice of resignation	
Weighted average remaining contractual life (years)	3 years	3 years
Weighted average exercise price per option (₹)	49	41

The details of activity under the Scheme 2017 Plan are summarized below:

Grant 1

Description	31st March 2021 (No. of options)
Outstanding at the beginning of the year	11,28,400
Granted during the year	-
Forfeited during the year	1,64,600
Exercised during the year	11,000
Outstanding at the end of the year	9,52,800
Exercisable at the end of the year	9,52,800
Weighted average remaining contractual life of options (years)	-
Weighted average share price during the exercise period (in ₹)	41

Grant 2

Description	31st March 2021 (No. of options)
Outstanding at the beginning of the year	5,08,300
Granted during the year	-
Forfeited during the year	70,500
Exercised during the year	5,200
Outstanding at the end of the year	4,32,600
Exercisable at the end of the year	4,32,600
Weighted average remaining contractual life of options (years)	1
Weighted average share price during the exercise period (in ₹)	49

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs-

Particulars	Grant 2	Grant 1
Share Price on the date of Grant (Rs)	90.64	76.09
Exercise price (₹)	49.00	41.00
Dividend yield (%)	-	-
Expected volatility (%)	58.14-57.59%	43.88% - 46.22%
Risk-free interest rate (%)	7.23-7.32%	6.60% - 6.74%
Weighted average fair value of stock options (Rs)	61.13	48.29
Weighted average share price (₹)	90.64	76.09

The expected volatility reflects the assumption that is indicative of future trends, which may also not necessarily be the actual outcome. The cost of employee stock option scheme has been recognised at fair value.

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Notes to the consolidated financial statements for the year ended March 31, 2021

Note 37: Maturity analysis of assets and liabilities

The table below shows assets and liabilities analysed according to when they are expected to be recovered or settled.

(In Rs. Lakhs)

	Particulars	Within 12 months	After 12 months	Total
	As at March 31, 2021			
	ASSETS			
(1)	Financial Assets			
(a)	Cash and cash equivalents	86,635	-	86,635
(b)	Bank balance other than cash and cash equivalents	39,621	42,560	82,181
(c)	Trade Receivables	37	-	37
(e)	Loans	2,29,971	1,56,745	3,86,716
(f)	Other financial assets	8,528	6,032	14,560
(2)	Non-financial Assets			
(a)	Current tax assets (net)	-	125	125
(b)	Deferred tax assets (net)	-	2,778	2,778
(c)	Property, plant and equipment	472	667	1,139
(d)	Intangible assets	62	37	99
(e)	Right of Use Assets	37	2	39
(f)	Other non-financial assets	534	664	1,198
	Total Assets	3,65,897	2,09,610	5,75,507
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	Financial liabilities			
(a)	Payables			
	(I) Trade Payables			
	- Total outstanding dues of micro enterprises and small enterprises	-	-	-
	-Total outstanding dues of creditors other than micro enterprises and small enterprises	227	-	227
(b)	Debt securities	56,950	1,16,904	1,73,854
(c)	Borrowings (other than debt securities)	1,79,714	1,02,593	2,82,307
(d)	Subordinated liabilities	3,578	28,697	32,275
(e)	Lease liabilities	33	3	36
(f)	Other financial liabilities	9,046	-	9,046
(2)	Non-financial liabilities			
(a)	Provisions	417	617	1,034
(b)	Other non-financial liabilities	468	-	468
(3)	Equity			
(a)	Equity share capital	-	6,872	6,872
(b)	Instruments entirely equity in nature	-	300	300
(c)	Other equity	-	69,088	69,088
	Total Liabilities and Equity	2,50,432	3,25,075	5,75,507

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Notes to the consolidated financial statements for the year ended March 31, 2021

Note 38: Changes in Liability arising from Financing activities

(In Rs. Lakhs)

Particulars	As at April 1, 2020	Cash Flows	Other	As at 31 March 2021
Debt Securities	64,179	1,09,675	-	1,73,854
Borrowings other than debt securities	3,00,783	(18,476)	-	2,82,307
Subordinated liabilities	25,776	6,499	-	32,275
Lease liabilities	85	(65)	15	36
Total liabilities from financing activities	**3,90,823**	**97,633**	**15**	**4,88,472**

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Note 39: Financial instruments – Fair values

39.1 Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
There have been no transfers between Level 1 and Level 2 during the year .

(Rs. in lakhs)

As at March 31, 2021	Carrying amount			
	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Cash and cash equivalents	-	-	86,635	86,635
Bank balance other than cash and cash equivalents	-	-	82,181	82,181
Trade receivables	-	-	37	37
Loans	-	2,93,906	92,810	3,86,716
Other financial assets	-	-	14,560	14,560
Total	-	2,93,906	2,76,223	5,70,129
Financial liabilities				
(I) Trade Payables				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	227	227
Debt securities	-	-	1,73,854	1,73,854
Borrowings (other than debt securities)	-	-	2,82,307	2,82,307
Subordinated liabilities	-	-	32,275	32,275
Lease liabilities	-	-	36	36
Other financial liabilities	-	-	9,046	9,046
Total	-	-	4,97,745	4,97,745

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets/liabilities, payables are considered to be the same as their face values, due to their short-term nature.

39.2 Measurement of fair values:

Valuation techniques and significant unobservable inputs:

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

As at March 31, 2021 (Rs. in lakhs)

Financial assets (measured at fair value)	Carrying amount	Fair value		
	FVOCI	Level 1	Level 2	Level 3
Loans	2,93,906	-	2,93,906	-
Total	2,93,906	-	2,93,906	-

Valuation technique used for Loan Portfolio:

The scheduled future cash flows (including principal and interest) are discounted using the lending rate prevailing as at the Balance sheet date. The discounting factor is applied assuming the cash flows will be evenly received in a month.

During the current year, the Group has changed its accounting estimate for measuring the gain on fair valuation of it's micro-finance loan portfolios through Other comprehensive Income from yearly discounting to monthly discounting of future cashflows. Accordingly, Other Comprehensive Income, Other equity and loan portfolio for the current year is lower by Rs. 1,973.27 lacs.

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Note 40: Capital Management:

The Group maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Group.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Group ensures to maintain a healthy CRAR at all the times.

Capital Management

The primary objectives of the Group's capital management policy are 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

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. The Group monitors its capital to risk weighted assets ratio (CRAR) on a monthly basis.

Regulatory capital(*)	As at 31 March 2021
Tier 1 Capital	85,806
Tier 2 Capital	22,552
Total capital	1,08,358
Risk weighted assets	3,91,150
Tier 1 CRAR	21.94%
Tier 2 CRAR	5.77%
Total capital ratio	27.71%

(*) Parent Company (Standalone)
Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings including current year profit less accrued dividends . Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments.

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ANNAPURNA FINANCE PVT. LTD. INDIA

Note 41: Risk Management

1 Introduction and risk profile

Annapurna Finance Private Limited ("Group") is one of the leading microfinance institutions in India focused on providing financial support to women from low income households engaged in economic activity with limited access to financial services. The Group predominantly offers collateral free loans to women from low income households, willing to borrow in a group and agreeable to take joint liability. The wide range of lending products address the critical needs of customers throughout their lifecycle and include income generation, home improvement, sanitation and personal emergency loans. With a view to diversifying the product profile, the Group has introduced individual loans for matured group lending customers. These loans are offered to customers having requirement of larger loans to expand an existing business in their individual capacity.

The common risks for the Group are operational, business environment, political, regulatory, concentration, expansion and liquidity. As a matter of policy, these risks are assessed and steps as appropriate, are taken to mitigate the same.

1.1 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 Risk Management framework approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Group. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organisation and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Group's policy is that risk management processes throughout the Group are audited quarterly by the Internal Audit function, which examines 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 Audit Committee.

1.2 Risk mitigation and risk culture

Risk assessments shall be conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Group. Procedures shall be established to update risk assessments at appropriate intervals and to review these assessments regularly. Based on the Risk Control and Self Assessment (RCSA), the Group shall formulate its Risk Management Strategy / Risk Management plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation can be planned using the following key strategies:

Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

Risk Reduction: Employing methods/solutions that reduce the severity of the loss

Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible.

1.3 Risk measurement and reporting systems

The Mangement would review the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting.

- Review of business growth and portfolio quality.
- Discuss and review the reported details of PAR, Key Risk Threshold breaches (KRI's), consequent responses and review of operational loss events, if any.
- Review of process compliances including audit performance across organisation
- Review of HR management, training and employee attrition
- Review of new initiatives and product/policy/process changes
- Discuss and review performance of IT systems
- Review the status of strategic projects initiated
- Review, where necessary, policies that have a bearing on the operational risk management and recommend amendments.
- Discuss and recommend suitable controls/mitigations for managing operational risk and assure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing/mitigating the same.

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1.4 **Risk Management Strategies**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

The following management strategies and policies shall be adopted by the Group to manage the various key risks.

Political Risk mitigation measures:
- Low cost operations and Low pricing for customers
- Customer centric Approach, High Customer Retention
- Rural Focus
- Systematic customer awareness activities
- High Social Focused Activities
- Adherence to client protection guidelines
- Robust Grievance Redressal Mechanism
- Adherence to regulatory guidelines in letter and spirit

Concentration Risk mitigation measures:
- District Centric Approach
- District Exposure Cap
- Restriction on growth in urban locations
- Maximum Disbursement Cap per loan account
- Maximum loan exposure Cap per customer
- Diversified Funding Resources

Operational & HR Risk mitigation measures:
- Stringent customer enrolment process
- Multiple products
- Proper recruitment policy and appraisal system
- Adequately trained field force
- Weekly & fortnightly collections – higher customer touch, lower amount instalments
- Multilevel monitoring framework
- Strong, Independent and fully automated Internal Audit Function
- Strong IT system with access to real time client and loan data

Liquidity Risk mitigation measures:
- Diversified funding resources
- Asset Liability management
- Effective Fund management
- Maximum Cash holding Cap

Expansion Risk mitigation measures:
- Contiguous growth
- District centric approach
- Rural focus
- Branch selection based on Census Data & Credit Bureau Data
- Three level survey of the location selected

2 **Impairment assessment/ Credit risk (Also refer Note 7a)**

Credit risk is the risk of loss that may occur from defaults by our Borrowers under our loan agreements. In order to address credit risk, we have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. We also follow a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area. Further, our client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to confirm that they meet our criteria.

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.

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2.1 Definition of default, Significant increase in credit risk and stage assessment

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1 includes loans for which the credit risk at the reporting date is in line with the credit risk at the initial recognition (i.e. disbursement date)
Stage 2 includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk)
Stage 3 includes default loans. A loan is considered default at the earlier of (i) the bank considers that the obligor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing collateral (if held); or (ii) the obligor is past due 90 days or moreon any material credit obligation to the Group.

The Group offers products with monthly repayment frequency, and has identified the following stage classification to be the most appropriate for its Loans:

Stage 1: 0 to 30 DPD

Stage 2: 31 to 89 DPD (SICR)

Stage 3: above 89 DPD (Default)

2.2 Probability of Default

PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each state separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of all loans in stage 1 moving into stage 3 in 12-months' time.
PD for stage 2: is derived as %age of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.
PD for stage 3: is derived as 100% considering that the default occurs as soon as the loan becomes overdue for 90 days which matches the definition of stage 3.

-Probability of Default (PD) using 12 months static pool methodology is computed for each 12-month period of observation starting from March 2012 till March 2019 which is 8-years period of historical information.

2.3 Exposure at default

Exposure at default (EAD) is the sum of outstanding principle and the interest amount accrued but not received on each loan as at reporting date. EAD includes on Balance Sheet portfolio, Securitized portfolio and over collateral portion (i.e. Group's own risk) pertaining to the Assigned Portfolio.

2.4 Loss given default

LGD is the opposite of recovery rate. LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.
LGD is computed as below:

1. All Loans which are above 89 DPD as on March 31, 2013, are taken and the difference in the principal outstanding as on March 31, 2013 and March 31, 2020 is considered as recovery.
2. Likewise the same is done for all the loans (excluding the loans which are already considered in previous years) which are above 89 DPD as on March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017, March 31 2018, March 31, 2019, March 31, 2020 and recovery rate is computed for each year.
3. LGD= 1- Recovery rate which is computed for each period of observation

2.5 Grouping financial assets measured on a collective basis

The Group believes that the all loans disbursed in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio are treated as separate groups and the Group will separately calculate credit losses for them.

2.6 Analysis of inputs to the ECL model under multiple economic scenarios

Adjusting the ECL to reflect the expected changes (if any) in the economic environment for forward looking information in the form of management overlay.

3 Liquidity risk and funding management (Also Refer Notes 34 and 38)

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate cost and tenure. The Group may face an asset-liability mismatch caused by a difference in the maturity profile of our assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet all borrower and lender-related funding requirements.
There are Liquidity Risk mitigation measures put in place which helps in maintaining the following:

3.1 Diversified funding resources:

The Group's treasury department secures funds from multiple sources, including banks, financial institutions and is responsible for diversifying our capital sources, managing interest rate risks and maintaining strong relationships with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies. The Group continuously seek to diversify its sources of funding to facilitate flexibility in meeting our funding requirements. Due to the composition of our loan portfolio, which also qualifies for priority sector lending, it also engages in securitization and assignment transactions.

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4 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Group is exposed to Interest rate risk as follows:

4.1 Interest Rate Risk (IRR)

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We are subject to interest rate risk, principlely because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately. The Group has Board Approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is affected through the impact on floating rate borrowings, as follows:

	Impact on Profit	Impact on Pre tax Equity
Finance Cost	For the year ended March 31, 2021	For the year ended March 31, 2021
0.50 % Increase	(256)	(256)
0.50 % Decrease	256	256

5.0 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 arise majorly on account of foreign currency borrowings. The Group manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge. The Group currently doesnot have any exposure to Foreign currency.

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Annapurna Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2021

Note 42: Additional disclosure in terms of Schedule III to the Companies Act, 2013

(Rs. In Lakhs)

Name of the entity in the Group	Net assets i.e.Total assets minus Total Liabilities		Share in profit (or loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As a % of Consolidated net assets	Amount	As a % of Consolidated profit or loss	Amount	As a % of Consolidated other comprehensive income	Amount	As a % of Consolidated total comprehensive income	Amount
Holding Company								
Annapurna Finance Private Limited	99.99%	76,260	100.00%	182	100.00%	(464)	100.00%	(282)
Subsidiary								
Annapurna SME Finance Private Limited	0.01%	5	-	-	-	-	-	-
Total	100.00%	76,265	100.00%	182	100.00%	(464)	100.00%	(282)
a) Adjustment arising out of Consolidation		-		-		-		-
b) Non Controlling Interest in Annapurna SME Finance Private Limited		-		-		-		-
Total		76,265		182		(464)		(282)

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ANNAPURNA FINANCE PVT. LTD. INDIA

Annapurna Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2021

Note 43: Impact of COVID-19 on business and expected credit losses

The COVID-19 pandemic has continued to cause a significant disruption of the economic activities across the globe including India throughout the year, with second wave of the pandemic emerging towards the later part of the financial year in India. The Government of India announced a nation-wide lockdown to contain the spread of the virus which continued till May 31, 2020. Subsequently, the national lockdown was lifted by the Government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. Further, pursuant to the Reserve Bank of India ('RBI') COVID-19 Regulatory package issued vide circulars dated March 27, 2020 and May 23, 2020 which allowed lending institutions to offer moratorium to borrowers on payment of instalments falling due between March 1, 2020 and August 31, 2020, the Group has offered moratorium on the payment of instalments and interest that had fallen due between March 1, 2020 and August 31, 2020 to all eligible borrowers who had such moratorium.

In assessing the impairment allowance for loan portfolio, the Group has considered internal and external sources of information available including indicators of deterioration in the macro-economic factors. Further, the management has estimated the impact of the ongoing second wave of the pandemic on its loan portfolio, based on reasonable and supportable information available till date and considering performance after the first wave. Given the unique nature and scale of this pandemic, its full extent of impact on the Group's operations and financial metrics, more specifically on the borrower's ability to service their obligations on a timely basis, will depend on the severity and duration of the pandemic as well as on highly uncertain future developments including governmental and regulatory measures and the Group's responses thereto. Accordingly, the management's estimate of impairment losses based on various variables and assumptions could result in actual credit loss being different from that being estimated.

Note 44: There have been no events after the reporting date that require adjustment / disclosure in these financial statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.301003E/E300005

per Bhaswar Sarkar
Partner
Membership No.: 055596

S R Batliboi & Co. LLP Kolkata

Place: Kolkata
Date: June 30, 2021

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Group Secretary

Satyajit Das
Chief Financial Officer

Place: Bhubaneswar
Date: June 30, 2021

ANNAPURNA FINANCE PVT. LTD. INDIA

S.R. BATLIBOI & CO. LLP
Chartered Accountants

22, Camac Street
3rd Floor, Block 'B'
Kolkata – 700 016, India
Tel: +91 33 6134 4000

INDEPENDENT AUDITOR'S REPORT

To the Members of Annapurna Finance Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Annapurna Finance Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity 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, as amended ("the 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 March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial 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 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 we have obtained 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 44 of the standalone financial statements, which describes the extent to which the COVID – 19 pandemic may impact the Company's operations and its financial metrics which are dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

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 for the financial year ended March 31, 2021. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

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We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of loan receivables at balance sheet date (including provision for expected credit losses) *(as described in note 7 and note 42.2 of the standalone financial statements)*	
Ind AS 109 requires the Company to provide for impairment of its loan receivables using the expected credit loss (ECL) approach. In the process, a significant degree of judgement has been applied by the management including but not limited to the following matters: 1. Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default'. 2. Grouping of loan portfolio under homogenous pools to determine probability of default on a collective basis. 3. Determining effect of less frequent past events on future probability of default. **Additional considerations on account of CoVID-19** The impact of Novel Coronavirus (COVID-19) pandemic, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the year led to a decrease in loan originations and collection efficiency. The Company uses the principles of prudence wherever applicable to assess the impact of pandemic on the standalone financial statements specifically while assessing management overlays. The Company has recorded a total provision (including management overlay) of INR 23,547 lakhs as part of its ECL, to reflect among other things an increased risk of deterioration in macro-economic factors caused by Novel Coronavirus (CoVID-19) pandemic. Given the unique nature of the pandemic and the extent of its economic impact which depends on future developments including governmental and regulatory	Our audit procedures included the following: • Read and assessed the Company's accounting policy for impairment of loan receivables and its compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India ('RBI') guidelines issued on March 13, 2020. • Tested the assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets for determining the probability of default and loss given default rates. • Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 (i.e. the default in repayment is within the range of 31 to 90 days) or stage 3 (i.e. the default in repayment is more than 90 days). • Tested the input data used for determining the probability of default and loss given default rates and agreed the data with the underlying books of accounts and records. • Performed inquiries with the Company's management and its risk management function to assess the impact of lock- down on the business activities of the Company. • Assessed the Company's policy with respect to moratorium pursuant to the RBI circular and Microfinance Institutions Network (MFIN) advisory and tested the implementation of such policy on a sample basis.

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Key audit matters	How our audit addressed the key audit matter
measures and the Company's responses thereto, the actual credit loss can be different than that being estimated. Given the high degree of management's judgement involved in estimation of ECL, accentuated by the considerations for CoVID 19 related developments, it is a key audit matter.	• Assessed the additional considerations applied by the management for staging of loans as SICR/ default in view of Company's policy on moratorium by testing on a sample basis. • Tested assumptions used by the management in determining the overlay for macro-economic factors (including CoVID-19 pandemic) in accordance with the governance framework approved by the Board of Directors pursuant to RBI guidelines issued on March 13, 2020. • Tested the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets. • Assessed the adequacy of disclosures included in the standalone financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109. We also evaluated the adequacy of COVID-19 specific disclosure in the standalone financial statements and verified the data included in the disclosures.
(b) Information technology ('IT') Systems and controls	
The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting. Deficiency in the IT control environment could potentially result in a material misstatement of the financial accounting and reporting records. Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting	Our audit procedures included the following. With support from IT specialist: • The aspects covered in the IT General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs – to understand the design and test the operating effectiveness of such controls. • Assessed the changes that were made to the key systems and assessed changes that have impact on financial reporting. • Tested the periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. • Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system.

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Key audit matters	How our audit addressed the key audit matter
and preparation of the financial information is considered to be a key audit matter.	• Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone financial statements and our auditor's report thereon.

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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 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, 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 Charged with Governance are also responsible for overseeing the Company's financial reporting process.

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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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease 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 for the financial

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year ended March 31, 2021 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   g) The provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021;
   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:

S.R. Batliboi & Co. LLP Kolkata

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner
Membership Number: 055596

UDIN: 21055596AAAACU6853
Place of Signature: Kolkata
Date: June 30, 2021

S.R. Batliboi & Co. LLP
Kolkata

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Annapurna Finance Private Limited as at and for the year ended March 31, 2021

(i) (a) The Company has maintained proper records showing full particulars with respect to most of its property, plant and equipment and is in the process of updating quantitative and situation details with respect to certain property, plant and equipment in the records maintained by the Company.

(b) Majority of the property, plant and equipment have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, 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 by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) The Company's business does not involve inventories and accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3 (vi) of the Order are not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax,

S.R. Batliboi & Co. LLP Kolkata

duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues, applicable to the Company, were outstanding, at the year-end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income tax, goods and service tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of dues	Amount under dispute (Rs. in Lakhs)	Period to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,666.31	AY 2017-18	Commissioner of Income Tax (Appeals)

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or dues to debenture holders. The Company did not have any dues of loans or borrowings to government during the year.

(ix) According to the information and explanation given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon. Money raised by the Company by way of term loans / debt instruments were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization have been gainfully invested in fixed deposits/liquid assets funds.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we report that no material fraud by the Company or by its employees or officers has been noticed or reported during the year except for instances of cash embezzlements by certain employees of the Company aggregating to an amount of Rs. 65 lakhs and out of which Rs. 11 lakhs has been recovered.

(xi) The Company being a private Company, hence the provisions of section 197 read with Schedule V of the Act is not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of

S.R. Batliboi & Co. LLP Kolkata

the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the private placement of shares. According to the information and explanations given by the management, we report that the amount raised, have been used for the purposes for which the funds were raised except for idle/surplus funds which were not required for immediate utilization and which have been gainfully invested in fixed deposits. The Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with directors as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner
Membership Number: 055596

S R Batliboi & Co. LLP Kolkata

UDIN: 21055596AAAACU6853
Place of Signature: Kolkata
Date: June 30, 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ANNAPURNA FINANCE PRIVATE LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Annapurna Finance Private Limited ("the Company") as of March 31, 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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 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 these standalone financial statements.

Meaning of Internal Financial Controls with reference to these Standalone financial statements

A company's internal financial controls with reference to standalone 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

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accepted accounting principles. A company's internal financial controls with reference to standalone 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.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 control 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.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner
Membership Number: 055596

S.R. Batliboi & Co. LLP Kolkata

UDIN: 21055596AAAACU6853
Place of Signature: Kolkata
Date: June 30, 2021

Annapurna Finance Private Limited
Standalone Balance Sheet as at March 31, 2021

(In Rs. Lakhs)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Financial assets			
Cash and cash equivalents	4	86,135	70,027
Bank balance other than cash and cash equivalents	5	82,181	41,784
Trade receivables	6	37	47
Loans	7	3,86,716	3,53,427
Investment	7.1	500	-
Other financial assets	8.1	14,560	9,243
Subtotal - Financial assets		5,70,129	4,74,528
Non-financial assets			
Current tax assets (net)	9.1	125	1,704
Deferred tax assets (net)	9.2	2,778	-
Property, plant and equipment	10	1,139	1,175
Intangible assets	11	99	213
Right to use assets	12	39	99
Other non-financial assets	8.2	1,198	629
Subtotal - Non- financial assets		5,378	3,820
Total assets		5,75,507	4,78,348
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Payables			
Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises	13	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		227	336
Debt securities	14	1,73,854	64,179
Borrowings (other than debt securities)	15	2,62,307	3,00,782
Subordinated liabilities	16	32,275	25,776
Lease liabilities	12	36	85
Other financial liabilities	17.1	9,046	8,541
Subtotal - Financial liabilities		4,97,745	3,98,699
Non-financial liabilities			
Provisions	18	1,034	668
Deferred tax liabilities (net)	9.2	-	1,098
Other non-financial liabilities	17.2	468	328
Total non- financial liabilities		1,502	2,094
Equity			
Equity share capital	19	6,872	6,870
Instruments entirely equity in nature	20	300	300
Other equity	21	69,088	69,385
Subtotal - Equity		76,260	76,555
Total liabilities and equity		5,75,507	4,78,348

The accompanying notes are an integral part of the financial standalone statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.301003E/E300005

per Bhaswar Sarkar
Partner
Membership No.: 055696

Place: Kolkata
Date: June 30, 2021

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02784187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Place: Bhubaneswar
Date: June 30, 2021

Annapurna Finance Private Limited
Standalone Statement of Profit and Loss for the period ended March 31, 2021

(In Rs. Lakhs)

	Particulars	Notes	For the year March 31, 2021	For the year March 31, 2020
	Revenue from operations			
	Interest income	22	90,709	71,096
	Fees and commission income	23.1	271	882
	Net gain on derecognition of financial instruments	23.2	6,383	5,684
	Other operating revenue			
	Bad debt recovery		142	116
(I)	Total revenue from operations		97,485	77,550
(II)	Other income	24	226	412
(III)	Total income (I + II)		97,711	77,962
	Expenses			
	Finance costs	25	51,105	37,737
	Impairment of financial instruments	26	19,175	5,270
	Employee benefits expenses	27	20,599	17,727
	Depreciation and amortisation expenses	28	893	874
	Other expenses	29	5,772	6,363
(IV)	Total expenses		97,544	67,971
(V)	Profit before tax (III-IV)		167	9,991
(VI)	Tax expense:			
	Current tax		3,705	3,060
	Deferred tax credit	9.3	(3,720)	(825)
	Tax expense for earlier year		-	(533)
(VII)	Profit for the year (V-VI)		182	8,289
(VIII)	Other comprehensive income			
	A Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) on defined benefit plan	33.3	15	(54)
	Income tax relating to items that will not be reclassified to profit or loss	9.3	(4)	13
	Subtotal (A)		11	(41)
	B Items that will be reclassified to profit or loss			
	Net change in fair value of loans measured at fair value through other comprehensive income		(635)	8,287
	Income tax relating to items that will be reclassified to profit or loss	9.3	160	(2,086)
	Subtotal (B)		(475)	6,201
	Other Comprehensive Income (A+B)		(464)	6,160
(IX)	Total comprehensive income (Comprising profit / (loss) and Other Comprehensive income for the year) (VII)+(VIII)		(282)	14,449
(X)	Earnings per equity share (face value of ₹10.00 each)			
	Basic (Rs.)	30	0.25	12.08
	Diluted (Rs.)		0.24	10.96

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.301003E/E300005

per Bhaswar Sarkar
Partner
Membership No.: 055596

Place: Kolkata
Date: June 30, 2021

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764167)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Place: Bhubaneswar
Date: June 30, 2021

Annapurna Finance Private Limited
Statement of Standalone cash flows for the year ended March 31, 2021

(In Rs. Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities		
Profit before tax	167	9,991
Adjustments for:		
Depreciation and amortisation expenses on property, plant and equipment, intangible assets and right of use assets	893	874
Impairment of financial instruments		
Provision for insurance claim receivable and others	19,175	5,270
Profit on sale of current investments	167	457
Net gain on derecognition of financial instruments	-	(67)
Share based payments to employees	(6,363)	(5,664)
Operating profit before working capital changes	126	253
Movements in working capital:	14,165	11,104
Decrease in other financial and non financial assets		
Increase in bank balance other than cash and cash equivalents (net)	319	2,498
Decrease / (increase) in trade receivables	(40,397)	(21,354)
Increase in loans and advances	10	(13)
Increase in other financial and non financial liabilities	(53,099)	(50,408)
Increase in provisions	645	224
(Decrease) / increase in trade payables	381	421
Cash (used) in operations	(109)	17
Income tax paid (net of refunds)	(78,085)	(87,512)
Net cash flows used in operating activities (A)	(2,124)	(3,478)
	(80,209)	(90,990)
Cash flow from investing activities		
Purchase of property, plant and equipment		
Proceeds from sale of property, plant and equipment	(542)	(834)
Purchase of intangible assets	-	4
Purchase of current investments (net)	(149)	(227)
Investment in equity instruments of subsidiary	-	87
Net cash flows used in investing activities (B)	(600)	-
	(1,190)	(969)
Cash flow from financing activities		
Proceeds from issuance of equity share capital (including premium)	7	-
Proceeds from debt securities (net)	1,09,675	2,123
Repayment of lease liabilities	(57)	(65)
Proceeds from Borrowings (other than debt securities) (net)	(16,476)	1,02,078
Proceeds of Subordinated liabilities (net)	6,499	11,854
Share issue expenses	(141)	-
Net cash flows from financing activities (C)	97,507	1,15,990
Net increase in cash and cash equivalents (A+B+C)	16,108	24,031
Cash and cash equivalents at the beginning of the year	70,027	45,996
Cash and cash equivalents at the end of the year (Refer note 4)	86,135	70,027
Components of cash and cash equivalents at the end of the year		
Balances with banks:		
on current accounts	41,975	24,439
deposit with original maturity of less than three months	44,013	45,391
Cash on hand	147	197
Total cash and cash equivalents at the end of the year	86,135	70,027

Cash flow from operating activities include interest received of Rs 78,149 lakhs (March 31, 2020: Rs 62,239 lakhs) and interest paid of Rs 46,411 lakhs (March 31, 2020: Rs 34,018 lakhs)

Notes:

1. For reconciliation of liabilities arising from financing activities refer note no 39

2. Figures in () indicate cash outflow.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.301003E/E300005

per Bhaswar Sarkar
Partner
Membership No.: 055598

S.R. Batliboi & Co. LLP Kolkata

Place: Kolkata
Date: June 30, 2021

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02784187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Place: Bhubaneswar
Date: June 30, 2021

ANNAPURNA FINANCE PVT. LTD. BHUBANESWAR

Annapurna Finance Private Limited
Statement of Standalone changes in Equity for the year ended March 31, 2021

a. Equity Share Capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	In Nos.	In Rs. Lakhs
As at 1 April 2019	6,86,99,648	6,870
Issued during the year (refer note 19)	-	-
As at 31 March 2020	6,86,99,648	6,870
Issued during the year (refer note 19)	16,300	2
As at 31 March 2021	6,87,15,948	6,872

b. Other Equity

(In Rs. Lakhs)

	Reserves and Surplus					
	Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	Securities premium	Stock option outstanding	Retained Earnings	Other Items of Comprehensive Income (Fair valuation on portfolio)	Total
Balance as at April 1, 2019	2,295	40,217	906	9,694	1,566	54,677
Profit for the year	-	-	-	8,289	-	8,289
Other comprehensive income	-	-	-	(41)	6,201	6,160
Total comprehensive income for the year	-	-	-	8,248	6,201	14,449
Impact due to adoption of Ind AS 116 (net of deferred tax)	-	-	-	(5)	-	(5)
Transfer to Statutory reserves	1,874	-	-	(1,874)	-	-
Amortization of vesting expenses of Employee stock option plan			263	-	-	263
Balance as at March 31, 2020	4,169	40,217	1,169	16,063	7,767	69,385
Profit for the year	-	-	-	182	-	182
Other comprehensive income	-	-	-	11	(475)	(464)
Total comprehensive income for the year	-	-	-	193	(475)	(282)
Transfer to/from retained earnings	36	-	-	(36)	-	-
Share issue / debenture issues expenses	-	(141)	-	-	-	(141)
Amortization of vesting expenses of Employee stock option plan	-	-	126	-	-	126
Balance as at March 31, 2021	4,205	40,076	1,295	16,220	7,292	69,088

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.301003E/E300005

per Bhaswar Sarkar
Partner
Membership No.: 055596

Place: Kolkata
Date: June 30, 2021

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrat Pradhan
Company Secretary

Satyajit Das
Chief Financial Officer

Place: Bhubaneswar
Date: June 30, 2021

1.1 **Corporate information**

Annapurna Finance Private Limited ("the Company") is a private company incorporated in India. The Company was registered as a non-deposit taking Non-Banking Financial Company ("NBFC-ND") with the Reserve Bank of India ("RBI") and was classified as a Non-Banking Financial Company – Micro Finance Institution ("NBFC-MFI") with effect from October 22, 2013.

The Company's registered office is at Bhubaneshwar, Odisha, India. Its debentures are listed on recognised stock exchange in India.

The Company is engaged primarily in providing micro finance services to women in rural areas of India, who are enrolled as members and organized as Self Help Groups ("SHG") and Joint Liability Group (JLG).

The standalone financial statements for the year ended March 31, 2021 were approved by the Board of Directors on June 30, 2021.

1.2 **Basis of Preparation**

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act 2013 ("the Act"). The financial statement has been prepared on going concern basis.

The standalone financial statements are prepared on a going concern basis, as the management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability and cash flows.

These standalone financial statements have been prepared on a historical cost basis, except for financial assets and liabilities designated at fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVOCI), all of which have been measured at fair value.

These standalone financial statements for the year ended March 31, 2021 have been prepared in Indian Rupee (INR), which is the functional currency of the Company, and all values are rounded to the nearest lakhs, except when otherwise indicated.

1.3 **Presentation of financial statements**

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 in Note 38.

The Company generally reports financial assets and financial liabilities on a gross basis in the balance sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically.

2 **Summary of significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 **Revenue recognition income and expense**

The Company earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised :

(i) Interest Income and expense

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method . 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 loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

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.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Dividend Income

Dividend income is recognised when the right to receive payment is established, which is generally when the shareholders approve the dividend.

(iii) Net gain/ loss on fair value changes: The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

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.

S R Batliboi & Co. LLP Kolkata

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(iv) Fees and Commission Income: The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 "Financial Instruments" is applicable) based on a comprehensive assessment model as set out in Ind AS 115 "Revenue from contracts with customers". The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received/ receivable.

(v) Other Income and expenses
All other income and expenses are recognised in the period they occur.

2.2 Cash and cash equivalents
Cash and cash equivalents, comprise cash in hand, cash at bank and short-term investments with an original maturity of three months or less, that are readily convertible to insignificant risk of changes in value.

2.3 Property, plant and equipment ('PPE') and intangible assets

Initial Recognition and measurement
PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.
An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

Intangible assets
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

2.4 Depreciation and amortization
2.4.1 Depreciation
Depreciation on property, plant and equipment is measured using the written down value method at the rates arrived based on the useful lives of the assets, prescribed under Schedule II of the Act, which also represents the estimate of the useful life of the assets by the management. The useful life estimated by the management is as under:

Category of Asset	Useful Life (Years)
Furniture and fittings	10
Office equipments	5
Vehicles	8
Computers	3

2.4.2 Amortisation
Intangible assets are amortized on a written down value method over the estimated useful economic life. The management has determined its estimate of useful economic life as 1-3 years. The useful lives of intangible assets are reviewed at each financial year and adjusted.

2.5 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 net selling price and its value in use. The 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 groups of assets. Where the carrying amount of an asset 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

2.6 Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

2.7 Contingent liabilities and assets
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognised a contingent liability but discloses its existence in financial statements, if any. Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

2.8 Retirement and other employee benefits
The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

2.8.1 Defined contribution plan
Retirement benefits in the form of provident fund and superannuation are defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognises contribution payable to the respective funds as expenditure, when an employee renders the related service.

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2.9.2 Defined benefit plan

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year. Gains or losses through remeasurements of net benefit liabilities/ assets are recognised with corresponding charge/credit to the retained earnings through other comprehensive income in the period in which they occur.

2.9.3 Other employee benefits

The Company treats accumulated leave expected to be carried forward beyond twelve months as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

2.9 Taxes

2.9.1 Current income tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are as per Income Tax Act, 1961. 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 other comprehensive income or directly in equity.

2.9.2 Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the ability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.10 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.11 Employee Stock Option Plan and Management Stock Option Plan

Equity-settled share based payments to employees and senior management executives, are measured at the fair value of the equity instruments at the grant date.

The cost of equity-settled transactions is measured using the fair value method and recognised, together with a corresponding increase in the "Stock options outstanding account" in reserves, at the date when the grant is made using an appropriate valuation model. 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 expense or credit recognised in the statement of profit and loss for the 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.

2.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.12.1 Financial Assets

2.12.1.1 Initial recognition and measurement

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

2.12.1.2 Classification and Subsequent measurement

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms that give rise to contractual cash flows on specified dates, that represent solely payments of principal and interest (SPPI) on the principal amount outstanding in accordance with the requirements of Ind AS 109.

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2.12.1.2.1 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.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

2.12.1.3.1 Loans at amortised cost

Loans are measured at the amortised cost if both the following conditions are met:

(a) Such loan is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

2.12.1.3.1 Loans at fair value through other comprehensive income (FVOCI)

Loans are measured at the FVOCI if both the following conditions are met:

(a) Such loan is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

FVOCI instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income is recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

2.12.2 Financial Liabilities

2.12.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments, which are measured at amortised cost.

2.12.2.2 Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. The EIR amortisation is included as finance costs in the statement of profit and loss.

2.12.2.3 Reclassification of financial assets and liabilities

The company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

2.12.3 De-recognition of financial assets and liabilities

2.12.3.1 De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flow from the financial asset have expired. The Company also de-recognises the financial asset if it has transferred the financial asset and the transfer qualifies for de-recognition.

The Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset

Or

- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients. A transfer only qualifies for de-recognition if either:

- The Company has transferred substantially all the risks and rewards of the asset

Or

- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred and only if, the transferee has the practical ability to sell the asset in its entirely to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Company has neither transfered nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset in its entirety, the difference between: (a) the carrying amount (measured at the date of derecognition) and (b) the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit or loss account.

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2.12.3.2 De-recognition of financial liabilities
Financial liability is de-recognised 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 de-recognition of the original liability and the re-cognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

2.12.4 Offsetting of Financial Instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13 Impairment of financial assets
In accordance with Ind AS 109, the Company is required to measure expected credit losses on its financial instruments designated at amortized cost and fair value through other comprehensive income. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL)

Both LTECLs and 12m ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.The Company believes that the all loans disbursed in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio are treated as separate groups for the purpose of Expected credit loss computation.

For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1 includes loans for which the credit risk at the reporting date is in line with the credit risk at the initial recognition (i.e. disbursement date)
Stage 2 includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk/ SICR)
Stage 3 includes default loans. A loan is considered default at the earlier of (i) the bank considers that the obligor is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realizing collateral (if held); or (ii) the obligor is past due 90 days or moreon any material credit obligation to the company.

The Company offers products with monthly repayment frequency, and has identified the following stage classification to be the most appropriate for its Loans:
Stage 1: 0 to 30 Days Past Due
Stage 2: 31 to 89 Days Past Due (SICR)
Stage 3: above 89 Days Past Due (Default)

2.13.1 The calculation of ECL
The Company calculates ECLs based on historical data to measure the expected cash shortfalls. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

ECL consists of three key components: Probability of Default (PD), Exposure at Default (EAD) and Loss given default (LGD). ECL is calculated by multiplying them. The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

a. <u>Probability of Default (PD):</u> PD describes the probability of a loan to eventually falling into Stage 3. PD %age is calculated for each state separately and is determined by using available historical observations.

PD for stage 1: is derived as %age of all loans in stage 1 moving into stage 3 in 12-months' time.
PD for stage 2: is derived as %age of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.
PD for stage 3: is derived as 100% considering that the default occurs as soon as the loan becomes overdue for 90 days which matches the definition of stage 3.

-Probability of Default (PD) using 12 months static pool methodology is computed for each 12-month period of observation starting from March 2012 to March 2013 till March 2019 which is 7-years period of historical information

b. <u>Exposure at default (EAD):</u> Exposure at default (EAD) is the sum of outstanding principal and the interest amount accrued but not received on each loan as at reporting date. EAD includes on Balance Sheet portfolio, Securitized portfolio and over collateral portion (i.e. Company's own risk) pertaining to the Assigned Portfolio.

c. <u>Loss given default (LGD):</u> LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.
LGD is computed as below:
1. All Loans which are above 89 DPD as on 31 March 2013, are taken and the difference in the principal outstanding as on 31st March 2013 and 31st March 2019 is considered as recovery.
2. Likewise the same is done for all the loans (excluding the loans which are already considered in previous years) which are above 89 DPD as on 31 March 2014, 31 March 2015, 31 March 2016, 31 March 2017, 31 March 2018, 31 March 2019 and recovery rate is computed for each year.
3.LGD= 1- Recovery rate which is computed for each period of observation

2.13.2 Forward Looking Information
The Company performs an analysis of inputs to the ECL model, as referred above, under multiple economic scenarios at the end of each reporting period and adjusts the ECL to reflect the expected changes (if any) in the economic environment for forward looking information in the form of management overlay.

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2.14 Fair value measurement
The Company measures financial instruments at fair value at each balance sheet date using valuation techniques.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:- In the principal market for the asset or liability, or- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. (Refer Note 40 to standalone financial statements for the year ended March 31, 2021)

2.15 Derivatives
An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. Derivatives embedded are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

2.16 Write-offs
Loans are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write offs. All such write offs are charged to Profit and Loss statement. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

2.17 Convertible Preference Shares

Convertible preference shares are classified as instruments entirely equity in nature as per the terms of the contract since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs, if any, are deducted from equity, net of associated income tax.

2.18 Segment information
The Company is solely engaged in providing financial services to borrowers and accordingly there is only reportable business segment i.e. financial services for the purpose of Ind AS 108 on "Operating Segments". The Company operates in a single geographical segment i.e. domestic.

2.19 Foreign currency
Transactions in foreign currencies are initially recorded by the Company at the exchange rate prevailing at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the spot exchange rates at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss except for the tax charges and credits attributable to exchange differences on monetary items , which are recorded in other comprehensive income.

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 recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.20 Leases

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.
Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, ranging from 2 to 5 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.5 Impairment of non-financial assets.

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Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases of Office (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, that are of low value. Lease payments on short term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.21 Share Issue Expenses

Incremental costs that are directly attributable to the issue of an equity instrument (i.e. they would have been avoided if the instrument had not been issued) are deducted from equity

3 **Significant accounting judgements, estimates and assumptions**

The preparation of the Company's Ind AS financial statements requires Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.:

a. Business model assessment (Refer note 2.12.1;2.1)

b. Fair value of financial instruments (Refer note 2.14)

c. Effective Interest Rate (Refer note 2.1(i))

d. Impairment of Financial assets (Refer note 2.13)

e. Provision (Refer note 2.6)

f. Useful life of Property, plant and equipment and intangible assets (Refer note 2.4)

g. Actuarial valuation (Refer note 2.8)

h. Taxes- Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses including unabsorbed depreciation can be utilised. Significant management estimate and assumptions is required to determine the amount deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. For details, refer note 2.9

i. Leases- 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 to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. For details, refer note 2.20.

New and amended standards
(i) Amendments to Ind AS 1 and Ind AS 8: Definition of Material
The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Company.

(ii)Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The impact of the same is immaterial.

Standards notified but not yet effective
There are no new standards that are notified, but not yet effective, upto the date of issuance of the Group's financial statements.

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Note 4: Cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash in hand	147	197
Balances with Banks in current accounts	41,975	24,499
Bank deposit with maturity of less than 3 months	44,013	45,391
Total	86,135	70,027

Balances with banks earn interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Note 5: Bank balance other than cash and cash equivalents

(In Rs. Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed deposit with remaining maturity of not more than 12 months*	39,621	13,929
Fixed deposit with remaining maturity of more than 12 months*	42,560	27,861
Total	82,181	41,784

(*) Includes deposit certificates along with interest accrued of Rs. 27,067.68 lakhs (March 31, 2020: Rs. 21,636.37 lakhs) marked as lien towards term loans availed from banks, towards cash collateral placed in connection with portfolio loan securitised and business correspondent activities entered with the banks.

Note 6: Trade Receivables

(In Rs. Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Accrued commission on business correspondent activities (Unsecured, considered good)	37	47
Total	37	47

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30-90 days.

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 7: Loans and Advances
Considered good unless stated otherwise

Particulars	As at March 31, 2021			As at March 31, 2020		
	Amortised Cost	At fair value Through Other Comprehensive Income	Total	Amortised Cost	At fair value Through Other Comprehensive Income	Total
i) Term loans (including securitised pool)	99,072	3,11,819	4,09,891	64,989	2,94,207	3,59,196
Considered good	97,859	2,81,980	3,79,839	64,796	2,89,514	3,54,310
Credit impaired	213	29,839	30,052	193	4,693	4,886
Total term loans	99,072	3,11,819	4,09,891	64,989	2,94,207	3,59,196
ii) Staff Loan	372	-	372	284	-	284
Total (A) - Gross	99,444	3,11,819	4,10,263	65,273	2,94,207	3,59,480
Less: Impairment loss allowance	5,634	17,913	23,547	1,792	4,261	6,053
Total (A) - Net	92,810	2,93,906	3,86,716	63,481	2,89,946	3,53,427
Term loans (including securitised pool)						
i) Secured	23,925	-	23,925	27,193	-	27,193
ii) Unsecured	74,147	3,11,819	3,85,966	37,796	2,94,207	3,32,003
Sub-total - Term loans	98,072	3,11,819	4,09,891	64,989	2,94,207	3,59,196
Staff loan						
-Unsecured	372	-	372	284	-	284
Sub-total - Staff loan	372	-	372	284	-	284
Total (B) - Gross	99,444	3,11,819	4,10,263	65,273	2,94,207	3,59,480
Less : Impairment loss allowance	5,634	17,913	23,547	1,792	4,261	6,053
Total (B) - Net	92,810	2,93,906	3,86,716	63,481	2,89,946	3,53,427
Loans in India						
i) Public Sector	-	-	-	-	-	-
ii) Others	99,444	3,11,819	4,10,263	65,273	2,94,207	3,59,480
Total - Gross	99,444	3,11,819	4,10,263	65,273	2,94,207	3,59,480
Less: Impairment loss allowance	5,634	17,913	23,547	1,792	4,261	6,053
Total - Net	92,810	2,93,906	3,86,716	63,481	2,89,946	3,53,427
Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total - Net	-	-	-	-	-	-
Total (C)	92,810	2,93,906	3,86,716	63,481	2,89,946	3,53,427

The details of loans hypothecated against borrowings are presented in Note 14-15.

Reconciliation of impairment allowance

Particulars	As at March 31, 2021			As at March 31, 2020		
	Amortised Cost	At fair value Through Other Comprehensive Income	Total	Amortised Cost	At fair value Through Other Comprehensive Income	Total
Opening Provision	1,793	4,260	6,053	408	2,295	2,703
Add: Impairment provision created during the year (Refer note 28)	4,668	14,587	19,175	1,432	3,837	5,269
Less: Loan portfolio (own) written off during the year	(817)	-	(817)	(47)	(1,872)	(1,919)
Less-: EIS receivable on assignment transaction written off during the year	(760)	-	(760)	-	-	-
Less-: Provision for managed portfolio disclosed under "provisions" (refer note 18)	(104)	-	(104)	-	-	-
Closing Provision	4,780	18,847	23,547	1,793	4,260	6,053

Note 7.1: Investment (Fair value through Profit and Loss Account)

(In Rs. Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment		
A) In India		
Equity Instruments		
(a) Investment in subsidiary (at cost)		
49,99,000 (March 31, 2020: Nil) equity shares of Rs. 10 each fully paid in Annapurna SME Finance Private Limited	500	-
Less: Impairment loss allowance	-	-
Total	500	-
Above amount includes		
Investment in India	500	-
Investment outside India	-	-
Total	500	-

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 7A

Gross carrying value of assets as at March 31, 2021

Particulars	Stage1	Stage 2	Stage 3	Total
Standard	3,41,161	38,678	-	3,79,839
Non Performing assets	-	-	30,052	30,052
Total	3,41,161	38,678	30,052	4,09,891

Gross carrying value of assets as at March 31, 2020

Particulars	Stage1	Stage 2	Stage 3	Total
Standard	3,51,510	2,800	-	3,54,310
Non Performing assets	-	-	4,886	4,886
Total	3,51,510	2,800	4,886	3,59,196

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at April 1, 2020	3,51,510	2,800	4,886	3,59,196
Add: New assets originated during the year (net of collections)	51,512	-	-	51,512
Less-: assets written off during the year	-	(453)	(364)	(817)
Movement between stages				
Transfer from Stage 1	(61,929)	38,423	23,506	-
Transfer from Stage 2	67	(2,092)	2,025	-
Transfer from Stage 3	1	-	(1)	-
Gross carrying value of assets as at March 31, 2021	3,41,161	38,678	30,052	4,09,891

Particulars	Stage1	Stage2	Stage3	Total
ECL allowance as at April 1, 2020	3,970	231	1,852	6,053
Provision created / (reversed) during the year	(3,221)	4,716	16,816	18,311
Assets written off during the year	-	(453)	(364)	(817)
ECL allowance as at March 31, 2021	749	4,494	18,304	23,547

a) ECL for stage 1 has decreased primarily on account of restructuring done during the year.
b) ECL for stage 2 has increased primarily on account of restructured debt during the year.
c) ECL for stage 3 (net of write off) increased primarily on account of COVID-19 pandemic during the year.

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value of assets as at April 1, 2019	2,68,470	560	3,378	2,72,408
New assets originated during the year, netted off for repayments and derecognised portfolio	88,707			88,707
Assets written off during the year	-	-	(1,919)	(1,919)
Movement between stages				
Transfer from Stage 1	(5,785)	2,625	3,160	-
Transfer from Stage 2	-	(386)	386	-
Transfer from Stage 3	118	1	(119)	-
Gross carrying value of assets as at March 31, 2020	3,51,510	2,800	4,886	3,59,196

Particulars	Stage1	Stage2	Stage3	Total
ECL allowance as at April 1, 2019	1,051	32	1,620	2,703
Provision created / (reversed) during the year	2,919	199	2,151	5,269
Assets written off during the year	-	-	(1,919)	(1,919)
ECL allowance as at March 31, 2020	3,970	231	1,852	6,053

a) ECL for stage 1 has increased primarily on account of new assets originated during the year.
b) ECL for stage 2 has increased primarily on account of new assets originated during the year.
c) ECL for stage 3 (net of write off) has increased on account of new assets originated during the year.
d) Increase is also on account of additional provision made on account of COVID-19 pandemic.

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 8.1: Other financial assets
(at amortised cost)
(Unsecured, considered good unless stated otherwise) (In Rs. Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	271	226
Retained interest on assets assigned	4,668	2,638
Interest accrued on loans designated at FVOCI	4,182	3,910
Fixed deposit with financial institution*	1,889	1,361
Insurance claim receivable (Unsecured, considered good)	930	739
Ex-gratia claim receivable#	2,213	-
Other financial assets- Others**	407	369
Total	**14,560**	**9,243**

*deposit with non banking financial companies and financial institutions marked as lien towards term loans availed.
**includes EIS receivable and advances recoverable in cash
#The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, had announced COVID-19 Relief Scheme ("the Scheme") for grant of exgratia payment being difference between compounded interest and simple interest for six months period from March 1, 2020 to August 31, 2020 to eligible borrowers as per the Scheme. The management has credited the differential interest in the borrower accounts in line with the requirement of the Scheme. As at March 31, 2021, the Company have not received the amount from Government of India and the amount is shown as "ex-gratia claim receivable". The management is confident of the recovery of ex-gratia claim receivable from the Government of India with in 12 months from the date of balance sheet.

Note 8.2:Other Non- financial assets
(Unsecured, considered good unless stated otherwise) (In Rs. Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	608	469
Capital advance	100	140
Other Advances *	490	20
Total	1,198	629

*Includes advances to vendor

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

Note 9.1: Current tax assets (net)

(In Rs. Lakhs)

	As at March 31, 2021	As at March 31, 2020
Advance income tax (net of provision)	125	1,704

Note 9.2: Deferred Tax Assets/Liabilities (net)
Effects of Deferred tax assets and Deferred tax liabilities

(In Rs. Lakhs)

	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets:		
Impairment loss allowance on loan portfolio	5,935	1,272
Difference of written down value property, plant and equipment	271	193
Provision for defined benefit obligation and leave encashment	230	168
Difference of lease liabilities and right of use asset	1	2
Impact due to amortization of processing fees income	(64)	160
Others	-	210
Deferred Tax Liabilities:		
Upfront recognition of gain on direct assignment transactions	(985)	(296)
Impact due to amortization of processing fees expenses	(51)	(78)
Fair value gain on loans	(2,569)	(2,729)
Deferred tax relating to origination and reversal of temporary differences (Net of liabilities)	2,778	(1,098)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 9.3: Income Tax expense

(In Rs. Lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Income tax expense in the statement of profit and loss consists of:		
Current Income Tax:		
Income tax	3,705	3,060
Deferred tax	(3,720)	(825)
Income Tax expense reported in respect of current year	(15)	2,235
Tax in respect of earlier years	-	(533)
Total Income Tax expense reported in the statement of profit or loss	(15)	1,702
Income tax recognised in other comprehensive income		
Deferred tax arising on re-measurement gains/(losses) on defined benefit plans	(4)	(13)
Deferred tax arising on fair value gain on loan portfolio	(160)	2,086
Total	(164)	2,073

* includes deferred tax charge (net) of Rs.123 lakhs arising from revised estimates pertaining to prior year

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 year ended 31 March 2021 and 31 March 2020 are, as follows:

(In Rs. Lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Accounting profit before tax	167	9,991
At India's statutory income tax rate of 25.17%	42	2,515
Change in tax rates	-	124
Income not subject to tax		
Others	210	(1,162)
Non-deductibe expenses		
Expenditure on CSR	84	109
Others	(89)	822
Additional tax allowances	(262)	(173)
Income tax expense reported in the statement of profit or loss	(15)	2,235
Income tax adjustment in respect of current income tax of prior years	-	(533)
Total income tax expense reported in the statement of profit or loss	(15)	1,702

The effective income tax rate for March 31, 2021 is 25.17% (March 31, 2020: 25.17%).

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Notes to the Standalone financial statements for the year ended March 31, 2021

Movement in deferred tax balances for the year ended March 31, 2021

(In Rs. Lakhs)

Particulars	Net balance April 1, 2020	(Charge)/Credit in Profit and Loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2021	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Difference of written down value of property, plant and equipment	193	78	-	-	271	271	-
Provision for defined benefit obligation and leave encashment	168	68	(4)	-	230	230	-
Impairment loss allowance on loan portfolio	1,272	4,663	-	-	5,935	5,935	-
Impact of ammortisation of expense , offered to tax on upfront basis	(78)	27	-	-	(51)	-	(51)
Impact of ammortisation of processing fee income , offered to tax on upfront basis	160	(214)	-	-	(54)	-	(54)
Gain on direct assignment deals, accounted for upfront, offered to tax on accrual basis	(296)	(689)	-	-	(985)	-	(985)
Fair value gain on loans	(2,729)	-	160	-	(2,569)	-	(2,569)
Difference of lease liabilities and right of use asset	2	(1)	-		1	1	-
Other items	210	(210)	-	-	-	-	-
Net Deferred tax assets / (liabilities)	(1,098)	3,720	156	-	2,778	5,437	(3,659)

Movement in deferred tax balances for the year ended March 31, 2020

(In Rs. Lakhs)

Particulars	Net balance April 1, 2019	(Charge)/Credit in Profit and Loss	Recognised in OCI	Recognised in other equity	Net balance March 31, 2020	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Difference of written down value of property, plant and equipment	158	35	-	-	193	193	-
Provision for defined benefit obligation and leave encashment	86	69	13	-	168	168	-
Impairment loss allowance on loan portfolio	1,022	250	-	-	1,272	1,272	-
Impact of ammortisation of expense , offered to tax on upfront basis	(162)	84	-	-	(78)		(78)
Impact of ammortisation of processing fee income , offered to tax on upfront basis	245	(85)	-	-	160	160	-
Gain on Direct assignment deals, accounted for upfront, offered to tax on accrual basis	(436)	144	-	-	(292)	-	(292)
Fair value gain on loans	(643)	-	(2,086)	-	(2,729)	-	(2,729)
Difference of lease liabilities and right of use asset	-	-	-	(2)	(2)	-	(2)
Other items	(106)	316	-	-	210	210	
Net Deferred tax assets / (liabilities)	165	812	(2,073)	(2)	(1,098)	2,003	(3,101)

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 10: Property, plant and equipment

(In Rs. Lakhs)

Particulars	Freehold land	Office equipment	Furniture and Fixtures	Vehicles	Computors	Total
Cost:						
At 1 April 2019	14	678	556	116	737	2,101
Additions	-	325	187	40	278	830
Disposals	-	-	-	(3)	-	(3)
At 31 March 2020	14	1,003	743	153	1,015	2,928
Additions	-	125	159	-	257	542
Disposals	-	-	-	-	-	-
At 31 March 2021	14	1,128	902	153	1,272	3,470
Accumulated Depreciation:						
At 1 April 2019	-	346	219	65	474	1,104
Depreciation charge for the year	-	237	119	24	269	649
Disposal	-	-	-	-	-	-
At 31 March 2020	-	583	338	89	743	1,753
Depreciation charge for the year	-	210	121	20	227	579
Disposal	-	-	-	-	-	-
At 31 March 2021	-	794	459	109	970	2,331
Net book value:						
At 31 March 2020	14	420	405	64	272	1,175
At 31 March 2021	14	334	443	44	302	1,139

The details of property, plant and equipment hypothecated against borrowings are presented in Note 14.

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

Note 11: Intangible assets

(In Rs. Lakhs)

	Computer software
Deemed Cost:	
At at 1 April 2019	434
Additions	227
Disposals	-
At at 31 March 2020	661
Additions	149
Disposals	-
At at 31 March 2021	809
Accumulative amortisation:	
At at 1 April 2019	277
Amortisation charge for the year	171
Disposal	-
At 31 March 2020	448
Amortisation charge for the year	262
Disposal	-
At 31 March 2021	710
Net book value:	
At 31 March 2020	213
At 31 March 2021	99

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

Note 12: Leases (where the Company is the lessee)

As a Lessee:

The Company has lease contracts for premises used in its operations. Leases of premises generally have lease terms between 2 to 5 years.

The Company also has certain leases with lease terms of 12 months or less and leases with low-value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

(In Rs. Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	99	87
Adjustment due to change in lease agreement and security deposit reclassification	(21)	24
Additions during the year	14	42
Depreciation expense	(53)	(54)
Closing balance	39	99

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(In Rs. Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	85	95
Adjustment due to change in lease agreement	(14)	-
Additions during the year	14	42
Accretion of interest	8	13
Payments	(57)	(65)
Closing balance	36	85

The maturity analysis of Lease liabilities are disclosed in Note 38

The effective interest rate for lease liabilities is 11.77% to 13.01% with maturity between 2017- 2022.

The following are the amounts recognised in the statement of profit or loss:

(In Rs. Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Amortisation charge on right of use asset (refer note 28)	53	54
Interest expense on lease liabilities (refer note 26)	8	13
Expense relating to short-term leases and other low value assets leases (included in other expenses) (refer note 29)	1,264	1,104
Total amount recognised in statement of profit or loss	1,325	1,171

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 13: Trade Payables:

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables		
(a) total outstanding dues of micro enterprises and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	227	336
Total	227	336

Note 13.1 Dues to the Micro Enterprises and Small Enterprises:

Particulars	As at March 31, 2021	As at March 31, 2020
1. The principal amount remaining unpaid to supplier as at the end of accounting year	-	-
2. The interest due thereon remaining unpaid to supplier as at the end of accounting year	-	-
3. The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointment day during the year 2019-20	-	-
4. 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 year) but without adding the interest specified under this Act.	-	-
5. The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	-	-
Total	-	-

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Note 14: Debt securities (at amortised cost)

Particulars	As at March 31, 2021	As at March 31, 2020
Redeemable, Non-convertible Debentures (secured)*	1,50,972	64,179
Compulsorily Convertible Preference Shares #	22,682	-
Total	1,73,654	64,179
Debt securities in India	72,427	3,307
Debt securities outside India	1,01,427	60,872
Total	1,73,854	64,179

* Redeemable Non-convertible Debentures (secured) (at amortised cost) ("NCDs")

Terms of debentures	Number of debentures		Face value	Amount in Lakhs	
	As at March 31, 2021	As at March 31, 2020		As at March 31, 2021	As at March 31, 2020
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from from the date of allotment i.e. May 29, 2015, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised	-	394	10,00,000	-	3,980
15.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty five months from from the date of allotment i.e. June 29, 2015,	-	20	10,00,000	-	199
12% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1 lakh each redeemable at par at the end of Seventy two months from from the date of allotment i.e. December 08, 2015,	2,004	2,004	1,00,000	2,058	2,054
13.10% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1 lakh each redeemable at par at the end of Seventy two months from from the date of allotment i.e. December 10, 2015,	2,670	2,670	1,00,000	2,683	2,677
13.70 % Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par partially from July 2020 with the date of allotment i.e. June 15, 2016	600	600	3,33,333	2,076	2,224
12.49 % Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par every six months from March 2021 with the date of allotment i.e. August 30, 2017,	325	325	8,33,333	2,732	3,272
12.376% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from from the date of allotment i.e. September 22, 2020, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	700	-	10,00,000	7,012	-
12.1133% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from from the date of allotment i.e. November 15, 2018, subject to exercise of put option by the lender or call option by the company at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	460	460	10,00,000	4,791	4,784
12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakhs each redeemable at par at the end of eighty four months from from the date of allotment i.e. December 19, 2018.	60,00,000	60,00,000	100	6,209	6,199
12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of thirty five months from from the date of allotment i.e. December 20., 2018.	350	350	10,00,000	3,649	3,654
11.8468% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of forty eight months from from the date of allotment i.e. March 01, 2019, subject to exercise of put option by the lender or call option by the company at the end of twenty four months from the date of allotment. Redeemable on maturity if option not exercised.	1,000	1,000	10,00,000	10,047	10,071
11.9526% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from from the date of allotment i.e. August 31, 2020, subject to exercise of put option by the lender or call option by the company at the end of thirty six months from the date of allotment. Redeemable on maturity if option not exercised.	1,000	-	10,00,000	9,951	-
12.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every six month from the date of allotment i.e. June 16, 2020.	1,000	-	8,33,333	8,322	-
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every year from the date of allotment i.e. July 30, 2020.	250	-	10,00,000	2,545	-
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every quarter from the date of allotment i.e. November 18, 2020.	1,000	-	10,00,000	10,073	-

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Notes to the Standalone financial statements for the year ended March 31, 2021

Terms of debentures	Number of debentures		Face value	Amount in Lakhs	
	As at March 31, 2021	As at March 31, 2020		As at March 31, 2021	As at March 31, 2020
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. November 18, 2020.	350	-	10,00,000	3,530	-
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. November 18, 2020.	100	-	10,00,000	1,010	-
10.35% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par partially beginning from the end of sixth month from the date of allotment i.e. March 30, 2021.	600	-	10,00,000	5,995	-
11.75% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. July 26, 2020.	250	-	10,00,000	2,599	-
10.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. September 29, 2020.	500	-	10,00,000	5,248	-
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. June 05, 2020.	100	-	10,00,000	1,093	-
10.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. December 04, 2020.	250	-	10,00,000	2,581	-
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 07, 2020.	500	-	10,00,000	5,077	-
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 07, 2020.	500	-	10,00,000	5,077	-
10.00% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. July 21, 2020.	200	-	10,00,000	2,136	-
11.60% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty three months from the date of allotment i.e. July 15, 2020.	1,000	-	10,00,000	10,228	-
11.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of thirty six months from the date of allotment i.e. June 26, 2020.	150	-	10,00,000	1,630	-
10.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of eighteen months from the date of allotment i.e. August 12, 2020.	500	-	10,00,000	5,935	-
12.00% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakh each redeemable at par at the end of every year from the date of allotment i.e. December 22, 2020.	275	-	10,00,000	2,012	-
12.50% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 1 million each redeemable at par at the end of seventy two months from from the date of allotment i.e. March 20, 2019; subject to exercise of put option by the lender or call option by the company at the end of thirt six months from the date of allotment. Redeemable on maturity if option not exercised.	700	700	10,00,000	7,021	7,006
9.60% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 9 lakh each redeemable at par at the end of every six month from the date of allotment i.e. July 12, 2019.	695	695	7,00,000	4,942	6,365
12.25% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of sixty months from from the date of allotment i.e. July 07, 2020.	19,750	-	25,000	4,758	-
12.20% Secured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of fifty nine months from from the date of allotment i.e. October 16, 2019.	730	730	10,00,000	7,637	7,684
Total				1,59,972	56,179

B Compulsorily Convertible Preference Shares ("CCPS")

Terms	Number of CCPS		Face value	Amount in Lakhs	
	As at March 31, 2021	As at March 31, 2020		As at March 31, 2021	As at March 31, 2020
5%, 1,94,18,612 Series A compulsorily convertible preference shares of face value of Rs. 10 each issued at a premium of Rs. 107.75 ("Subscription Preference Shares") with a dividend of 0.01% of the face value (refer note below for terms of conversion for CCPS)	1,94,18,612	-	10.00	22,682	-
Total				22,682	-
Grand total (NCDs and CCPS)				1,73,654	56,179

Note: terms of conversion for CCPS
At the discretion of CCPS holder, the CCPS shall be converted into Equity Shares at the earlier of:

(i) at any time but not earlier than June 30, 2022 if the audited accounts for the financial year ending on 31 March 2022 are available or such other date on which the audited accounts for the financial year ending on 31 March 2022 are available ("Target Conversion Date");
(ii) at the time of closing of a Subsequent Round;
(iii) at the time of a Qualified IPO of the Company in accordance with the Shareholders' Agreement; or
(iv) upon the Transfer of 100% (one hundred percent) of the Share Capital of the Company, such date being the "Conversion Date", at the Conversion Rate, which shall be determined in accordance with the Schedule XVII of the Shareholder Agreement.

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 15: Borrowings other than debt securities *(at amortised cost)*

Particulars	At at March 31, 2021	At at March 31, 2020
Term loans (secured)*		
Banks	1,70,932	1,85,838
Financials institutions	45,813	52,836
Non Banking financial companies	12,708	19,405
External commercial borrowings**	32,679	20,943
Term loans (unsecured)		
External commercial borrowings**	16,006	16,016
Vehicle Loans (secured)	-	3
Borrowings from Securitisation arrangement (secured)		
- Securitisation transactions	4,169	5,741
Total	2,82,307	3,00,782
Borrowings in India	2,33,622	2,63,823
Borrowings outside India	48,685	36,959
Total	2,82,307	3,00,782

*Term loans are secured against hypothecation of all the underlying receivables/loan assets/book debts to the extent 1.0/1.05/1.1 times of the principal loan amount and margin money deposits.Secured Term loans are repayable in equated prinipal plus interest as well as in equated instalments carrying interest rate ranging from 6.38% - 12.60% (March 31, 2020: 6.43% - 14.25%). The above loans are also secured by personal guarantee of promoters.

**External Commercial Borrowings are secured against hypothecation of all the underlying receivables/loan assets/book debts to the extent 1.0/1.05 times of the principal loan amount. Secured Term loans are repayable in bullet payments/semi annual payments carrying interest rate ranging from 10.00% - 12.78% (March 31, 2020: 10.50% - 12.18%).

Borrowings under Securitisation arrangements
Represents securities issued by the Special Purpose Vehicles (SPVs) to the investors pursuant to the securitisation arrangement carrying a rate of interest in the rate of 8.90-10.90%. Since such arrangements do not fulfil the derecognition criteria under Ind AS 109, the Company has recognised the associated liabilities with a corresponding debit to loans and advances.

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 15.1 Terms of repayment of borrowings as on March 31, 2021

(In Rs. Lakhs)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due between 3 to 4 Years		Due between 4 to 5 Years		Due between 5 to 6 Years		Total
		No. of Installments	Amount (In Rupees)	No. of Installments	Amount (In Rupees)	No. of Installments	Amount (In Rupees)	No. of Installments	Amount (In Rupees)	No. of Installments	Amount (In Rupees)	No. of Installments	Amount (In Rupees)	
Monthly														
0-3 Yrs.	6.36%-13.5%	812	93,575	416	44,349	3	337	-	-	-	-	-	-	1,38,261
Above 3 Yrs.	9.60%-11.30%	51	7,684	31	6,899	6	2,170	-	-	-	-	-	-	16,754
Monthly Total		863	1,01,259	447	51,249	9	2,507							1,55,015
Quarterly														
0-3 Yrs.	9.10%-12.25%	101	41,643	21	8,710	5	460	-	-	-	-	-	-	48,813
Above 3 Yrs.	10.60%-10.75%	4	533	-	-	-	-	-	-	-	-	-	-	533
Quarterly Total		105	42,176	21	8,710	5	460							49,346
Half Yearly														
0-3 Yrs.	7%-12.75%	4	13,063	3	8,290	1	1,658	-	-	-	-	-	-	23,011
Above 3 Yrs.	9.08%-12.49%	15	12,411	14	11,512	12	9,194	13	11,805	-	-	-	-	44,922
Half Yearly Total		19	25,974	17	19,802	13	10,852	13	11,805					68,933
Annually														
0-3 Yrs.	11.50%-12.00%	2	1,793	2	1,741	2	1,741	-	-	-	-	-	-	5,275
Annually Total		2	1,793	2	1,741	2	1,741							5,275
Bullet														
0-3 Yrs.	9.75%-12.75%	15	44,139	7	21,171	4	14,922	-	-	-	-	-	-	80,232
Above 3 Yrs.	10.50%-17.00%	13	24,801	6	15,204	6	35,429	5	16,802	3	14,409	3	21,389	1,30,035
Bullet Total		28	68,940	13	36,375	10	50,351	5	16,802	3	14,409	3	21,389	2,10,267
Grand Total		1,017	2,40,242	500	1,15,677	39	65,911	18	30,606	3	14,409	3	21,389	4,86,436

A. Debentures
Non-convertible debentures issued by the Company are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Company to the extent of security cover ratio of 1.1:1 in favour of the debenture holders.

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

C. External Commercial Borrowings
The Company holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 15.2 Terms of repayment of borrowings as on March 31, 2020

(Amount in Rs. lakhs)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due between 3 to 4 Years		Due between 4 to 5 Years		Due between 5 to 6 Years		Total
		No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	
Monthly														
0-3 Yrs.	8.43%-16.5%	603	82,441	316	46,390	106	14,922	1	269	-	-	-	-	1,44,022
Above 3 Yrs.	11.75%-13.65%	31	994	13	415	-	-	8	60	-	-	-	-	1,469
Monthly Total		634	83,435	329	46,805	106	14,922	9	329	-	-	-	-	1,45,491
Quarterly														
0-3 Yrs.	10.35%-12.50%	133	50,894	78	30,108	9	1,803	1	207	-	-	-	-	82,810
Above 3 Yrs.	11.65%	4	499	2	249	-	-	-	-	-	-	-	-	748
Quarterly Total		137	51,163	80	30,357	9	1,803	1	207	-	-	-	-	83,558
Half-Yearly														
0-3 Yrs.		-	-	-	-	-	-	-	-	-	-	-	-	-
Above 3 Yrs.	9.68%-12.35%	10	9,573	12	10,090	10	7,939	8	5,200	5	4,110	-	-	36,912
Half-Yearly Total		10	9,573	12	10,090	10	7,939	8	5,200	5	4,110	-	-	36,912
Bullet														
0-3 Yrs.	10.25%-12.78%	9	17,142	2	4,929	5	15,913	-	-	-	-	-	-	37,984
Above 3 Yrs.	11.17%-14.75%	5	10,099	11	23,006	5	17,028	4	10,606	3	14,239	4	11,811	86,789
Bullet Total		14	27,241	13	27,935	10	32,941	4	10,606	3	14,239	4	11,811	124,773
Grand Total*		795	1,71,441	434	1,15,185	135	57,605	22	16,343	8	18,349	4	11,811	3,90,734

* Vehicle loans of Rs. 3 lakhs have not been included in the above disclosure.

A. Debentures
Non-convertible debentures issued by the Company are secured by way of first ranking exclusive hypothecation / charge on the owned portfolio of the Company to the extent of security cover ratio of 1.1:1 in favour of the debenture holders.

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

C. External Commercial Borrowings
The Company holds derivative instrument i.e. interest rate swap to mitigate the risk of changes in exchange rates and foreign currency exposure. The tenure of ECBs and derivative instruments are same and hence are treated as perfectly hedged.

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Note 15: Subordinated liabilities *(at amortised cost)*

Particulars	As at March 31, 2021	As at March 31, 2020
Indian Rupee term loan	28,746	22,249
Subordinate debt (unsecured)- debentures*	3,529	3,527
Subordinate debt (unsecured)- term loans#		
Total	32,275	25,776
Borrowings in India	17,916	18,404
Borrowings outside India	14,359	7,372
Total	32,275	25,776

*Subordinate debt NCDs are repayable in bullet payment carrying interest rate ranging from 12.21% - 14.9% p.a. (March 31, 2020: 12.21% - 17% p.a.)
#Subordinate debt term loans are repayable in bullet payment carrying interest rate ranging from 13.5% - 16.5% p.a. (March 31, 2020: 13.5% - 16.5% p.a.)

Subordinate debt (unsecured)- Debentures (at amortised cost)

Terms of debentures	Number of debentures		Face value	Amount in Rs/ Lakhs	
	As at March 31, 2021	As at March 31, 2020		As at March 31, 2021	As at March 31, 2020
17% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty five months from from the date of allotment i.e. June 30, 2015.	-	50	10,00,000	-	500
14.90% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty six months from from the date of allotment i.e. March 15, 2016.	200	200	10,00,000	2,008	2,007
14.80% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty six months from from the date of allotment i.e. March 28, 2016.	50	50	10,00,000	500	499
14.25% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of seventy two months from from the date of allotment i.e. September 29, 2016.	250	250	10,00,000	2,490	2,494
13.99% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from from the date of allotment i.e. March 24 2017	34,000	34,000	10,000	3,414	3,410
13.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of sixty six months from from the date of allotment i.e. March 27 2018	150	150	10,00,000	1,499	1,499
12.07% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.001 lakhs each redeemable at par at the end of eighty four months from from the date of allotment i.e. May 2 2019	30,00,000	30,00,000	100	2,997	2,991
13% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of eighty five months from from the date of allotment i.e. March 24 2020	396	396	10,00,000	3,970	3,960
12.29% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 25 thousand each redeemable at par at the end of eighty five months from from the date of allotment i.e. February 10 2020	28,500	-	25,000	7,006	-
12.21% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 10 lakhs each redeemable at par at the end of sixty months from from the date of allotment i.e. March 31 2020	340	340	10,00,000	3,395	3,391
14.50% Unsecured Redeemable, Non - Convertible Debentures of face value of Rs. 0.10 lakhs each redeemable at par at the end of seventy three months from from the date of allotment i.e. March 27, 2020	15,000	15,000	10,000	1,497	1,498
Total				28,746	22,249

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Sub debt (unsecured) - Term Loans (at amortised cost)

Terms of term loan	Rate	As at March 31, 2021	As at March 31, 2020
16.5% Unsecured term loan , having tenure of 68 months, maturing in FY 2020-21	16.60%	1,001	1,000
13.5% Unsecured term loan , having tenure of 68 months, maturing in FY 2023-24	13.50%	2,529	2,527
Total		3,529	3,527
Grand total of debentures and term loans (subordinate debt) (unsecured)		32,275	25,776

Note 17.1: Other financial liabilities (at amortised cost)

Particulars	As at March 31, 2021	As at March 31, 2020
Insurance premium payable	952	573
Employee dues	1,118	909
Payable towards securitisation transaction	4,028	6,694
Liability against interest subvention scheme	914	-
Arranger / processing charges payable	612	-
Death claim payable to customers	474	193
Other financial liabilities - Other payable*	338	182
Total	9,046	8,541

* consists of payable to vendors

Note 17.2: Other non-financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	466	328
Total	466	328

Note 18: Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits:		
Gratuity (refer note 33)	404	265
Leave encashment and availment	527	403
Provision on managed loan portfolio (under business correspondence arrangement)	104	-
Total	1,034	668

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

Note 19: Equity Share Capital

The reconciliation of equity shares outstanding at the beginning and at the end of the year
(Amount in Rs. Lakhs except no. of shares)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised 8,30,00,000 (March 31, 2020: 8,30,00,000) equity shares of Rs.10/- each	8,300	8,300
2,40,00,000 (March 31, 2020: 30,00,000) preference shares of Rs.10/- each	2,400	300
	10,700	8,600
Issued, subscribed and fully paid up 6,87,15,948 (March 31, 2020: 6,86,99,648) equity shares of Rs.10/- each (in Rs. Lakhs)	6,872	6,870
	6,872	6,870

Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

Particulars	No. of Shares	Amount in Rs. Lakhs
As at April 1, 2019	6,86,99,648	6,870
Issued during the year	-	-
As at March 31, 2020	6,86,99,648	6,870
Issued during the period	16,300	2
As at March 31, 2021	6,87,15,948	6,872

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share for matters other than "Investor Reserved Matters".

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the investors at their sole discretion have the option to receive an amount equal to 100% of each investor's aggregate investment amount after distribution of all creditors and preferential amounts. Thereafter, the promoters and promoter shareholders other than the investor shall receive pro-rata distribution of all their entire subscription amounts in proportion to their shareholding in the Company. Remaining surplus, if any shall be distributed to all equity shareholders on a pro rata basis.

Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding in the class	No. of Shares held	% of Holding in the class
Equity Shares of Rs.10 each fully paid				
Gobinda Chandra Pattanaik	67,60,343	9.84%	67,60,343	9.84%
Belgian Investment Company for Developing Countries NV - SA (Investor)	95,27,723	13.87%	95,27,723	13.87%
Oikocredit Ecumenical Development Cooperative Society U.A. (Investor)	75,40,636	10.97%	75,40,636	10.98%
Women's World Banking Capital Partners, LP	58,00,000	8.44%	58,00,000	8.44%
Bamboo Financial Inclusions Fund II	46,45,695	6.76%	46,45,695	6.76%
Oman India Joint Investment Fund II	1,80,48,942	26.27%	1,80,48,942	26.27%
Asian Development Bank	1,16,86,702	17.01%	1,16,86,702	17.01%
Total	6,40,11,941		6,40,11,941	
Compulsory Convertible Preference Shares of Rs. 10 each fully paid				
Pratap Chandra Dash on behalf of AIDS Awareness Trust of Orissa	30,00,000	13.38%	30,00,000	100.00%
Naveen Global Impact Fund India S.A.R.L (*)	1,94,18,612	86.62%	-	-
Total				

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.

* treated as financial liabilities in accordance with Ind AS 32 and hence disclosed under note 14

Shares reserved for issue under options
For details of shares reserved for issue under the management stock option plan (MSOP) and employee stock option (ESOP) of the Company, please refer Note 37.1 and 37.2.

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Note 20: Instruments entirely equity in nature

In Rs. Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Compulsorily Convertible Preference Shares (30,00,000 preference shares (March 31, 2020: 30,00,000 preference shares) of Rs 10 each fully paid up)	300	300
Total	300	300

Compulsorily convertible Preference shares are non interest bearing and convertible at par at the option of the holder of the instrument.

Note 21: Other equity*

In Rs. Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)	4,206	4,169
Securities premium	40,076	40,217
Stock option outstanding	1,295	1,169
Retained earnings	16,220	16,063
Other Comprehensive income	7,292	7,767
Total	69,088	69,385

* For detailed movement of reserves refer Statement of Changes in Equity for the year ended March 31, 2021 & March 31, 2020

Nature and purpose of reserve

21.1 **Securities premium reserve**
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

21.2 **Statutory reserve (As required by Sec 45-IC of Reserve Bank of India Act, 1934)**
Statutory reserve represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 45IC of Reserve Bank of India Act 1934.

21.3 **Stock option outstanding**
The stock option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

21.4 **Other comprehensive income**
The Group recognises changes in the fair value of Loan portfolio held with business objective of collect and sell in other comprehensive income. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to the statement of profit and loss when the loan is repaid. Any impairment loss on such instruments is reclassified immediately to the statement of profit and loss.

21.5 **Retained Earnings**
Retained earnings represent the cumulative profit/(loss) of the Group and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013.

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

Note 22: Interest income

(Rs. In Lakhs)

Particulars	For the year ended 31 March, 2021			For the year ended 31 March, 2020		
	On Financial Assets measured at FVOCI	On Financial Assets measured at Amortised cost	Total	On Financial Assets measured at FVOCI	On Financial Assets measured at Amortised cost	Total
Interest income on loans	70,568	13,332	83,900	56,055	7,148	63,203
Interest income on securitised loans	-	858	858	-	4,223	4,223
Interest income on fixed deposits with Banks	-	5,792	5,792	-	3,574	3,574
Interest income on margin money deposits with NBFC/FI	-	117	117	-	86	86
Interest income on others	-	43	43	-	-	-
Total	70,568	20,141	90,709	56,055	15,031	71,086

Note 23.1: Fees and Commission Income

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Loan portfolio servicing fees	271	682
Total	271	682

Note 23.2: Net gain on derecognition of loans designated at FVOCI

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net gain on derecognition of loans designated at FVOCI(*)	6,363	5,664
Total	6,363	5,664

* represents net gain accounted on assignment transactions during the year

Note 24: Other Income

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit on sale of current investments	-	87
Miscellaneous income	226	324
Total	226	412

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Note 25: Finance costs

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on debt securities	13,380	7,709
Interest on borrowings other than debt securities	33,658	25,575
Interest on subordinated liabilities	3,736	2,351
Interest on Lease liabilities	8	13
Other borrowing costs*	325	2,089
Total	51,105	37,737

* consists of credit rating fees, bank charges etc.

Note 26: Impairment of Financial assets

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2021			For the year ended March 31, 2020		
	On Financial Assets measured at FVOCI	On Financial Assets measured at Amortised cost	Total	On Financial Assets measured at FVOCI	On Financial Assets measured at Amortised cost	Total
Impairment on loan portfolio (Own portfolio) (including loan portfolio written off)	14,587	4,484	19,071	3,838	1,432	5,270
Impairment on loan portfolio (Managed portfolio)	-	104	104	-	-	-
Total	14,587	4,588	19,175	3,838	1,432	5,270

Note 27: Employee benefit expenses

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	18,519	16,032
Contributions to provident fund and other funds	1,103	891
Gratuity expense (refer note 33)	292	204
Expenses on employee stock option plan (refer note 37.1 and 37.2)	120	263
Staff welfare expenses	559	337
Total	20,599	17,727

The Code on Social Security, 2020 ('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 is yet to be notified and the final rules/interpretation are yet to be promulgated. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 28: Depreciation and amortisation expenses

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on property, plant and equipment	578	649
Amortisation charge on right of use asset (refer note 12)	53	54
Amortisation on intangible assets	282	171
Total	893	874

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Note 29: Other expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent on building (refer note 12)	1,264	1,104
Rent on property, plant and equipment (refer note 12)	186	64
Rates and taxes	224	350
Office maintenance	313	239
Office expenses	548	462
Director sitting fees	20	11
Travelling and conveyance	95	584
Communication expenses	268	248
Printing and stationery	253	187
Legal and professional fees	1,159	1,209
Payment to auditors (refer note 29.1 below)	85	78
Remuneration to directors	-	193
Insurance	50	58
Provision and other contingencies*	167	457
Advertisement	15	11
Training and meeting expenses	317	605
Electricity charges	161	139
Corporate Social Responsibility expenses (refer note 29.2 below)	335	109
Miscellaneous expense	309	235
Total	5,772	6,363

* represents provision for insurance Claims in respect of dues from deceased borrowers

Note 29.1: Payment to auditors

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As auditor:		
Audit fee (excluding taxes)	59	32
Limited review	21	39
Other services (certification fees etc.)	5	2
Reimbursement of expenses	-	5
Total	85	78

Note 29.2: Corporate Social Responsibility

Gross amount required to be spent by the Company during the current year ended is Rs. 123.91 Lakhs (March 31, 2020: Rs. 87.61 Lakhs)

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2021			For the year ended March 31, 2020		
	In Cash	Yet to be paid in Cash	Total	In Cash	Yet to be paid in Cash	Total
Construction/ acquisition of any assets	-	-	-		-	-
Corporate Social Responsibility expenses	335	-	335	109	-	109
Total	335	-	335	109	-	109

Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

Note 30: Earning per share
The following reflects the profit/loss after tax and equity share data used in the basic and diluted EPS calculations:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Net profit after tax as per the Statement of profit and loss (Rs. in lakhs)	182	8,289
Net profit after tax as above for calculation of basic EPS and diluted EPS (Rs. in lakhs)	182	8,289
Weighted average number of ordinary shares for basic earnings per share	687	687
Effect of dilution:		
Stock options granted under ESOP (Nos.)	39	39
Compulsorily Convertible Preference Shares	30	30
Weighted average number of ordinary shares adjusted for effect of dilution	756	756
Earnings per share		
Basic earnings per share (Rs.)	0.26	12.08
Diluted earnings per share (Rs.)	0.24	10.96
Nominal Value per share (Rs.)	10	10

Note 31: Segment information
"The Company is solely engaged in providing financial services to borrowers and accordingly there is only reportable business segment i.e. financial services for the purpose of Ind AS 108 on "Operating Segments'. The Company operates in a single geographical segment i.e. domestic."

Note 32: Transfer of financial assets

Transferred financial assets that are not derecognised in their entirety
The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for de-recognition, together with the associated liabilities:

(Rs. in lakhs)

	As at March 31, 2021	As at March 31, 2020
Securitizations		
Carrying amount of transferred assets measured at FVOCI	4,169	5,741
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	4,169	5,741
Fair value of transferred assets	4,169	5,741
Fair value of associated liabilities	4,169	5,741
Net position at fair value	-	-

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Note 33 Defined benefit plan

33.1 Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/assets and its components:

Particulars	As at March 31, 2021	As at March 31, 2020
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	548	282
Current service cost	279	199
Interest cost	37	22
Benefits settled	(6)	(3)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	(3)	(51)
- Changes in financial assumptions	23	99
Obligation at the end of the year	878	548
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	283	164
Interest income on plan assets	24	17
Re-measurement- actuarial gain / (loss)	6	(5)
Contributions	168	110
Benefits settled	(6)	(3)
Plan assets at the end of the year, at fair value	474	283
Net defined benefit liability	404	265

33.2 Expense recognised in profit or loss

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	279	199
Interest cost	37	22
Interest income	(24)	(17)
Net gratuity cost	292	204

33.3 Re-measurement recognised in other comprehensive income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Re-measurement of the net defined benefit liability		
- Changes in experience adjustments	(3)	(51)
- Changes in financial assumptions	23	99
Re-measurement of the net defined benefit asset		
Return on plan assets (greater) / less than discount rate	(6)	6
Total Actuarial (gain)/ loss included in OCI	15	54

33.4 Plan assets

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Funds managed by insurer	100%	100%

33.5 Defined benefit obligation - Actuarial assumptions

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate	6.76%	6.70%
Future salary growth	7.00%	7.00%
Attrition rate	Varying between 8% per annum to 1% per annum depending on duration and age of employees	Varying between 8% per annum to 1% per annum depending on duration and age of employees
Average term of liability (in years)	28.88	29.31

33.6 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:

(Rs. In lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	777	1,011	492	629
Future salary growth (1% movement)	1,012	774	629	400
Attrition rate (1% movement)	866	897	538	558

33.7 Expected payment for future years

(Rs. In lakhs)

Particulars	As at March 31, 2021	As at March 31,
Within the next 12 months (next annual reporting period)	27	14
Between 2 and 5 years	198	119
Between 5 and 10 years	304	193
Beyond 10 years	-	1,365
Total expected payments	529	1,691

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

Note 34 Asset liability management:

(Rs. in lakhs)

Maturity pattern of assets and liabilities as on March 31, 2021:

Particulars	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings	20,484	12,287	17,206	58,559	1,31,685	1,81,788	45,018	21,388	4,88,436
Advances (Gross) [refer note 7(a)]	24,480	24,148	23,571	67,997	1,12,951	1,34,025	8,395	14,324	4,09,891
Investment in Fixed deposit	47,965	22,051	5,671	15,564	16,961	15,778	184	-	1,26,184

(Rs. in lakhs)

Maturity pattern of assets and liabilities as on March 31, 2020:

Particulars	Upto 30 / 31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings	6,426	9,368	17,554	46,903	91,194	1,72,790	34,694	11,809	3,90,737
Advances (Gross) [refer note 7(a)]	502	398	24,620	70,588	1,19,569	1,33,634	6,104	3,762	3,59,156
Investment in Fixed deposit	37,239	5,991	18,410	2,808	11,983	9,210	1,533	-	87,175

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 35.1: Additional disclosures pursuant to the Master Directions issued by RBI :

A) Information on Net Interest Margin

Computation of aggregate margin cap :

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Average interest charged by the Company on loans (%)	20.75	19.97
b) Average effective cost of borrowings of the Company (%)	11.36	11.72
c) Net interest margin (a-b) (%)	9.39	8.25

Note:

1 Above computation is in accordance with the method accepted by RBI vide its letter no DNBS.PD.NO.4908/03.10.038/ 2012-13 dated April 4, 2013 to Micro-finance Institutions Network (the "MFIN format") read with the FAQs issued by RBI on October 14, 2016 and RBI Circular dated March 13, 2020 on Implementation of Indian Accounting Standards.

2 Average loan outstanding determined for the purpose of calculating NIM is based on the carrying value of loans under Ind AS , excluding effect of the following-

(a) Securitised loans qualifying for de-recognition as per RBI's "true sale" criteria and related interest income have not been considered for computation of "average interest charged" in accordance with the MFIN format. Accordingly, the purchase consideration received towards such securitisations and related finance costs have not been considered for computation of "average effective cost of borrowings". As per Ind AS 109, such loans and borrowings continue to be recognized on the balance sheet in the Ind AS financial statements;

(b) Fair value changes recognised through other comprehensive income and;

(c) Impairment allowance adjusted from the carrying value of loans in accordance with Ind AS 109.

3 Interest income considered for computation of "average interest charged" excludes loan processing fee collected from customers in accordance with para 56 (vi) of the RBI Master Directions. As per Ind AS 109, such loan processing fee forms part of interest income in the Ind AS financial statements.

B) Exposure to Gold Loan

The Company has no exposure to Gold Loan directly or indirectly.

C) Disclosures required as per the Non Banking Financial Company -Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016:

Particulars	Remarks
1. Capital to Risk (Weighted) Assets Ratio	Refer Note No. 35 (O)
2. Investments	Refer note 7.1
3. Derivatives	The Company has entered into Cross currency interest rate swaps (refer note 15.1 and 15.2)
i) Forward Rate Agreement / Interest Rate Swap	The Company has no unhedged foreign currency exposure as on March 31, 2021 and March 31, 2020.
ii) Exchange Traded Interest Rate (IR) Derivatives	
iii) Disclosures on Risk Exposure in Derivatives	
iv) Forward rate agreement/interest rate swap	
4. Disclosures relating to Securitisation	
i) Information duly certified by the SPV's auditors obtained by the originating NBFC from the SPV.	Refer Note No. 35 (E.1)
ii) Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction	The Company has not sold financial assets to securitisation or reconstruction company for assets reconstruction during the current and previous year.
iii) Details of Assignment transactions undertaken by NBFCs	Refer Note No. 35 (E.2)
5. Details of non-performing financial assets purchased / sold	The Company has not purchased / sold non-performing financial assets during the current and previous year.
i) Details of non-performing financial assets purchased :	
ii) Details of Non-performing Financial Assets sold :	
6. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities	Refer Note No. 35 (P)
7. Exposures	
i) Exposure to Real Estate Sector	The Company has no exposure to real estate directly or indirectly.
ii) Exposure to Capital Market	The Company has no exposure to capital market directly or indirectly.
8. Details of financing of parent company products	This Disclosure is not applicable as the Company does not have any holding or parent company.

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

Particulars	Remarks
9. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC	The Company has not exceeded any limit in respect of qualifying asset SGL / GBL during the current and previous year.
10. Unsecured Advances	Refer Note No. 35 (F)
11. Miscellaneous	
i) Registration obtained from other financial sector regulators	Refer Note No. 35 (G)
ii) Disclosure of Penalties imposed by RBI and other regulators	No penalties were imposed by RBI and other regulators during the current and previous year.
iii) Related Party Transactions	Refer Note No. 36
iv) Ratings assigned by credit rating agencies and migration of ratings during	Refer Note No. 35 (H)
v) Remuneration of Directors	Refer Note No. 36
vi) Net Profit or Loss for the period, prior period items and changes in accounting policies	Refer Accounting policy
vii) Revenue Recognition	Refer Accounting policy
viii) Accounting Standard 21 -Consolidated Financial Statements (CFS)	During the year, the Company has incorporated a new subsidiary "Annapurna SME Finance Private Limited" and hence consolidated financial statements is applicable from the year ended March 31, 2021. In the previous financial year, consolidated financial statements was not applicable.
12. Additional Disclosures	
i) Provisions and Contingencies	Refer Note No. 35 (I)
ii) Draw Down from Reserves	There has been no draw down from reserves during the year ended March 31, 2021 (March 31, 2020 : Nil).
iii) Concentration of Deposits, Advances, Exposures and NPAs	
a) Concentration of Deposits (for deposit taking NBFCs)	This Disclosure is not applicable as the Company as it is not a deposit taking NBFC.
b) Concentration of Advances	Refer Note No. 35 (J)
c) Concentration of Exposure	Refer Note No. 35 (K)
d) Concentration of NPAs	Refer Note No. 35 (L)
e) Sector-wise NPAs	Refer Note No. 35 (M)
f) Movement of NPAs	Refer Note No. 35 (N)
iv) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)	The Company has no exposure or transaction with overseas assets.
v) Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)	There are no off balance sheet exposure as on March 31, 2021 and March 31, 2020.
13. Disclosure of Complaints	Refer Note No. 35 (O)

D) Capital to Risk-Assets ratio (CRAR)

Particulars	As at March 31, 2021	As at March 31, 2020
i) CRAR (%)	27.71	26.74
ii) CRAR - Tier I capital (%)	21.94	20.36
iii) CRAR - Tier II capital (%)	5.77	6.38
iv) Amount of subordinated debt raised as Tier - II Capital (in Rs. Lakhs)	32,385	25,760
v) Amount raised by issue of Perpetual Debt Instruments (in Rs. Lakhs)	-	-

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

E.1) The followings figures are being reported based on certificate issued by the auditors of the SPV

(In Rs. Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
1 No of SPVs sponsored by the NBFC for securitisation transactions	2	6
2 Total amount of securitised assets as per books of the SPVs sponsored by the NBFC as on the balance sheet date	5,416	10,384
3 Total amount of exposures retained by the NBFC to comply with MRR as on the date of Balance Sheet		
a) Off-balance sheet exposures		
• First loss	-	-
• Others	-	-
b) On-balance sheet exposures	1,139	2,732
• First loss	-	-
• Others		
4 Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations	-	-
• First loss	-	-
• Others		
ii) Exposure to third party securitisations	-	-
• First loss	-	-
• Others		
b) On-balance sheet exposures		
i) Exposure to own securitisations	-	1,944
• First loss	-	-
• Others		
ii) Exposure to third party securitisations	-	-
• First loss	-	-
• Others		

E.2) The followings figures are being reported based on Direct Assignment undertken by the Company.

Particulars	31-Mar-21	31-Mar-20
Numbers of loans assigned	2,49,247	2,97,711
Aggregate value of accounts sold	72,438	74,635
Aggregate consideration	72,438	74,635
Portfolio loan assigned and outstanding as at the year end	76,437	55,975
Income from direct assignment recognised in the statement of profit and loss	6,363	5,684

The Company has transferred all the rights and obligations relating to above assigned loan assets to the buyers.

F) Unsecured Advances

(In Rs Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Portfolio loans	3,85,988	3,32,009

G) Registration obtained from other financial sector regulators :
The Company is registered with the 'Ministry of Corporate Affairs' (Financial regulators as described by Ministry of Finance) having CIN no. U65999OR1986PTC015931.

H) Ratings assigned by credit rating agencies and migration of ratings during the year:
A Credit rating agency had assigned a rating of 'A-' on the term loans of the Company on March 16, 2021 (Previous Year 'A-').

I) Provisions and Contingencies

(In Rs Lakhs)

Break up of Provisions and Contingencies shown under the head Expenditure in Profit and Loss Account	For the year ended March 31, 2021	For the year ended March 31, 2020
i) Provision made towards income tax (including adjustment for deferred tax)	(15)	2,235
ii) Payment made against the securitised/ managed portfolio	104	-
iii) Other provision and contingencies		
a) Provision for gratuity	292	204
b) Provision for leave benefit	124	274
c) Provision for insurance claims	167	269
iv) Provision towards NPA*	18,304	1,852
v) Provision for Standard Assets**	5,243	3,118

* Represents impairment allowance on stage III loans
** Represents impairment allowance on stage I and stage II loans

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J) Concentration of Advances

(Rs. In lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total advances to twenty largest borrowers *	5,006	11,229
Percentage of advances to twenty largest borrowers to total advances of the NBFC	1.22%	3.13%

* Represents amount outstanding as per contract with customers

K) Concentration of Exposures

(Rs. In lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total exposure to twenty largest borrowers / customers *	739	13,091
Percentage of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	0.24%	3.30%

* Represents amount disbursed during the year as per contract with customers

L) Concentration of NPA's

(Rs. In lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total exposure to top four NPA accounts	3	13

M) Sector-wise NPAs

Sector	% of NPAs to total advances in that sector as at March 31, 2021	% of NPAs to total advances in that sectors as at March 31, 2020
i) Agriculture & allied activities	7.62%	1.57%
ii) MSME	6.85%	1.34%
iii) Corporate borrowers	-	-
iv) Services	13.56%	0.10%
v) Unsecured personal loans	3.97%	1.10%
vi) Auto loans	-	-
vii) Other personal loans	-	-

N) Movement of NPAs*

(Rs. In lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
i) Net NPAs to Net Advances (%)	3.04%	0.06%
ii) Movement of Gross NPAs		
a) Opening balance	4,888	3,378
b) Additions during the year	25,530	3,427
c) Reductions during the year (represents loan portfolio written-off)	(384)	(1,919)
d) Closing balance	30,052	4,886
iii) Movement of Net NPAs		
a) Opening balance	3,034	1,758
b) Additions during the year	8,714	1,276
c) Reductions during the year	-	-
d) Closing balance	11,748	3,034
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	1,852	1,620
b) Provisions made during the year	16,836	2,151
c) Write-off / write-back of excess provisions	(384)	(1,919)
d) Closing balance	18,304	1,852

* refers to Stage 3 loans

O) Disclosure of Complaints

Particulars	As at March 31, 2021	As at March 31, 2020
i) No. of complaints pending at the beginning of the year	195	23
ii) No. of complaints received during the year	11,592	13,447
iii) No. of complaints redressed during the year	11,703	13,275
iv) No. of complaints pending at the end of the year	84	195

The Company has a Customer Grievance Redressal Mechanism for convenience of customers to register their complaints and for Company to monitor and redress them.

The above information is as certified by the management and relied upon by the auditors.

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

P) Public Disclosure on Liquidity Risk as on March 31, 2020 Pursuant to RBI Guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies dated November 4, 2019

Public Disclosures on liquidity risk management

i) Funding Concentration based on significant counterparty (both deposits and borrowings) for the year ended March 31, 2021

Number of significant counter parties	Amount (in Lakhs)*	% of Total Deposits	% of Total Liabilities
Twenty Eight (28)	3,62,993	NA	72.71%

Funding Concentration based on significant counterparty (both deposits and borrowings) for the year ended March 31, 2020

Number of significant counter parties	Amount (in Lakhs)*	% of Total Deposits	% of Total Liabilities
Twenty Seven (27)	3,00,212	NA	74.72%

ii) Top 20 large deposits (Amount in Lakhs and % of total deposits) - Not applicable. The company being a Systematically Important Non Deposit taking NBFC registered with the RBI does not accept public deposits.

iii) Top 10 Borrowings (amount in lakhs and % of total borrowings) for the year ended March 31, 2021

Amount in Lakhs *	% of Total Borrowings
1,07,707	23.58%

Top 10 Borrowings (amount in lakhs and % of total borrowings) for the year ended March 31, 2020

Amount in Lakhs *	% of Total Borrowings
48,873	12.45%

iv) Funding Concentration based on significant instrument/product for the year ended March 31, 2021

Name of the Instrument/Product	Amount in lakhs *	% of Total Liabilities
Term loan from banks	7,109	1.42%
Term loan from FI	9,194	1.83%
Secured redeemable non convertible debentures	94,633	18.93%
Term loan from NBFC's	54,099	10.98%
External commercial borrowings	29,553	5.91%
Subordinate Debt (unsecured) - debentures	7,126	1.43%
Total borrowings	2,02,493	40.50%
Total liabilities	4,99,247	

Funding Concentration based on significant instrument/product for the year ended March 31, 2020

Name of the Instrument/Product	Amount in lakhs *	% of Total Liabilities
Term loan from banks	1,85,820	46.25%
Term loan from FI	52,836	13.15%
Secured redeemable non convertible debentures	64,179	15.97%
Term loan from NBFC's	19,405	4.83%
External commercial borrowings	16,016	3.99%
Subordinate Debt (unsecured) - debentures	22,249	5.54%
Total borrowings	3,60,523	89.73%
Total liabilities	4,01,793	

Note : The above does not include borrowings on account of securitisation agreements recognised as per Ind AS 109

v) Stock Ratios as at March 31, 2021

Particulars	as a % of total public funds	as a % of total liabilities	as a % of total assets
Commercial Papers	-	-	-
Non-convertible debentures (original maturity of less than 1 year)	-	-	-
Other Short term liabilities	3.61%	3.6%	3.0%

Stock Ratios as at March 31, 2020

Particulars	as a % of total public funds	as a % of total liabilities	as a % of total assets
Commercial Papers	-	-	-
Non-convertible debentures (original maturity of less than 1 year)	-	-	-
Other Short term liabilities	5.14%	5.00%	4.20%

*Represents amount outstanding as per contracts with lenders

vi) Institutional set up for liquidity risk management
The Company's Board of Directors has the overall responsibility of management of liquidity risk. The Board decides the strategic policies and procedures of the company to manage liquidity risk in accordance with the risk tolerance limits as decided by the board

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The Company also has a Risk Management Committee, which is a sub-committee of the board and is responsible for evaluating the overall risk faced by the company including liquidity risks.

Asset Liability Management Committee (ALCO) of the company is responsible for ensuring adherence to risk tolerance limits as well as implementing the liquidity risk management strategy of the company

Chief Risk Officer shall be a part of the process of identification, measurement and mitigation of liquidity risks

The ALM support group consists of CFO and Head-Treasury who shall be responsible for analysing, monitoring and reporting the liquidity profile to the ALCO.

*Notes
1. A significant counterparty is defined as a single counterparty or a group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC's-NDSI, NBFC-D's total liabilities and 10% of the other non-deposit taking NBFC's.

2. A significant instrument/product is defined as a single instrument/product of group of similar instruments/products which in aggregate amounts to more than 1% of the NBFC's-NDSI, NBFC-D's total liabilities and 10% of the other non-deposit taking NBFC's.

3. Total Liabilities has been computed as sum of all liabilities (Balance sheet figures) less equities and Reserves/Surplus.

4. Public funds shall include funds raised either directly or indirectly through Public Deposits, Commercial Paper's and debentures, inter-corporate deposits and bank finance but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue as defined in Regulatory Framework for Core Investment Companies issued vide Notification No. DNBS (PD) CC No. 206/03.10.001/2010-11 dated January 5, 2011.

5. The amount stated in the disclosure is based on the audited Financial statements for the year ended March 31, 2021 and March 31, 2020.

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 35.2: Disclosure required as per RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

(In Rs. Lakhs)

As at March 31, 2021

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying value as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net Carrying Value	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	3,41,161	749	3,40,412	176	573
	Stage 2	38,678	4,494	34,184	3,399	1,095
Subtotal		3,79,839	5,243	3,74,596	3,575	1,668
Non-Performing Assets (NPA)						
Substandard	Stage 3	30,052	18,304	11,748	18,300	4
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
Stage 3	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
Subtotal		30,052	18,304	11,748	18,300	4
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		30,052	18,304	11,748	18,300	4
Total	Stage 1	3,41,161	749	3,40,412	176	573
	Stage 2	38,678	4,494	34,184	3,399,0	1,095
	Stage 3	30,052	18,304	11,748	18,300	4
	Total	4,09,891	23,547	3,86,344	21,875	1,672

Note 1: Figures in this column represents provisions determined in accordance with the asset classification and provisioning norms as stipulated under Master Directions.

(In Rs. Lakhs)

As at March 31, 2020

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying value as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net Carrying value	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	3,51,510	3,970	3,47,540	571	3,399
	Stage 2	2,800	231	2,569	127	104
Subtotal		3,54,310	4,201	3,50,109	698	3,503
Non-Performing Assets (NPA)						
Substandard	Stage 3	4,886	1,852	3,034	3,626	(1,774)
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
Stage 3	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
Subtotal		4,886	1,852	3,034	3,626	(1,774)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		4,886	1,852	3,034	3,626	(1,774)
Total	Stage 1	3,51,510	3,970	3,47,540	571	3,399
	Stage 2	2,800	231	2,569	127	104
	Stage 3	4,886	1,852	3,034	3,626	(1,774)
	Total	3,59,196	6,053	3,53,143	4,324	1,729

Note 1: Figures in this column represents provisions determined in accordance with the asset classification and provisioning norms as stipulated under Master Directions.
Note 2: Includes additional provision pursuant to the RBI notification dated April 17, 2020 on accounts classified as standard but overdue as at February 29, 2020.

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 35.3: Frauds

1 Information on instances of fraud for the year ended March 31, 2021:

(Rs In Lakhs)

Nature of fraud	No. of cases	Amount of fraud	Amount Recovered	Considered as Recoverable	Amount Provided for
Cash embezzlement	9	65	11	-	54

2 Information on instances of fraud for the year ended March 31, 2020:

(Rs In Lakhs)

Nature of fraud	No. of cases	Amount of fraud	Amount Recovered	Considered as Recoverable	Amount Provided for
Cash embezzlement	5	14	-	-	14

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 35: Related Party Transactions

Name of the Related Parties (as per Ind AS 24)

Relationship	Name of the party
(i) Key Management Personnel	Mr. Gobinda Chandra Pattanaik- Managing Director Mr. Dibyajyoti Pattanaik- Director Mr. Satyajit Das - Chief Financial Officer Mr. Subrat Pradhan- Company Secretary Mr. Ashok Ranjan Samal- Independent Director Mr. K.K. Tiwary- Independent Director Mr. Sean Leslie Nossel - Independent Director
(ii) Enterprise having significant influence over the Company	Oman India Joint Investment Fund II
(iii) Subsidiary Company	Annapurna SME Finance Private Limited (Incorporated on December 18, 2020)

Related Party transactions during the year:

(in Rs. Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Key management personnel		
Salary, incentives and perquisites (Refer Note (b) below)		
Mr. Gobinda Chandra Pattanaik	153	138
Mr. Dibyajyoti Pattanaik	70	55
Mr. Satyajit Das	62	49
Mr. Subrat Pradhan	18	15
	303	257
Expenses on employee stock option plan		
Mr. Subrat Pradhan	2	4
	2	4
Sitting Fees Paid		
Mr. Ashok Ranjan Samal	10	5
Mr.K.K. Tiwary	8	3
Mr. Sean Leslie Nossel	6	3
	24	11
(ii) Subsidiary Company		
Investment in Annapurna SME Finance Private Limited	500	-
	500	-

Note:
a) Related parties have been identified on the basis of the declaration received by the management and other records available.
b) The above remuneration to the key managerial personnel consitute the short term employee benefits and above does not include the provisions made towards post employement gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

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Annapurna Finance Private Limited
Notes to the financial statements for the year ended March 31, 2021

Note 37.1 Management Stock Option Plan (MSOP)

The Company provides share-based payment schemes to its key management personnel. The plan in operation as on March 31, 2020 are MSOP Series- A and MSOP – Series -B.

Particulars	MSOP - Series A	MSOP - Series B (I)	MSOP - Series B (II)
Date of Grant	June 29, 2012	March 19, 2014	March 19, 2014
Date of Board Approval	June 29, 2012	March 19, 2014	March 19, 2014
Date of Shareholder's Approval	June 29, 2012	March 19, 2014	March 19, 2014
Number of Options expected to exercise within the vesting period	8,16,214	4,15,119	20,83,304
Exercise Price per Share (Rs.)	2.5	5	5
Method of settlement	Equity	Equity	Equity
Vesting Period	March 31, 2013	March 31, 2015	March 31, 2016
Exercise Period	Immediate after vesting period subject to shareholders' approval	Immediate after vesting period subject to shareholders' approval	Immediate after vesting period subject to shareholders' approval
Vesting Conditions	Performace milestones as set out in shareholder agreement dated June 29, 2012	Performace milestones as set out in shareholder agreement dated March 19, 2014	Performace milestones as set out in shareholder agreement dated March 19, 2014

The detail of the plans have been summarised below:

MSOP-Series A

Particulars	31-Mar-21		31-Mar-20	
	No. of Options	Exercise Price (Rs.)	No. of Options	Exercise Price (Rs.)
Outstanding at the beginning of the year	8,16,214	-	8,16,214	-
Adjustment of opening:	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	8,16,214	-	8,16,214	-
Exercisable at the end of the year	8,16,214	-	8,16,214	-
Weighted average remaining contractual life in years	-	-	-	-

MSOP- Series B

Particulars	31-Mar-21		31-Mar-20	
	No. of Options	Exercise Price (Rs.)	No. of Options	Exercise Price (Rs.)
Outstanding at the beginning of the year	24,99,423	5.00	24,99,423	5.00
Adjustment of opening.	-	-	-	-
Granted During the year	-	-		-
Forfeited During the year	-	-	-	-
Exercised During the year	-	-	-	-
Expired During the year	-	-	-	-
Outstanding at the end of the year	24,99,423	5.00	24,99,423	5.00
Exercisable at the end of the year	24,99,423	5.00	24,99,423	5.00
Weighted Average Remaining Contractual Life in Years	-	-	-	-

Effect of share-based payment plans (MSOP & ESOP) on the statement of profit and loss:

Particulars	March 31, 2021	March 31, 2020
Stock options outstanding (gross)	1,295	1,169
Deferred compensation cost outstanding	-	-
Stock options outstanding (net)	1,295	1,169

The Stock option outstanding contains of Rs 544 lakhs for MSOP (A & B) as on March 31, 2021 (March 31, 2020: Rs. 544 lakhs) and Rs. 751 lakhs (March 31, 2020: Rs. 625 lakhs) for ESOP

Notes :
i) The issue of shares will be in accordance with the provisions of the Companies Act, 2013.

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Note 37.2 Employee Stock Option Scheme (ESOS)

On November 30, 2016 the board of directors approved the Annapurna Stock Option Scheme 2017 for issue of stock options to eligible employees of the Company. The relevant terms of the grant are as below

Description	Grant - 2	Grant - 1
Date of Grant	01 July 2018	01 July 2017
Date of Board approval	30 November 2016	30 November 2016
Number of options granted	18,17,481	10,90,477
Method of Settlement	Equity	Equity
Graded Vesting	Vesting of the option will take place in equal proportion over a period of 3 years from the date of grant of options	
Exercise period		

The vested options can be exercised within a period of 5 years as per the table below:

End of the Year	Exercise period	Exercise period
1	Within 4 year of 1st Vesting	Within 5 year of 1st Vesting
2	Within 3 year of 2nd Vesting	Within 4 year of 2nd Vesting
3	Within 2 year of 3rd Vesting	Within 3 year of 3rd Vesting

Vesting Conditions	Continuous service with the company and has not served any notice of resignation	
Weighted average remaining contractual life (years)	3 years	3 years
Weighted average exercise price per option (₹)	49	41

The details of activity under the Scheme 2017 Plan are summarized below:

Grant 1

Description	31st March 2021 (No. of options)	31st March 2020 (No. of options)
Outstanding at the beginning of the year	11,28,400	10,34,300
Granted during the year	-	1,14,200
Forfeited during the year	1,64,600	20,100
Exercised during the year	11,000	-
Outstanding at the end of the year	9,52,800	11,28,400
Exercisable at the end of the year	0,62,300	11,28,400
Weighted average remaining contractual life of options (years)	-	3
Weighted average share price during the exercise period (in ₹)	41	41

Grant 2

Description	31st March 2021 (No. of options)	31st March 2020 (No. of options)
Outstanding at the beginning of the year	5,05,500	4,74,700
Granted during the year	-	80,300
Forfeited during the year	70,500	49,700
Exercised during the year	5,200	-
Outstanding at the end of the year	4,32,000	5,05,300
Exercisable at the end of the year	4,32,000	5,05,300
Weighted average remaining contractual life of options (years)	1	3
Weighted average share price during the exercise period (in ₹)	49	49

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:-

Particulars	Grant 2	Grant 1
Share Price on the date of Grant (Rs)	59.04	76.00
Exercise price (₹)	49.00	41.00
Dividend yield (%)	-	-
Expected volatility (%)	53.14-57.59%	43.86% - 49.22%
Risk-free interest rate (%)	7.23-7.32%	0.00% - 0.74%
Weighted average fair value of stock options (Rs)	61.13	45.29
Weighted average share price (₹)	50.84	76.00

The expected volatility reflects the presumption that is indicative of future trends, which may also not necessarily be the actual outcome. The cost of employee stock option scheme has been recognized at fair value.

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 38: Maturity analysis of assets and liabilities

The table below shows assets and liabilities analysed according to when they are expected to be recovered or settled.

(In Rs. Lakhs)

	Particulars	Within 12 months	After 12 months	Total
	As at March 31, 2021			
	ASSETS			
(1)	Financial Assets			
(a)	Cash and cash equivalents	66,135	-	66,135
(b)	Bank balance other than cash and cash equivalents	39,621	42,560	82,181
(c)	Trade Receivables	37	-	37
(d)	Loans	2,29,971	1,56,745	3,86,716
(e)	Investments	-	500	500
(f)	Other financial assets	8,528	6,032	14,560
(2)	Non-financial Assets			
(a)	Current tax assets (net)	-	125	125
(b)	Deferred tax assets (net)	-	2,778	2,778
(c)	Property, plant and equipment	472	667	1,139
(d)	Intangible assets	62	37	99
(e)	Right of Use Assets	37	2	39
(f)	Other non-financial assets	534	654	1,188
	Total Assets	3,65,397	2,10,110	5,75,507
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	Financial liabilities			
(a)	Payables			
	(i) Trade Payables			
	- Total outstanding dues of micro enterprises and small enterprises	-	-	-
	-Total outstanding dues of creditors other than micro enterprises and small enterprises	227	-	227
(b)	Debt securities	56,950	1,16,904	1,73,854
(c)	Borrowings (other than debt securities)	1,79,714	1,02,593	2,82,307
(d)	Subordinated liabilities	3,578	28,697	32,275
(e)	Lease liabilities	33	3	36
(f)	Other financial liabilities	9,045	-	9,045
(2)	Non-financial liabilities			
(a)	Provisions	417	617	1,034
(b)	Other non-financial liabilities	468	-	468
(3)	Equity			
(a)	Equity share capital	-	6,872	6,872
(b)	Instruments entirely equity in nature	-	300	300
(c)	Other equity	-	69,088	69,088
	Total Liabilities and Equity	2,50,432	3,25,075	5,75,507

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Notes to the Standalone financial statements for the year ended March 31, 2021

(In Rs. Lakhs)

	Particulars	Within 12 months	After 12 months	Total
	As at March 31, 2020			
	ASSETS			
(1)	Financial Assets			
(a)	Cash and cash equivalents	70,027	-	70,027
(b)	Bank balance other than cash and cash equivalents	13,923	27,861	41,784
(c)	Trade Receivables	47	-	47
(d)	Loans	2,09,907	1,43,520	3,53,427
(e)	Other financial assets	6,945	2,298	9,243
(2)	Non-financial Assets			
(a)	Current tax assets (net)	1,704	-	1,704
(b)	Property, plant and equipment	426	749	1,175
(c)	Intangible assets	100	113	213
(d)	Right of use assets	47	52	99
(e)	Other non-financial assets	354	275	629
	Total Assets	3,03,480	1,74,868	4,78,348
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	Financial liabilities			
(a)	Payables			
	(i) Trade Payables			
	- Total outstanding dues of micro enterprises and small enterprises	-	-	-
	-Total outstanding dues of creditors other than micro enterprises and small enterprises	336		336
(b)	Debt securities	13,076	51,103	64,179
(c)	Borrowings (other than debt securities)	1,22,779	1,78,003	3,00,782
(d)	Subordinated liabilities	66	25,710	25,776
(e)	Lease liabilities	51	34	85
(f)	Other financial liabilities	8,541	-	8,541
(2)	Non-financial liabilities			
(a)	Provisions	137	531	668
(b)	Deferred tax liabilities (net)	-	1,098	1,098
(c)	Other non-financial liabilities	328	-	328
(3)	Equity			
(a)	Equity share capital	-	6,870	6,870
(b)	Instruments entirely equity in nature	-	300	300
(c)	Other equity	-	69,385	69,385
	Total Liabilities and Equity	1,45,314	3,33,034	4,78,348

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Annapurna Finance Private Limited
Notes to the Standalone financial statements for the year ended March 31, 2021

Note 39: Changes in Liability arising from Financing activities

(In Rs. Lakhs)

Particulars	As at April 1, 2020	Cash Flows	Other	As at 31 March 2021
Debt Securities	64,179	1,09,675	-	1,73,854
Borrowings other than debt securities	3,00,783	(18,476)	-	2,82,307
Subordinated liabilities	25,776	6,499	-	32,275
Lease liabilities	85	(65)	15	36
Total liabilities from financing activities	**3,90,823**	**97,633**	**15**	**4,88,472**

(In Rs. Lakhs)

Particulars	As at April 1, 2019	Cash Flows	Other	As at 31 March 2020
Debt Securities	62,056	2,123	-	64,179
Borrowings other than debt securities	1,98,704	1,02,078	-	3,00,782
Subordinated Liabilities	13,922	11,854	-	25,776
Lease liabilities	-	64	21	85
Total liabilities from financing activities	**2,74,682**	**1,16,120**	**21**	**3,90,822**

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Note 40: Financial Instruments – Fair values

40.1 Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
There have been no transfers between Level 1 and Level 2 during the year.

(Rs. In lakhs)

As at March 31, 2021	Carrying amount			
	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Cash and cash equivalents	-	-	88,135	88,135
Bank balance other than cash and cash equivalents	-	-	82,181	82,181
Trade receivables	-	-	37	37
Loans		2,93,905	92,810	3,86,715
Investment	500	-	-	500
Other financial assets	-	-	14,560	14,560
Total	500	2,93,905	2,75,723	5,70,129
Financial liabilities				
(i) Trade Payables				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	227	227
Debt securities	-	-	1,73,854	1,73,854
Borrowings (other than debt securities)	-	-	2,82,307	2,82,307
Subordinated liabilities	-	-	32,275	32,275
Lease liabilities	-	-	36	36
Other financial liabilities	-	-	9,046	9,046
Total	-	-	4,97,745	4,97,745

(Rs. In lakhs)

As at March 31, 2020	Carrying amount			
	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Cash and cash equivalents	-	-	70,027	70,027
Bank balance other than cash and cash equivalents	-	-	41,784	41,784
Trade receivables	-	-	47	47
Loans	-	2,85,494	67,933	3,53,427
Other financial assets	-	-	9,243	9,243
Total	-	2,85,494	1,89,034	4,74,528
Financial liabilities				
(i) Trade Payables				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	336	336
Debt securities	-	-	64,179	64,179
Borrowings (other than debt securities)	-	-	3,00,782	3,00,782
Subordinated liabilities	-	-	25,776	25,776
Lease liabilities	-	-	85	85
Other financial liabilities	-	-	8,541	8,541
Total	-	-	3,99,699	3,99,699

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets/liabilities, payables are considered to be the same as their face values, due to their short-term nature.

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40.2 **Measurement of fair values:**

Valuation techniques and significant unobservable inputs:

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

(Rs. In lakhs)

As at March 31, 2021

Financial assets (measured at fair value)	Carrying amount	Fair value		
	FVOCI	Level 1	Level 2	Level 3
Loans	2,93,908	-	2,93,908	-
Total	2,93,908	-	2,93,908	-

(Rs. In lakhs)

As at March 31, 2020

Financial assets (measured at fair value)	Carrying amount	Fair value		
	FVOCI	Level 1	Level 2	Level 3
Loans	2,85,494	-	2,85,494	-
Total	2,85,494	-	2,85,494	-

Valuation technique used for Loan Portfolio:

The scheduled future cash flows (including principal and interest) are discounted using the lending rate prevailing as at the Balance sheet date. The discounting factor is applied assuming the cash flows will be evenly received in a month.

During the current year, the Company has changed its accounting estimate for measuring the gain on fair valuation of it's micro-finance loan portfolios through Other comprehensive income from yearly discounting to monthly discounting of future cashflows. Accordingly, Other Comprehensive Income, Other equity and loan portfolio for the current year is lower by Rs. 1,073.27 lacs.

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Notes to the Standalone financial statements for the year ended March 31, 2021

Note 41: Capital Management:

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the company ensures to maintain a healthy CRAR at all the times.

Capital Management

The primary objectives of the Company's capital management policy are 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 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. The Company monitors its capital to risk weighted assets ratio (CRAR) on a monthly basis.

(Rs. in lakhs)

Regulatory capital	As at 31 March 2021	As at 31 March 2020
Tier 1 Capital	85,806	69,703
Tier 2 Capital	22,552	21,836
Total capital	1,08,358	91,539
Risk weighted assets	3,91,160	3,42,351
Tier 1 CRAR	21.94%	20.36%
Tier 2 CRAR	5.77%	6.38%
Total capital ratio	27.71%	26.74%

Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings including current year profit less accrued dividends . Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital instruments.

The Company is meeting the capital adequacy requirements of Reserve Bank of India (RBI) of India.

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Note 42: Risk Management

1 Introduction and risk profile

Annapurna Finance Private Limited ("Company") is one of the leading microfinance institutions in India focused on providing financial support to women from low income households engaged in economic activity with limited access to financial services. The Company predominantly offers collateral free loans to women from low income households, willing to borrow in a group and agreeable to take joint liability. The wide range of lending products address the critical needs of customers throughout their lifecycle and include income generation, home improvement, sanitation and personal emergency loans. With a view to diversifying the product profile, the Company has introduced individual loans for matured group lending customers. These loans are offered to customers having requirement of larger loans to expand an existing business in their individual capacity.

The common risks for the Company are operational, business environment, political, regulatory, concentration, expansion and liquidity. As a matter of policy, these risks are assessed and steps as appropriate, are taken to mitigate the same.

1.1 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 Risk Management framework approved by the Board has laid down the governance structure supporting the identification, assessment, monitoring, reporting and mitigation of risk throughout the Company. The objective of the risk management platform is to make a conscious effort in developing risk culture within the organisation and having appropriate systems and tools for timely identification, measurement and reporting of risks for managing them.

The Company's policy is that risk management processes throughout the Company are audited quarterly 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 Audit Committee.

1.2 Risk mitigation and risk culture

Risk assessments shall be conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Company. Procedures shall be established to update risk assessments at appropriate intervals and to review these assessments regularly. Based on the Risk Control and Self Assessment (RCSA), the Company shall formulate its Risk Management Strategy / Risk Management plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation can be planned using the following key strategies:

Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

Risk Reduction: Employing methods/solutions that reduce the severity of the loss

Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible.

1.3 Risk measurement and reporting systems

The Management would review the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting.

- Review of business growth and portfolio quality.
- Discuss and review the reported details of PAR, Key Risk Threshold breaches (KRI's), consequent responses and review of operational loss events, if any.
- Review of process compliances including audit performance across organisation
- Review of HR management, training and employee attrition
- Review of new initiatives and product/policy/process changes.
- Discuss and review performance of IT systems
- Review the status of strategic projects initiated
- Review, where necessary, policies that have a bearing on the operational risk management and recommend amendments.
- Discuss and recommend suitable controls/mitigations for managing operational risk and ensure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing/mitigating the same.

1.4 Risk Management Strategies

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.
The following management strategies and policies shall be adopted by the Company to manage the various key risks.

Political Risk mitigation measures:
- Low cost operations and Low pricing for customers
- Customer centric Approach, High Customer Retention
- Rural Focus
- Systematic customer awareness activities
- High Social Focused Activities
- Adherence to client protection guidelines
- Robust Grievance Redressal Mechanism
- Adherence to regulatory guidelines in letter and spirit

Concentration Risk mitigation measures:
- District Centric Approach
- District Exposure Cap
- Restriction on growth in urban locations
- Maximum Disbursement Cap per loan account
- Maximum loan exposure Cap per customer
- Diversified Funding Resources

Operational & HR Risk mitigation measures:
- Stringent customer enrolment process
- Multiple products
- Proper recruitment policy and appraisal system
- Adequately trained field force
- Weekly & fortnightly collections – higher customer touch, lower amount instalments
- Multilevel monitoring framework
- Strong, independent and fully automated Internal Audit Function
- Strong IT system with access to real time client and loan data

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Liquidity Risk mitigation measures:
- Diversified funding resources
- Asset Liability management
- Effective Fund management
- Maximum Cash holding Cap

Expansion Risk mitigation measures:
- Contiguous growth
- District centre approach
- Rural focus
- Branch selection based on Census Data & Credit Bureau Data
- Thrice level survey of the location selected

2 Impairment assessment/ Credit risk (Also refer Note 7a)

Credit risk is the risk of loss that may occur from defaults by our Borrowers under our loan agreements. In order to address credit risk, we have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. We also follow a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area, income and market potential, and socio-economic and law and order risks in the proposed area. Further, our client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to confirm that they meet our criteria.

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.

2.1 Definition of default, Significant increase in credit risk and stage assessment
For the measurement of ECL, Ind AS 109 distinguishes between three impairment stages. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1 includes loans for which the credit risk at the reporting date is in line with the credit risk at the initial recognition (i.e. disbursement date)

Stage 2 includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk)

Stage 3 includes default loans. A loan is considered default at the earlier of (i) the bank considers that the obligor is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising collateral (if held); or (ii) the obligor is past due 90 days or more on any material credit obligation to the company.

The Company offers products with monthly repayment frequency, and has identified the following stage classification to be the most appropriate for its Loans:

Stage 1: 0 to 30 DPD

Stage 2: 31 to 89 DPD (SICR)

Stage 3: above 89 DPD (Default)

2.2 Probability of Default
PD describes the probability of a loan to eventually falling into Stage 3. PD Stage is calculated for each state separately and is determined by using available historical observations.

PD for stage 1: is derived as Stage of all loans in stage 1 moving into stage 3 in 12-months' time.
PD for stage 2: is derived as Stage of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.
PD for stage 3: is derived as 100% considering that the default occurs as soon as the loan becomes overdue for 90 days which matches the definition of stage 3.

-Probability of Default (PD) using 12 months static pool methodology is computed for each 12-month period of observation starting from March 2012 till March 2019 which is 8-years period of historical information.

2.3 Exposure at default
Exposure at default (EAD) is the sum of outstanding principle and the interest amount accrued but not received on each loan as at reporting date. EAD includes on Balance Sheet portfolio, Securitized portfolio and over collateral portion (i.e. Company's risk) pertaining to the Assigned Portfolio.

2.4 Loss given default
LGD is the opposite of recovery rate. LGD = 1 – (Recovery rate). LGD is calculated based on past observations of Stage 3 loans.
LGD is computed as below:
1. All Loans which are above 89 DPD as on March 31, 2013, are taken and the difference in the principal outstanding as on March 31, 2013 and March 31, 2020 is considered as recovery.
2. Likewise the same is done for all the loans (excluding the loans which are already considered in previous years) which are above 89 DPD as on March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017, March 31, 2018, March 31, 2019, March 31, 2020 and recovery rate is computed for each year.
3. LGD = 1 - Recovery rate which is computed for each period of observation

2.5 Grouping financial assets measured on a collective basis

The Company believes that the all loans disbursed in a particular state have shared risk characteristics (i.e. homogeneous). Therefore, the state wise loan portfolio are treated as separate groups and the Company will separately calculate credit losses for them.

2.6 Analysis of inputs to the ECL model under multiple economic scenarios
Adjusting the ECL to reflect the expected changes (if any) in the economic environment for forward looking information in the form of management overlay.

3 Liquidity risk and funding management (Also Refer Notes 34 and 39)

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate cost and tenure. The Company may face an asset-liability mismatch caused by a difference in the maturity profile of our assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet our borrower and lender-related funding requirements.

There are Liquidity Risk mitigation measures put in place which helps in maintaining the following:

3.1 Diversified funding resources:

The Company's treasury department secures funds from multiple sources, including banks, financial institutions and is responsible for diversifying our capital sources, managing interest rate risks and maintaining strong relationships with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies. The Company continuously seek to diversify its sources of funding to facilitate flexibility in meeting our funding requirements. Due to the composition of our loan portfolio, which also qualifies for priority sector lending, it also engages in securitization and assignment transactions.

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4 **Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company is exposed to interest rate risk as follows:

4.1 **Interest Rate Risk (IRR)**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We are subject to interest rate risk, principally because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately. The Company has Board Approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is affected through the impact on floating rate borrowings, as follows:

(In Rs. Lakhs)

	Impact on Profit		Impact on Pre tax Equity	
Finance Cost	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
0.50 % Increase	(255)	(224)	(255)	(224)
0.50 % Decrease	255	224	255	224

5.0 **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 arise mainly on account of foreign currency borrowings. The Company manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge. The Company currently doesnot have any exposure to Foreign currency.

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Note 43: Liquidity Disclosure Template as per RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20

Rs. in crore		Total Unweighted Value(average)	Total Weighted Value(average)
High Quality Liquidity Assets			
1	Total High Quality Liquid Assets (HQLA)		
	Cash in hand	1	
	Balances with Banks in current accounts	420	
	Bank deposit with maturity of less than 3 months	440	
	Fixed deposit with remaining maturity of less than 12 months	396	
	Fixed deposit with remaining maturity of more than 12 months	426	
	Total cash, bank & fixed deposits	1,683	
	Less: Pledged fixed deposits against loans / borrowings	271	
	HQLA	1,412	1,412
Cash Outflows			
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	-	-
4	Secured wholesale funding	-	-
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	-	-
6	Other contractual funding obligations	295	340
7	Other contingent funding obligations	-	-
8	TOTAL CASH OUTFLOWS	295	340
Cash Inflows			
9	Secured lending		
10	Inflows from fully performing exposures	287	215
11	Other cash inflows	-	-
12	TOTAL CASH INFLOWS	287	215
			Total Adjusted Value
13	TOTAL HQLA		1,412
14	TOTAL NET CASH OUTFLOWS		125
15	LIQUIDITY COVERAGE RATIO (%)		1133%

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Note 44: Impact of COVID-19 on business and expected credit losses

The COVID-19 pandemic has continued to cause a significant disruption of the economic activities across the globe including India throughout the year, with second wave of the pandemic emerging towards the later part of the financial year in India. The Government of India announced a nation-wide lockdown to contain the spread of the virus which continued till May 31, 2020. Subsequently, the national lockdown was lifted by the Government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. Further, pursuant to the Reserve Bank of India ('RBI') COVID-19 Regulatory package issued vide circulars dated March 27, 2020 and May 23, 2020 which allowed lending institutions to offer moratorium to borrowers on payment of instalments falling due between March 1, 2020 and August 31, 2020, the Company has offered moratorium on the payment of instalments and interest that had fallen due between March 1, 2020 and August 31, 2020 to all eligible borrowers who had such moratorium.

In assessing the impairment allowance for loan portfolio, the Company has considered internal and external sources of information available including indicators of deterioration in the macro-economic factors. Further, the management has estimated the impact of the ongoing second wave of the pandemic on its loan portfolio, based on reasonable and supportable information available till date and considering performance after the first wave. Given the unique nature and scale of this pandemic, its full extent of impact on the Company's operations and financial metrics, more specifically on the borrower's ability to service their obligations on a timely basis, will depend on the severity and duration of the pandemic as well as on highly uncertain future developments including governmental and regulatory measures and the Company's responses thereto. Accordingly, the management's estimate of impairment losses based on various variables and assumptions could result in actual credit loss being different from that being estimated.

Note 45: The disclosure as per para 10 of the RBI circular no. DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020 is as below:

(in Rs. Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Respective amounts in SMA / overdue categories, where the moratorium / deferment was extended in terms of paragraph 2 and 3 of February 29, 2020	3,074.04	3,575.81
Respective amount where asset classification benefit is extended*	274.29	1,014.21
Provisions made in terms of paragraph 5 of the circular	27.95	87.43
Provisions adjusted during the respective accounting periods against slippages in terms of paragraph 6 of the circular	-	-
Residual provisions as of March 31, 2021 in terms of paragraph 6 of the circular	27.95	87.43

excludes amounts in SMA / overdue categories, where the moratorium / deferment was extended on securitized, assigned and business correspondence loan portfolio.

Note 46: Details of resolution plan implemented under the Resolution Framework for COVID-19 related stress as per RBI circular dated August 6, 2020 are given below:

(in Rs. Lakhs)

Type of Borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of the plan	(C) of (B) aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution^
Personal Loans	-	-	-	-	-
Corporate persons					
of which MSMEs	-	-	-	-	-
Others	1,46,939	35,659	-	-	3,612
Total	1,46,939	35,659	-	-	3,612

* As of March 31, 2021 and including assigned portfolio

^ Provision held as at March 31, 2021

Para 41 of Resolution Framework for COVID-19 related stress as per RBI circular dated August 6, 2020 requires the lending institutions which did not sign the inter-creditor agreement to keep provisions of 20% of the restructured debt and who had signed ICA are required to keep the provision of 10% on restructured debt.
However, the Company has created provision of 10% on the restructured debt on the basis of resolution passed by members of Microfinance Institutions Network (MFIN) through Extra Ordinary General Meeting dated December 24, 2020. Through this resolution, all such members who may be the co-lenders are automatic signatories for ICA and agree to provide restructuring support to the borrower (under stipulated guidelines of RBI) only and only if approached by the borrower for restructuring of the loans and make adequate provisions under guidelines (i.e. 10% of restructured debt).

Note 47: There have been no events after the reporting date that require adjustment / disclosure in these financial statements.

Note 48: Previous years figures have been regrouped / rearranged wherever necessary to conform with current year's classification.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.301003E/E300005

Bhaswar Sarkar

per Bhaswar Sarkar
Partner
Membership No.: 055596

S R Batliboi & Co. LLP Kolkata

For and on behalf of the Board of Directors of
Annapurna Finance Private Limited

Gobinda Chandra Pattanaik
Managing Director
(DIN: 02716330)

Dibyajyoti Pattanaik
Director
(DIN: 02764187)

Subrata Pradhan
Company Secretary

Soyajit Das
Chief Financial Officer

Place: Kolkata
Date: June 30, 2021

Place: Bhubaneswar
Date: June 30, 2021

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