PAISALO
EASY LOAN आसान लोन

PAISALO DIGITAL LIMITED

Paisalo Digital Limited, was originally incorporated in the State of Uttar Pradesh as S. E. Investments Private Limited on March 5, 1992 under the provisions of Companies Act, 1956. Subsequently, the Company became a Public Limited Company in pursuance to a special resolution passed by the members of the Company on February 24, 1995 and fresh Certificate of Incorporation consequent to conversion to a public limited company was issued on March 1, 1995. The Company shifted its Registered Office from State of Uttar Pradesh to National Capital Territory of Delhi Capital w.e.f. May 22, 2003. Further, on January 12, 2018 the name of the Company has been changed from M/s S. E. Investments Limited to M/s Paisalo Digital Limited. The Company is registered with Reserve Bank of India as a Non-Deposit Taking Systemically Important Non-Banking Financial Company (NBFC-NDSI).

Regd. Office: CSC, Pocket 52, C R Park, Near Police Station, New Delhi – 110019
Head Office: Paisalo House 74 Gandhi Nagar NH-2 Agra – 282003
Tel.: +91-11 4351 8888 | **E-mail**: cs@paisalo.in | **Website**: http://www.paisalo.in
CIN – L65921DL1992PLC120483 | **PAN** – AACCS1879G | **RBI CoR No.**– B-14.02997

KEY INFORMATION DOCUMENT IN RELATION TO LISTED PRIVATELY PLACED NON-CONVERTIBLE DEBENTURES

THIS KEY INFORMATION DOCUMENT IS IN RELATION TO THE ISSUE OF 1,800 (EIGHTEEN HUNDRED) SECURED, LISTED, RATED, REDEEMABLE NON-CONVERTIBLE DEBENTURES ("**PDL042024**" or "**DEBENTURES**") OF A FACE VALUE OF Rs.1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING RS. 18,00,00,000 (INDIAN RUPEES EIGHTEEEN CRORE ONLY) ("**ISSUE SIZE**") BY PAISALO DIGITAL LIMITED (THE "**ISSUER**" OR "**COMPANY**") ON A PRIVATE PLACEMENT BASIS ("**ISSUE**") AND SHALL BE READ WITH THE GENERAL INFORMATION DOCUMENT DATED SEPTEMBER 19, 2023 ISSUED BY THE ISSUER ("**GENERAL INFORMATION DOCUMENT**"). THIS ISSUANCE WOULD BE UNDER THE ELECTRONIC BOOK MECHANISM FOR ISSUANCE OF DEBT SECURITIES ON A PRIVATE PLACEMENT BASIS IN TERMS OF CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ("**SEBI**") MASTER CIRCULAR DATED AUGUST 10, 2021 BEARING REFERENCE SEBI/HO/DDHS/PoD1/P/CIR/2023/119 ("**SEBI MASTER CIRCULAR**") READ WITH "OPERATIONAL GUIDELINES FOR PARTICIPATION ON BSEBOND (EBP PLATFORM OF BSE)" ISSUED BY BSE LIMITED ("**BSE**") VIDE THEIR NOTICE 20230417-35 DATED APRIL 17, 2023 AND ANY AMENDMENTS ("**BSE EBP GUIDELINES**") (THE SEBI MASTER CIRCULAR AND THE BSE EBP GUIDELINES ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE "**OPERATIONAL GUIDELINES**").

COMPLIANCE CLAUSE FOR ELECTRONIC BOOK MECHANISM

THE ISSUER INTENDS TO USE THE BSE - BOND EBP PLATFORM. THIS KEY INFORMATION DOCUMENT IS BEING UPLOADED ON THE BSE BOND-EBP PLATFORM TO COMPLY WITH THE OPERATIONAL GUIDELINES AND AN OFFER WILL BE MADE BY ISSUE OF THE KEY INFORMATION DOCUMENT ALONG WITH THE GENERAL INFORMATION DOCUMENT AND SIGNED PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AFTER COMPLETION OF THE BIDDING PROCESS ON ISSUE/BID CLOSING DATE, TO SUCCESSFUL BIDDER IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RELATED RULES. THE ISSUER CONFIRMS THAT THE GREEN SHOE OPTION DOES NOT EXCEED FIVE TIMES THE BASE ISSUE SIZE.

DISCLOSURE UNDER SECTION 26(4) OF THE COMPANIES ACT

THE ISSUE IS BEING MADE ON PRIVATE PLACEMENT BASIS. SECTION 26 OF THE COMPANIES ACT IS NOT APPLICABLE TO THE ISSUE, AND THEREFORE NO ADDITIONAL DISCLOSURES HAVE BEEN MADE IN RELATION TO SECTION 26 OF THE COMPANIES ACT UNDER THIS KEY INFORMATION DOCUMENT AND ACCORDINGLY, A COPY OF THIS KEY INFORMATION DOCUMENT HAS NOT BEEN FILED WITH THE REGISTRAR OF COMPANIES.

ELIGIBLE INVESTORS TO THE ISSUE

THE ISSUE IS MADE TO ALL INVESTORS ELIGIBLE TO BID / INVEST / APPLY FOR THIS ISSUE UNDER THE SEBI NCS REGULATIONS READ WITH SEBI MASTER CIRCULAR. FOR DETAILS, PLEASE REFER SECTION 3 TITLED "ISSUE DETAILS" OF THIS KEY INFORMATION DOCUMENT. THE CURRENT ISSUE IS NOT BEING UNDERWRITTEN.

PRIVATE & CONFIDENTIAL

THIS KEY INFORMATION DOCUMENT DATED APRIL 06, 2024 IS PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 ISSUED VIDE NOTIFICATION No. SEBI/LAD-NRO/GN/2021/39 DATED AUGUST 09, 2021 AND SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, EACH AS AMENDED FROM TIME TO TIME.

GENERAL RISK

INVESTMENT IN NON-CONVERTIBLE SECURITIES IS RISKY, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN SUCH SECURITIES UNLESS THEY CAN AFFORD TO TAKE THE RISK ATTACHED TO SUCH INVESTMENTS. INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING THE RISKS INVOLVED IN IT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO STATEMENT OF RISK FACTORS CONTAINED UNDER **ANNEXURE 1** OF THE GENERAL INFORMATION DOCUMENT AND **SECTION 1.3** OF THE 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.

CREDIT RATING

INFORMERICS VALUATION AND RATING PRIVATE LIMITED "IVR AA/STABLE OUTLOOK" ("IVR DOUBLE A WITH STABLE OUTLOOK")
DATE OF PRESS RELEASE: September 15, 2023
LINK OF THE PRESS RELEASE: https://www.infomerics.com/admin/uploads/pr-Paisalo-Digital-15sep23.pdf
RATING LETTER AND RATING RATIONALE: PLEASE REFER TO ANNEXURE 1 OF THE KEY INFORMATION DOCUMENT

LISTING

THE DEBENTURES ARE PROPOSED TO BE LISTED ON THE WHOLESALE DEBT MARKET ("**WDM**") SEGMENT OF THE BSE ("**DESIGNATED STOCK EXCHANGE**"). THE ISSUER SHALL COMPLY WITH THE REQUIREMENTS OF THE SEBI LODR REGULATIONS (AS DEFINED IN GENERAL INFORMATION DOCUMENT) TO THE EXTENT APPLICABLE TO IT ON A CONTINUOUS BASIS. PLEASE REFER TO **ANNEXURE 2** TO THE KEY INFORMATION DOCUMENT FOR THE 'IN-PRINCIPLE' LISTING APPROVAL FROM THE STOCK EXCHANGE.

Company Secretary and Compliance Officer	Chief Financial Officer (CFO)	Promoter
Mr. Manendra Singh Tel No. +91 562 4028888 Email: cs@paisalo.in	Mr. Harish Singh Tel No. +91 562 4028523 Email: harish@paisalo.in	Mr. Sunil Agarwal Tel No. +91 11 43518820 Email: sunil@paisalo.in

Registrar and Transfer Agent	Debenture Trustee	Credit Rating Agency	Statutory Auditor to Issuer
Alankit Health & Wealth, We Manage Both **Alankit Assignments Limited** Alankit House, 1E/13 Jhandewalan Extension New Delhi-110 055 Tel: +91-11-42541234 Fax: +91-11-23552001 E-mail: info@alankit.com Contact Person : Mr. J.K.Singla www.alankit.com	AXIS TRUSTEE **Axis Trustee Services Ltd.** The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400028 **Tel:** +91 22 62300451 **Fax:** +91 22 43253000 **Email:** debenturetrustee@axistrustee.in **Contact Person** : Mr. Anil Grover www.axistrustee.in	Infomerics Ratings **Infomerics Valuation and Rating Private Limited** Flat No. 104/108, First Floor Golf Apartments, Sujan Singh Park, Maharishi Ramanna Marg, New Delhi – 110003 Tel: +91 11 45579024 E-mail: opjain@infomerics.com Contact Person : O P Jain www.infomerics.com	MANISH GOYAL & CO. CHARTERED ACCOUNTANTS **M/s Manish Goyal & Co.** **Chartered Accountants** F-6, First Floor, Friends Trade Centre, 66, Nehru Nagar, Agra-282002 **Tel:** +91 562 4032000/ 2852560 **Email:** manishgoyalfca@gmail.com **Contact Person** : Mr. Manish Goyal www.mgcoindia.com

ISSUE SCHEDULE

ISSUE / BID OPENING DATE	ISSUE / BID CLOSING DATE	PAY-IN DATE	DEEMED DATE OF ALLOTMENT	DATE OF EARLIEST CLOSING
April 10, 2024	April 10, 2024	April 12, 2024	April 12, 2024	Not Applicable

The Issuer reserves the right to change the Issue programme including the Deemed Date of Allotment (as defined hereinafter) at its sole discretion in accordance with the timelines specified in the Operational Guidelines, without giving any reasons or prior notice. The Issue will be open for bidding as per bidding window that would be communicated through BSE BOND-EBP Platform.

Coupon and Coupon Type	Coupon Payment Frequency	Redemption Date(s)				Redemption Amount
		Tranche	Redemption date	No. of NCDs	Amount	
9.95 %	Quarterly	A	July 12, 2025	1200	12 Cr.	Rs. 1,00,000 per Debenture
		B	October 10, 2025	600	6 Cr.	

The issue of Debentures shall be subject to the provisions of the Companies Act, 2013, as amended (the "**Companies Act**"), the rules notified thereunder, the Memorandum and Articles of Association of the Issuer, SEBI NCS Regulations, SEBI LODR Regulations, the terms and conditions of this Key Information Document along with the General Information Document filed with the Designated Stock Exchange, the PPOAL, the Application Form, the Debenture Trust Deed and other documents in relation to such Issue.

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1.1. DEFINITIONS AND ABBREVIATIONS

In this Key Information Document, unless the context otherwise requires, the terms defined, and abbreviations expanded below shall have the same meaning as stated in this section. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Further, unless otherwise indicated or the context otherwise requires, all references to "the Company", "our Company", "PDL", "Issuer", "we", "us" or "our" is to Paisalo Digital Limited and references to "you" are to the Eligible Participants, as the case may be, in the Debt Securities.

Words denoting singular number shall include plural number and vice versa. Words denoting any gender shall include any other gender. Words denoting persons shall include companies and bodies corporate.

Company/Issuer/PDL	Paisalo Digital Limited (PDL/Paisalo) having its registered office at CSC, Pocket 52, C R Park, Near Police Station New Delhi – 110019 India
"we", "us", "our"	Unless the context otherwise requires, the Company.
Articles or Articles of Association	Articles of Association of PDL, as amended from time to time.
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 reenactments thereof.
Application Form	Application Form forming part of the PPOAL to be issued by the Issuer, after completion of the bidding process
Application Money	Means the subscription monies paid by the Applicants at the time of submitting the Application Form
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 Indian Accounting Standards (IND-AS).
Assets	means, for any date of determination, the assets of the Issuer on such date as the same would be determined in accordance with Applicable Accounting Standards
Auditors	Manish Goyal & Co Chartered Accountants
Beneficial Owner(s)	Means the holders of the Debentures in dematerialised form whose name is recorded as such with the Depository in the Register of Beneficial Owners.
Board or Board of Directors	The Board of Directors of PDL
Business Day	shall mean a day of the week (other than a Saturday or a Sunday or 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 markets are open for general business in Mumbai.
BSE BOND-EBP Platform	Electronic book provider platform of BSE Limited for issuance of debt securities on private placement basis
Companies Act or Act	Companies Act, 2013 along with the rules framed thereunder, as amended from time to time.
Credit Rating Agency/Rating Agency	Infomerics Valuation and Rating Private Limited
Date of Subscription	The date of realisation of proceeds of subscription money in the bank account of ICCL
Debentures/ PDL042024	1,800 Secured, Listed, Rated, Redeemable and Non-Convertible Debentures ("Debentures" / "PDL042024") of a face value of

	₹1,00,000/- (Indian Rupees One Lakh Only) each aggregating ₹18,00,00,000 (Indian Rupees Eighteen Crore Only)
Debenture Holder(s) /Holder(s) of NCDs	Means the Applicants whose names and addresses are set out in the Application Form and for any subsequent Debenture Holders, each person who is: a) registered as a Beneficial Owner; and b) registered as a debenture holder in the Register of Debenture Holders. c) Sub-paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Issuer and the Depositories from time to time, and in the event of any inconsistency between (a) and (b) above, (a) shall prevail.
Debenture Trustee	Axis Trustee Services Limited
Debenture Trustee Agreement/DTA	Debenture Trustee Agreement executed between the Issuer and the Debenture Trustee for the appointment of the Debenture Trustee.
Debenture Trust Deed/DTD	The trust deed to be entered into between the Debenture Trustee and the Issuer in relation to the Issue
Deed of Hypothecation	Means the unattested deed of hypothecation entered into/ to be entered into by the Issuer in favour of the Debenture Trustee, pursuant to which charge by way of hypothecation over the Hypothecated Assets shall be created by the Issuer in favour of the Debenture Trustee (acting for and on behalf of the Debenture Holder(s))
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018 as amended from time to time
Depository Participant /DP	A depository participant as defined under Depositories Act, 1996, as amended from time to time
Deemed Date of Allotment	April 12, 2024
Directors	The Directors of PDL
EBP	The entities notified as an 'electronic book provider' by the SEBI. BSE is identified to act as an EBP for the issuance of Debt Securities
Electronic Book Mechanism	The price discovery mechanism through which the Coupon for the Debentures and/or volume of issuance of Debentures shall be determined, in accordance with the terms of the SEBI EBM Circular.
Electronic Book Platform	The electronic book platform offered by the relevant EBP in accordance with the SEBI Master Circular.
Eligible Participants / Eligible Investors	Shall have the meaning given to the term in Section titled "Issue Details"
Financial Year / FY	Financial year of the Company i.e. a period commencing from 1st April and ending on 31st March of the next calendar year
Final Maturity Date	As per the section 3 of this Key Information Document.
General Information Document	This General Information Document dated September 19, 2023.
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
Identified Investor/ Successful Bidder	Eligible allottees (eligible to bid / invest / apply for this Issue pursuant to the SEBI NCS Regulations read with SEBI Master

	Circular) identified by the Board of Directors / Operations and Finance Committee as per the provisional allotment list generated after completion of the bidding on the BSE BOND EBP Platform and acceptance of Issue by the Company.
Income Tax Rules	The Income Tax Rules, 1962, as amended from time to time.
Interest/ Coupon Rate	9.95% p.a.
Interest/ Coupon Payment Date	1st Coupon: 12/07/2024 2nd Coupon: 12/10/2024 3rd Coupon: 12/01/2025 4th Coupon: 12/04/2025 5th Coupon: 12/07/2025 6th Coupon: 10/10/2025
Interest/ Coupon Payment Frequency	Quarterly
Issue Schedule: **1. Issue / Bid Opening Date** **2. Issue / Bid Closing Date** **3. Date of earliest closing of the issue** **4. Pay – in – Date** **5. Deemed Date of Allotment**	 April 10, 2024 April 10, 2024 Not Applicable April 12, 2024 April 12, 2024 The Issuer reserves the right to change the Issue Schedule in accordance with Applicable Laws. The Issue will be open for bidding as per bidding window that would be communicated through the BSE BOND-EBP Platform.
Memorandum /Memorandum of Association	Memorandum of Association of PDL, as amended from time to time
Net Worth	Has the meaning given to it in the Act
Net Owned Funds	Has the meaning ascribed to it under Section 45IA of the RBI Act, 1934
NBFC Master Directions	Means the Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions and the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions prescribed by the RBI from time to time, as may be applicable
Non-Performing Assets/NPA	Means the aggregate of all loans and other credit facilities provided by the Issuer where one or more repayment instalments are overdue as per the threshold limits prescribed by RBI from time to time. Under IND AS accounting norms, this shall mean the total of Stage 3 assets, as defined from time to time
Obligations	Means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Issuer to the Debenture Holders or the Debenture Trustee under the Transaction Documents, including without limitation, redemption of principal amounts, default interest, liquidated damages and all costs, charges, expenses and other amounts payable by the Issuer in respect of the Debentures.
Operations and Finance Committee	Operations and Finance Committee of the Board of Directors of PDL
Portfolio at Risk or "PAR"	Shall mean the aggregate of (a) all Client Loans including owned and managed portfolio and other credit facilities provided by the Company where one or more repayment instalments are overdue by the PAR Days or more; and (b) all Client Loans and other credit

	facilities in respect of which the payment schedule have deferred, rescheduled, restructured and/or refinanced.
Principal Amount	Rs. 1,00,000/- (Rupees One Lakh only) Per Non-Convertible Debenture
Private Placement Offer Cum Application Letter /PPOAL	Shall mean the private placement offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, signed by the authorized signatory of the Company in form PAS-4, and to be issued by the Issuer, to Successful Bidders after completion of the e-bidding process.
Record Date	7 Days prior to each Coupon Payment / Redemption Date.
Redemption Premium	Nil
Redemption Date(s)	

Tranche	Redemption date	No. of NCDs	Amount
A	July 12, 2025	1200	12 Cr.
B	October 10, 2025	600	6 Cr.

Registrar and Transfer Agent/ Registrar	Alankit Assignments Limited
Secured Assets	The assets forming a part of the security for the Debentures under the Security Documents, from time to time.
Security Cover	Security Cover shall mean the ratio of the value of the Secured Assets in excess of that which would satisfy the security cover for the other secured borrowings of the Company (present and future) to the Outstanding Amounts in relation to the Debentures.
Security Documents	The documents entered into/ to be entered into in relation to the creation of the Security Interest for securing the amounts payable in relation to the Debentures pursuant to the Debenture Documents.
Stock Exchange /Designated Stock Exchange / BSE	BSE Limited
Transaction Documents	Shall mean the documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Issue Details
CDSL	Central Depository Services (India) Limited
DD	Demand Draft
DP-ID	An identification number allocated to Depository Participant by the Depository
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
LLP	Limited Liability Partnership firms set up under Limited Liability Partnership Act, 2008
N.A.	Not Applicable
NBFC	Non-Banking Financial Company
NOC	No Objection Certificate(s)
NEFT	National Electronic Fund Transfer
NSDL	National Securities Depository Limited
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax

RBI	Reserve Bank of India
Rs.	Indian Rupees
RTGS	Real Time Gross Settlement
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI Debenture Trustee Master Circular	Means SEBI circular with reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023, as amended from time to time.
SEBI LODR Regulations	Means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI, as amended from time to time.
TDS	Tax Deduction at Source
WDM	Wholesale Debt Market.

All other words and expressions used but not defined herein, shall have the same meanings respectively assigned to them in the SEBI Act or the Companies Act, 2013 (18 of 2013) or the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Depositories Act, 1996 (22 of 1996) and/or the rules and regulations made thereunder or any statutory modification or re-enactment thereto, unless the context requires otherwise.

1.2. DISCLAIMERS

ISSUER'S DISCLAIMER

This Key Information Document along with General Information Document dated September 19, 2023 is neither a prospectus nor a statement in lieu of prospectus and should not be construed to be a prospectus or a statement in lieu of prospectus under the Companies Act. The issue of Non-Convertible Debentures to be listed on BSE is being made strictly on a private placement basis. This Key Information Document is not intended to be circulated to any person other than the Eligible Participants. 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 Key Information does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the Debentures to the public in general. The contents of this Key Information Document should not be construed to be an offer to the public within the meaning of Section 42 of the Companies Act. This Key Information Document shall be uploaded on the BSE BOND-EBP Platform to comply with the Operational Guidelines and an offer shall only be made upon the issue of the PPOAL to successful bidders after the completion of the bidding process.

This Key Information Document has been prepared in conformity with the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and its amendment from time to time, therefore, as per the applicable provisions, copy of this Disclosure Document/Placement Memorandum has not been filed or submitted to the SEBI for its review and/or approval. The Eligible Investor(s) should carefully consider the disclosures in the Placement Memorandum and any of its addendums or amendments, before investing.

This Key Information Document has been prepared to provide general information about the Issuer and the Non-Convertible Debentures to potential Eligible Investor(s) to whom it is addressed and who are willing and eligible to subscribe to the Issue. This Key Information Document does not purport to contain all the information that any potential Eligible Investor may require. Neither this Key Information Document nor any other information supplied in connection with the Issue is intended to provide the basis of any credit or other evaluation and any recipient of this Key Information Document should not consider such receipt as a recommendation to subscribe to the Issue or purchase any Debentures. Each Eligible Investor contemplating subscribing to the Issue or purchasing any 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 as well as the structure of the Issue. Potential Eligible Investor(s) should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such Eligible Investor's particular circumstances. It is the responsibility of potential Eligible Investor(s) to also ensure that they will sell these Debentures strictly in accordance with this Key Information Document and applicable laws.

The Issuer confirms that, as of the date hereof, this Key Information Documents (including the documents incorporated by reference herein, if any) contains all information in accordance with the SEBI NCS Regulations that is material in the context of the Issue of the Non-Convertible Debentures, and is accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein not misleading, in the light of the circumstances under which they are made. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Key Information Document or in any material made available by the Issuer to any potential Eligible Investor(s) pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer. The Issuer certifies that the disclosures made in this Key Information Document are adequate and in conformity with the SEBI NCS Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the Key Information Document 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 Key Information Document would be doing so at its own risk.

This Key Information Document and the contents hereof are restricted for providing information from the Eligible Participants. An offer of private placement shall be made by the Issuer by way of issue of the PPOAL to the successful bidders who have been addressed through a communication by the Issuer and only such recipients are eligible to apply for the Non-Convertible Debentures. All Eligible Participants are required to comply with the relevant regulations/guidelines applicable to them, including but not limited to the Operational Guidelines for investing in this issue of Debentures. The contents of this Key Information Document and any other information supplied in connection with this Key Information Document or the Non-Convertible Debenture are intended to be used only by those Eligible Participants to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

No offer of private placement is being made to any persons other than the successful bidders on the BSE BOND-EBP Platform to whom the PPOAL will be separately sent by or on behalf of the Issuer. Any application by any person who

is not a successful bidder (as determined in accordance with the Operational Guidelines) shall be rejected without assigning any reason.

The person who is in receipt of this Key Information Document shall maintain utmost confidentiality regarding the contents of this Key Information Document and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents of this Key Information Document or deliver this Key Information Document or any other information supplied in connection with this Key Information Document or the Non-Convertible Debentures to any other person, whether in electronic form or otherwise, without the consent of the Issuer. Any distribution or reproduction of this Key Information Document in whole or in part or any public announcement or any announcement to third parties regarding the contents of this Key Information Document or any other information supplied in connection with this Key Information Document or the Non-Convertible Debentures is unauthorized. Failure to comply with this instruction may result in a violation of the Companies Act, the SEBI NCS Regulations or other Applicable Law of India and other jurisdictions.

This Key Information Document has been prepared by the Issuer for providing information in connection with the proposed issue of Non-Convertible Debentures described in this Key Information Document. The Issuer does not undertake to update this Key Information Document to reflect subsequent events after the date of the Key Information Document 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 Key Information Document nor any issue of Debentures made hereunder 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 Key Information Document and/or the Private Placement Offer cum Application Letter does 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 Non-Convertible Debentures or the distribution of this Key Information Document and/or the Private Placement Offer cum Application Letter in any jurisdiction where such action is required. Persons into whose possession this Key Information Document comes are required to inform them of, and to observe, any such restrictions. The Key Information Document is made available to potential Investors in the Issue on the strict understanding that it is confidential.

Each person receiving the Key Information Document acknowledges that:
Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein and such person has not relied on any intermediary that may be associated with issuance of Non-Convertible Debentures in connection with its investigation of the accuracy of such information or its investment decision. Each such person in possession of this Key Information Document should carefully read and retain this Key Information Document. However, each such person in possession of this Key Information Document is not to construe the contents of this Key Information Document as investment, legal, accounting, regulatory or tax advice, and such persons in possession of this Key Information Document should consult their own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in Non-Convertible Debentures. Each person receiving this Key Information Document acknowledges and confirms that he is not an arranger for the Debentures save and except arranger as defined in this Key Information Document.

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 the 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 document as a whole or any of such information or the expression of any such opinions or intentions misleading.

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this Key Information Document along with the General Information Document shall be submitted to the Stock Exchange for hosting the same on its website.

It is to be distinctly understood that such submission of this Key Information Document along with the General Information Document with Stock Exchange or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Key Information Document and the

General Information Document(s); nor does it warrant that the Issuer's Non-Convertible Debentures will be listed or continue to be listed on the Stock Exchange; nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any Non-Convertible Debentures of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER OF THE DEBENTURE TRUSTEE

The Debenture Trustee, "ipso facto" does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for Non-Convertible Debenture. While the Debentures are secured to the tune of 100% of the principal and interest amount or as per the terms hereunder, in favour of Debenture Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security. The Debenture Trustee does not make nor deems to have made any representation on the Issuer, its operations, the details and projections about the Issuer or Non-Convertible Debentures under offer made in this Key Information Document / Private Placement Offer cum Application Letter. Applicants / Investors are advised to read carefully the Key Information Document / Private Placement Offer cum Application Letter and make their own enquiry, carry out due diligence and analysis about the Issuer, its performance and profitability and details in the Key Information Document/ Private Placement Offer cum Application Letter before taking their investment decision. The Debenture Trustee shall not be responsible for the investment decision and its consequences.

DISCLAIMER OF SECURITIES AND EXCHANGE BOARD OF INDIA

This Key Information Document and the General Information Document has not been filed with SEBI. The Non-Convertible Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this General Information Document.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS KEY INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI), IF ANY, 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 OF NON-CONVERTIBLE DEBENTURES IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS 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 OF NON-CONVERTIBLE DEBENTURES.

DISCLAIMER IN RESPECT OF THE RESERVE BANK OF INDIA

The Non-Convertible Debentures have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this Key Information Document. It is to be distinctly understood that this Key Information Document should not, in any way, be deemed or construed that Non-Convertible Debentures have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the Debentures being issued by the Issuer or for the correctness of the statements made or opinions expressed in this Key Information Document. Potential investors may make investment decision in the Non-Convertible Debentures offered in terms of this Key Information Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/repayment of such investment.

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 discharge of liability by the Company.

DISCLAIMER CLAUSE OF THE RATING AGENCIES

Rating by the Credit Rating Agencies (CRA) reflects current opinion of the CRA on the likelihood of the obligations under the rated instruments and does not constitute an audit of the rated entity by the CRA. The ratings are based on information provided by the Issuer or obtained by the CRA from sources it considers reliable. CRA does not guarantee the completeness, adequacy or the accuracy of the information on which the rating is based. A rating by CRA is not a recommendation to buy or sell or hold the rated instrument. It does not comment on the market price or suitability for a particular investor. CRAs have a practice of keeping all the ratings under surveillance and ratings are revised as and when circumstances so warrant. CRA are not responsible for any errors and especially state that they have no financial liability whatsoever to the subscribers / users/ transmitters / distributors of their ratings. CRAs or their associates may have other commercial transactions with the Issuer.

CRAs reserve the right to withdraw or revise the ratings / outlook assigned to the Debentures at any time, on the basis of new information or unavailability of information or other circumstances which CRA believes may have impact on the ratings.

User of the ratings may refer to the websites of the CRAs for latest updates on the outstanding ratings.

DISCLAIMER IN RESPECT OF JURISDICTION

This Key Information Document does not constitute an offer to sell or an invitation to subscribe to Non-Convertible Debentures herein, in any other jurisdiction and to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

Any disputes arising out of this issue of Debentures will be subject to the jurisdiction of the courts in Delhi, India.

FORCE MAJEURE

The Issuer reserves the right to withdraw the bid prior to the issue of Non-Convertible Debentures in accordance with the Operational Guidelines, in the event of any unforeseen development adversely affecting the economic and regulatory environment or otherwise.

CONFIDENTIALITY

By accepting a copy of this Key Information Document or any other information supplied in connection with this Key Information Document or Non-Convertible Debentures, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the transaction described herein or will divulge to any other party any such information. This Key Information Document or any other information supplied in connection with this Key Information Document or Non-Convertible Debentures must not be photocopied, reproduced, extracted or distributed in full or in part to any person other than the recipient without the prior written consent of the Issuer.

CAUTIONARY NOTE

By bidding for Non-Convertible Debentures and when investing in the Non-Convertible Debentures, the Eligible Participants acknowledge that they: (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of purchasing the Non-Convertible Debentures, (ii) have not requested the Issuer to provide it with any further material or other information, (iii) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the Non-Convertible Debentures, (iv) have made their own investment decision regarding the Non-Convertible Debentures based on their own knowledge (and information they have or which is publicly available) with respect to Non-Convertible Debentures or the Issuer, (v) have had access to such information as deemed necessary or appropriate in connection with purchase of the Non-Convertible Debentures, (vi) are not relying upon, and have not relied upon, any statement, representation or warranty made by any person, including, without limitation, the Issuer, and (vii) understand that, by purchase or holding of Non-Convertible Debentures, they are assuming and are capable of bearing the risk of loss that may occur with respect to Non-Convertible Debentures, including the possibility that they may lose all or a substantial portion of their investment in Non-Convertible Debentures, and they will not look to the Debenture Trustee appointed for the Non-Convertible Debentures for all or part of any such loss or losses that they may suffer.

FORWARD LOOKING STATEMENTS

Certain statements in this Key Information Document and in the General Information Document dated September 19, 2023 are not historical facts but are "forward looking" in nature. Forward-looking statements appear throughout these Information Documents. Forward looking statements include statements concerning the Issuer's plans, financial performance etc., if any, the Issuer's competitive strengths and weaknesses, and the trends the Issuer anticipates in the industry, along with the political and legal environment, and geographical locations, in which the Issuer operates, and other information that is not historical information.

Words such as "aims", "anticipate", "believe", "could", "continue", "estimate", "expect", "future", "goal", "intend", "is likely to", "may", "plan", "predict", "project", "seek", "should", "targets", "would" and similar expressions, or variations of such expressions, are intended to identify and may be deemed to be forward looking statements but are not the exclusive means of identifying such statements.

By their nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and assumptions about the Issuer, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved.

Eligible Participants should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited, to:
compliance with laws and regulations, and any further changes in laws and regulations applicable to India;

a) availability of adequate debt and equity financing at reasonable terms;
b) our ability to effectively manage financial expenses and fluctuations in interest rates;
c) our ability to successfully implement our business strategy;
d) our ability to manage operating expenses;
e) performance of the Indian debt and equity markets; and
f) general, political, economic, social, business conditions in Indian and other global markets.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. Although the Issuer believes that the expectations reflected in such forward-looking statements are reasonable at this time, the Issuer cannot assure Eligible Participants that such expectations will prove to be correct. Given these uncertainties, Eligible Participants are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of the Issuer's underlying assumptions prove to be incorrect, the Issuer's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Issuer are expressly qualified in their entirety by reference to these cautionary statements. As a result, actual future gains or losses could materially differ from those that have been estimated. The Issuer undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date hereof.

Forward looking statements speak only as of the date of this Key Information Document /General Information Document. None of the Issuer, its Directors, its officers or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

1.3. RISKS IN RELATION TO THE DEBENTURES

1.3.1. Changes in general interest rates in the economy may affect the price of the Company's Non-Convertible Debentures.

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

1.3.2. Any downgrading in credit rating of the Company's Non-Convertible Debentures may affect the value of Non-Convertible Debentures and thus the Company's ability to raise further debts.

The Non-Convertible Debentures being issued under this Key Information Document have been rated "IVR AA/Stable Outlook (IVR Double A with Stable Outlook) by Infomerics Valuation and Rating Private Limited. The Issuer cannot guarantee that these ratings will not be downgraded. Any downgrade in the above credit ratings may lower the value of the Debentures and may also affect the Issuer's ability to raise further debt.

1.3.3. Taxation

Potential purchasers and sellers of Non-Convertible Debentures should be aware that they may be required to pay stamp duties or other documentary charges/taxes in accordance with the laws and practices of India. Payment and/or delivery of any amount due in respect of the Non-Convertible Debentures will be conditional upon the payment of all applicable taxes, duties and/or expenses.

Potential Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential Investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

1.3.4. Listing of Debentures

There is no guarantee that the Non-Convertible Debentures issued pursuant to this issue will be listed on the Stock Exchange in a timely manner, or at all.

The Company intends to list the Non-Convertible Debentures on the Stock Exchange. In accordance with Indian law and practice, permissions for listing and trading of the Non-Convertible Debentures issued pursuant to this issue will not be granted until after the Non-Convertible Debentures have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Non-Convertible Debentures to be submitted. There could be a failure or delay in listing the Debentures on the Stock Exchange. Any failure or delay in obtaining the approval would restrict an investor's ability to trade in the Non-Convertible Debentures.

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- NIL.

1.3.5. Debentures may be illiquid

The trading of the Non-Convertible Debentures and other securities of the Issuer on the stock exchanges may be limited or sporadic.

It is not possible to predict if and to what extent a secondary market may develop in Non-Convertible Debentures or at what price Non-Convertible Debentures will trade in the secondary market or whether such market will be liquid or illiquid. Once Non-Convertible Debentures are listed or quoted or admitted to trading, no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that Non-Convertible Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading.

The Issuer may, but is not obliged to, at any time purchase of Non-Convertible Debentures at any price in the open market or by tender or private agreement where permitted by law. Any Non-Convertible Debentures so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for holders of the Non-Convertible Debentures to realize value for the Debentures prior to redemption of the Debentures.

1.3.6. Security creation in relation to the Debentures

In the event that the Company is unable to meet its obligations towards the investors under the terms of the Transaction Documents, the Debenture Trustee may enforce the Security as per the terms of the Transaction Documents. However, such enforcement of Security will be subject to the obligations of the Company in terms of extant provisions of applicable law. The investors' recovery in relation to the Non-Convertible Debentures will be subject to sufficient security available.

1.3.7. Maintenance of security cover or full recovery of security in case of enforcement

While Non-Convertible Debentures will be secured against a charge to the tune of 1.1 times or 110% of the principal and interest amount in favour of Debenture Trustee, and it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

1.3.8. Risks relating to covenants in other borrowings of the Issuer

The Company has incurred significant indebtedness. Certain of the Company's financing agreements contain covenants including to maintain certain financial ratios and covenants including those relating to creation of security. If the Company is in breach of any financial or other covenants contained in any of its financing agreements including 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 etc., it may be required to immediately repay its borrowings either in whole or in part, together with any related costs. The Company may be forced to sell some or all of the assets in its portfolio if it does not have sufficient cash or credit facilities to make repayments. Furthermore, the Company's financing arrangements may contain cross-default provisions, which could automatically trigger defaults under other financing arrangements, in turn magnifying the effect of an individual default. The Company's failure to comply with any of the covenants contained in the Company's financing arrangements could result in a default thereunder, which would permit the acceleration of the maturity of the indebtedness under such agreements and there can be no assurance the Company would be able to refinance in a timely fashion or on acceptable terms, any such defaulted or accelerated debt.

Under the terms of some of the borrowing / credit lines, the Company may be required to obtain the prior written consent of the concerned trustee / banks prior to the Company entering into any scheme of expansion, merger, amalgamation, compromise or reconstruction or selling, leasing, transferring all or a substantial portion of its fixed and other assets; making any change in ownership or control or constitution of the Company, or in the shareholding or management or majority of directors, or in the nature of business of the Company; or making amendments in the Company's Memorandum and Articles of Association. This may restrict/delay some of the actions / initiatives that the Company may like to take from time to time.

1.3.9. All covenants including the accelerated payment covenants given by way of side letters shall be incorporated in the issue document by the issuer.

The covenants of the Issue are set out herein and in the Debenture Trust Deed which will be/ has been duly filed with the stock exchange in terms of SEBI guidelines and notifications and may be accessed on their website. The Issuer has no side letter with any Debenture Holders. Any covenants later added shall be disclosed on website of the stock exchange where the Non-Convertible Debentures will get listed.

1.3.10. Future legal and regulatory obstructions

Future government policies and changes in laws and regulations in India and comments, statements or policy changes by any regulator, including but not limited to the SEBI or the RBI, may adversely affect the Debentures. The timing and content of any new law or regulation is not within the Issuer's control and such new law, regulation, comment, statement or policy change could have an adverse effect on market for and the price of the Debentures.

1.4. ISSUE RELATED TERMS

Debenture Trustee to the Issue	**Axis Trustee Services Ltd.** The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400028 **Tel:** +91 22 62300451 **Fax:** +91 22 43253000 **Email:** debenturetrustee@axistrustee.in **Contact Person** : Mr. Anil Grover www.axistrustee.in
Credit Rating Agency/ies for the Debentures	**Infomerics Valuation and Rating Private Limited** Flat No. 104/108, First Floor Golf Apartments, Sujan Singh Park, Maharishi Ramanna Marg, New Delhi – 110003 Tel: +91 11 45579024 E-mail: opjain@infomerics.com Contact Person : O P Jain Designation: Director Ratings www.infomerics.com
Date of General Information Document	September 19, 2023
Type of General Information Document	Private Placement
Security Name	9.95% Non-Convertible Debentures Series PDL042024
Type of Instrument	Secured, Listed, Rated, Redeemable and Non-Convertible Debentures
The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable	1,800 Secured, Listed, Rated, Redeemable and Non-Convertible Debentures ("Non-Convertible Debentures Series PDL042024") of a face value of Rs. 1,00,000/- (Indian Rupees One Lakh Only) each aggregating ₹ 18,00,00,000 (Indian Rupees Eighteen Crore Only)
Issue Schedule: 1. Issue / Bid Opening Date 2. Issue / Bid Closing Date 3. Date of earliest closing of the issue 4. Pay – in – Date 5. Deemed Date of Allotment	 April 10, 2024 April 10, 2024 Not Applicable April 12, 2024 April 12, 2024 The Issuer reserves the right to change the Issue Schedule in accordance with Applicable Laws. The Issue will be open for bidding as per bidding window that would be communicated through the BSE BOND-EBP Platform
Credit Rating / All the ratings obtained for the private placement	"IVR AA/Stable Outlook" ("IVR Double A with Stable Outlook") by Infomerics Valuation and Rating Private Limited. The rating letters and rationales as released by Credit Rating Agencies are attached as **Annexure 1.**
Name(s) of the stock exchanges where the securities are proposed to be listed	BSE Limited
Details of Eligible Investors / Participants	All QIBs, and any non-QIB Investors specifically mapped by the Issuer on the BSE EBP Platform, are eligible to bid / invest / apply for this Issue. All other investors eligible to bid / invest / apply for this Issue pursuant to the SEBI NCS Regulations read with SEBI Master Circular are eligible to apply for this Issue.

	All Eligible Participants are required to comply with the relevant regulations/ guidelines applicable to them for investing in this Issue.
Coupon Rate	9.95 % p.a.
Coupon Payment Frequency	Quarterly on coupon payment date(s)
Coupon Payment Date(s)	1st Coupon: 12/07/2024 2nd Coupon: 12/10/2024 3rd Coupon: 12/01/2025 4th Coupon: 12/04/2025 5th Coupon: 12/07/2025 6th Coupon: 10/10/2025
Redemption Date(s)	**Tranche** / **Redemption date** / **No. of NCDs** / **Amount** A / July 12, 2025 / 1200 / 12 Cr. B / October 10, 2025 / 600 / 6 Cr.
Redemption Amount	Rs. 1,00,000 per Debenture/ to be redeemed at par
Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters	Not Applicable
Compliance clause in relation to electronic book mechanism and details pertaining to the uploading of the Key Information Document and the General Information Document on the Electronic Book Provider Platform	The Issue of the Debentures would be under the electronic book mechanism for issuance of Non-Convertible Debentures on private placement basis as per Operational Guidelines. The Issuer intends to use the BSE – Bond EBP platform. THIS KEY INFORMATION DOCUMENT IS BEING UPLOADED ON THE BSE BOND-EBP PLATFORM TO COMPLY WITH THE OPERATIONAL GUIDELINES AND AN OFFER WILL BE MADE BY ISSUE OF THE GENERAL INFORMATION DOCUMENT AND THE KEYINFORMATION DOCUMENT ALONG WITH THE SIGNED PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AFTER COMPLETION OF THE BIDDING PROCESS ON ISSUE CLOSING DATE, TO SUCCESSFUL BIDDER(S) IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RELATED RULES. THE ISSUER CONFIRMS THAT THE GREEN SHOE OPTION DOES NOT EXCEED FIVE TIMES THE ISSUE SIZE.

1.5. CREDIT RATING OF DEBENTURES

The Debentures are rated as "IVR AA/Stable Outlook" ("IVR Double A with Stable Outlook") by Infomerics Valuation and Rating Private Limited.

Securities with this rating are considered to have "high degree of safety" regarding timely servicing of financial obligations. Such securities carry very low credit risk.

The rating is not a recommendation to buy, sell or hold Debentures and investors should take their own decision. The rating may be subject to suspension, revision or withdrawal at any time by the assigning Credit Rating Agency. The Credit Rating Agency has a right to revise, suspend or withdraw the rating at any time on the basis of factors such as new information or unavailability of information or other circumstances which the Credit Rating Agency believes may have an impact on its rating.

The rating letters and rationales as released by Credit Rating Agencies are attached as **Annexure 1.**

The Issuer hereby declares that the ratings issued by the Credit Rating Agencies are valid as on the date of issuance and listing of the Debentures.

1.6. LISTING OF DEBENTURES

The Non-Convertible Debentures are proposed to be listed on the wholesale debt market segment of BSE Limited ('BSE'). The Company has obtained In-principle approval from the Stock Exchange. A copy of the same is attached as **Annexure 2.**

1.7. RECOVERY EXPENSE FUND

The Company has created a recovery expense fund by way of cash remittance directly to BSE Limited (Beneficiary Account Number), being the Designated Stock Exchange.

1.8. ISSUE SCHEDULE

Issue / Bid Opening Date	April 10, 2024
Issue / Bid Closing Date	April 10, 2024
Date of earliest closing of the issue	Not Applicable
Pay-In Date	April 12, 2024
Deemed Date of Allotment	April 12, 2024
The Issuer reserves the right to change the Issue Schedule in accordance with Applicable Laws.	

1.9. NAME AND CONTACT DETAILS OF GUARANTOR AND OTHER PARTIES

Not Applicable

1.10. EXPENSES OF THE ISSUE

Sr. No.	Nature of Expenses	Estimated Amount of Expenses (Rs. Lakh)	% of Total Issue Expenses	% of Issue Size of Rs. 18 crore
1.	Fees payable to registrars to the Issue	0.50	1.01	0.03
2.	Fees payable to the regulators including stock exchange	1.50	3.02	0.08
3.	Fees to Credit Rating Agencies	3.00	6.05	0.17
4.	Stamp Duty	0.25	0.50	0.01
5.	Depository's Fees	0.50	1.01	0.03
6.	Debenture Trustee Fees	1.85	3.73	0.10
7.	Any other fees, commission or payments under whatever nomenclature	42.00	84.68	2.33
	Total	49.60	100.00	2.76

The above expenses are indicative and are subject to change depending on the actual level of subscription to the Issue and the number of allottees, market conditions, applicable taxes as per the agreed terms of engagement with respective agency and other relevant factors.

1.11. REGISTRAR TO THE ISSUE

The Company has appointed Alankit Assignments Limited, as the Registrar for the Issue. A copy of the consent letter from the Registrar is attached in this Key Information Document as **Annexure 3.**

1.12. DEBENTURE TRUSTEE

Axis Trustee Services Limited having its corporate office at The Ruby, 2nd Floor, SW, 29, Senapati Bapat Marg, Dadar (West), Mumbai 400028 Maharashtra, India has been appointed as Debenture Trustee for the proposed Issue. The Debenture Trustee has given its consent to the Issuer for its appointment (Copy of consent letter from the Debenture Trustee is attached as **Annexure 4**).

The Company has entered into a Debenture Trustee Appointment Agreement with the Debenture Trustee. The Company will enter into a Debenture Trust Deed, inter-alia, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debentures.

The Debenture Holders shall, by subscribing to the Non-Convertible Debentures or by purchasing the Non-Convertible Debentures and without any further act or deed, be deemed to have irrevocably given their consent to and authorized the Debenture Trustee or any of their Agents or authorized officials to do, inter alia, all such acts, deeds and things necessary in respect of or relating to the security to be created for securing the Non-Convertible Debentures being offered in terms of this Key Information Document. All rights and remedies under the Debenture Trust Deed / Debenture Trustee Appointment Agreement and/or other security documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture Holders. Any payment made by the Company to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Company pro tanto to the Debenture Holder(s). No Debenture Holder shall be entitled to proceed directly against the Company unless the Debenture Trustee, having become so bound to proceed, fails to do so.

The Debenture Trustee will protect the interest of the Debenture Holders in the event of default by the Company in regard to timely payment of interest and Redemption Amount and they will take necessary action at the cost of the Issuer. However, the Debenture Trustee, ipso facto does not have the obligations of a borrower or issuer or a principal debtor or a guarantor as to the monies paid / invested by investors for the Debentures.

1.13. DISCLOSURE OF CASH FLOW WITH DATE OF INTEREST/ REDEMPTION PAYMENT AS PER DAY COUNT CONVENTION

1.13.1. Business day conventions / effect of holidays

If any of the Coupon Payment Date(s) other than on Redemption Date falls on a day which is not a Business Day, the payment due on such date may be made on the immediately succeeding Business Day. However, the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the Non-Convertible Debentures. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of any earlier coupon payment that has been postponed because of it having fallen on a day which is not a Business Day. It is further clarified that the amount of interest payable on each such Coupon Payment Date will be calculated as if Coupon Payment Date remained as per the schedule originally stipulated at the time of issuing the Debentures.

If the Redemption Date falls on a day which is not a Business Day, payment in respect of Redemption Amount (along with interest accrued on the Debentures until but excluding the date of such payment) shall be made one Business Day prior to the Redemption Date.

1.13.2. Procedure and time schedule for allotment and issue of Debentures

Refer Section 3 (Issue Details) and Section 1.15.19 (Application/ Bidding Process).

1.14. OTHER DETAILS

1.14.1. DRR Creation

According to rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, no Debenture Redemption Reserve is required to be created in the case of privately placed debentures by the company which is a NBFC registered with the RBI under Section 45-IA of the RBI (Amendments) Act,1997.

The Company maintains a reserve fund under section 45–IC of the Reserve Bank of India Act, 1934 by transferring 20% of its profits as per the provisions of the RBI Act, 1934.

1.14.2. Issue/instrument specific regulations

The Issue of Non-Convertible Debentures shall be in conformity with the applicable provisions of the Companies Act, 2013 including the notified rules thereunder, the applicable RBI guidelines and the SEBI NCS Regulations, the SEBI LODR Regulations whenever applicable each as amended from time to time.

1.14.3. Governing Law and Provisions

The Non-Convertible Debentures offered are subject to provisions of the Companies Act, 2013, Securities Contracts (Regulation) Act, 1956, RBI's Guidelines on Private Placement of NCDs (Maturity More Than 1 Year) by NBFCs, Terms of the General Information Document, this Key Information Document, instructions contained in the Application Form and other terms and conditions as may be incorporated in the Debenture Trustee Appointment Agreement and/or Debenture Trust Deed/ Deed of Hypothecation / Other security documents, if any. Over and above such terms and conditions, the Debentures shall also be subject to the applicable provisions of the Depositories Act, 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment and issue of capital and listing of securities issued from time to time by SEBI, concerned Stock Exchange or any other authorities and other documents that may be executed in respect of the Debentures.

1.14.4. Default in Payment

In case of default (including delay) in payment of interest and/or Redemption Amount on the due dates, additional interest @ 2% (Two Percent) p.a. over the Coupon Rate will be payable by the Company for the defaulting period.

1.14.5. Delay in Listing

In case of delay in listing of the Debentures beyond 3 (three) trading days from closure of the Issue, the Company (i) shall pay penal interest to the Debenture Holders, of 1.00% (one percent) per annum over the Coupon Rate from the Deemed Date of Allotment to the date of listing of Debentures and (ii) be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from Stock Exchange.

1.14.6. 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) 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").

(iii) If the Issuer fails to repay the Application Money within the Repayment Period, then Issuer shall be liable to repay the Application

1.14.7. Issue details

Please refer to Section 3 on "Issue Details" on page 29.

1.14.8. Application process

The application process for the Issue is as provided in this Key Information Memorandum

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

All disclosures under Form No. PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 have been set out below.

1.14.10. 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

1.15. INSTRUMENT SPECIFIC DETAILS

1.15.1. Issue Size and Nature of Instrument

The Company proposes to issue the Debentures Series PDL042024. For Details of the issue, please refer to "Issue Details" in this Key Information Document.

1.15.2. Objects of the Issue / Details of utilization of Issue proceeds

The net proceeds of the Issue will be utilized for towards on-lending ("**Purpose**").

A. The funds raised by the Issue shall, after issue-related expenses, be utilised by the Issuer for the purpose mentioned above.

B. The funds raised by the Issue shall be utilized by the Issuer solely for the Purpose and the Issuer shall not use the proceeds of the Issue towards:

   i. Any equity capital market instruments, and equity-linked instruments or any other equity 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. Any purposes which have been restricted or declared unlawful by any Governmental Authority (including without limitation, the Government of India and the relevant State Governments);
   v. Providing any loans to any group companies of the Issuer; and in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI).

C. Until the funds raised by the Issue are utilised for the Purpose, the funds raised by the Issue maybe held by the Issuer either (i) in the form of cash, or (ii) by way of investments in money market instruments, liquid debt instruments, liquid mutual funds, or (iii) deposits held with scheduled commercial banks.

1.15.3. Face Value, Issue Price, Effective Yield for Investor

Each Debenture has a face value of Rs. 1,00,000 and is issued at par i.e. for Rs. 1,00,000. Since the interest is payable quarterly and there is no premium or discount on either issue price or on redemption value of the Debenture, the effective yield for the investors held to maturity shall be the same as the Annualized Coupon Rate on Non-Convertible Debentures.

1.15.4. Minimum Bid Lot

The minimum bid lot shall be 100 (One Hundred) Non-Convertible Debenture having face value of Rs. 1,00,000 (Rupees One Lakh) each and in multiple of 1 (one) Non-Convertible Debenture thereafter.

1.15.5. Minimum Subscription

Minimum subscription, for overall issue level, is not applicable for privately placed debentures. However, minimum subscription (minimum application) per investor shall be as per the provisions of the RBI Directions and the same is being separately given in the Term Sheet.

1.15.6. Deemed Date of Allotment

All benefits related to the Non-Convertible Debentures will be available to the allottees from the Deemed Date of Allotment. The actual allotment of the Non-Convertible Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to keep multiple allotment date(s)/Deemed date(s) of Allotment at its sole and absolute discretion without any notice to the Debenture Holders. In case the Issue Closing Date is revised, the Deemed Date of Allotment may also be revised by the Company at its sole and absolute discretion.

1.15.7. Credit of Debentures

The Company shall credit the Debentures in no later than 2 (two) Business Days from the issue closing date. The Company shall give the instruction to the Registrar for crediting the Debentures by 12:00 noon on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 noon on the Pay-In Date. The Company shall allot the Debentures and issue and credit the Letter of Allotment in the beneficiary account of the investor(s) **("Beneficiary Account"**) with NSDL and CDSL.

1.15.8. Depository Arrangements

The Company has made necessary depository arrangements with NSDL and CDSL for the Issue and holding of Debentures in the dematerialised form by investors. In this context, the Company has signed tripartite

agreements as under:

1. Tripartite Agreement between the Company, the Registrar and NSDL for offering Depository option to the investors.
2. Tripartite Agreement between the Company, the Registrar and CDSL for offering Depository option to the investors.

1.15.9. Listing

The Debentures would be listed on the wholesale debt market segment of BSE Limited (BSE), which will be the designated Stock Exchange for the Issue ("Designated Stock Exchange"). The Company shall comply with the requirements of the simplified listing agreement read with SEBI LODR Regulations, to the extent applicable to it, on a continuous basis.

The Company shall seek listing permission from stock exchange within 3 (three) working days from the closure of the Issue. In case of delay in listing of the Debentures beyond 3 (three) working days from closure of the Issue, the Company (i) shall pay penal interest to the Debenture Holders, of 1.00% (one percent) per annum over the Coupon Rate from the Deemed Date of Allotment to the date of listing of Debentures and (ii) be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from Stock Exchange.

1.15.10. Coupon Rate

9.95% per annum payable quarterly on outstanding amount of Non-Convertible Debentures.

1.15.11. Security

The debentures shall be secured by way of First Pari-Passu and continuing charge on identified receivables ('Hypothecated Receivables') created pursuant to a Deed of Hypothecation executed between the Issuer and Debenture Trustee. The issuer undertakes:

1. To maintain the value of security at all times equal to 1.1 times or 110% of aggregate amount of principal outstanding of NCD's where the cover is from principal receivables.

2. To create, register and perfect security over Hypothecated receivables within 30 days from the date of investment (I.e. Filing CHG-9 Form with ROC within stipulated timelines).

3. To provide a list on a quarterly basis of identified book debts to Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favor of Debenture Trustee.

4. To add fresh loan assets to security cover to ensure that the value of hypothecated assets is equal to 110% of aggregate amount of principal outstanding.

5. To replace any ineligible receivables (beyond 90 dpd) with current receivables. Such receivables shall be effected within 15 business days of the receivables becoming ineligible.

Eligibility Criteria: The receivables should not have been restructured or reschedule all KYC norms to have been completed.

1.15.12. Security Creation

Security to be created before making application for listing of Debentures to the Designated Stock Exchange.

1.15.13. Permission from the prior creditors for creation of charge

Permission of prior creditor for creation of charge obtained vide letter dated December 27, 2023.

1.15.14. Market Lot

The market lot will be one Non-Convertible Debenture. Since the Non-Convertible 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.

1.15.15. Interest on Application Money

As the Pay-In Date and the Deemed Date of Allotment fall on the same date, interest on application money shall not be applicable. Further, no interest on application money will be payable in case the Issue is withdrawn by the Issuer in accordance with the Operational Guidelines.

1.15.16. Record Date

The Record Date for the Non-Convertible Debentures shall be 7 (Seven) days prior to the date of each of the Coupon Payment Date and/or the Redemption Date, as the case may be, or such other date as may be determined by the Board of Directors/Investment and Borrowing Committee from time to time and in accordance with applicable law.

Provided that trading in the NCDs shall remain suspended between the aforementioned record date in connection with redemption of NCDs and the date of redemption or as prescribed by the stock exchanges as the cases may be.

Interest and/or Redemption Amount shall be paid to the person whose name appears as sole / first holder in the register of Debenture Holder(s) / Beneficial Owner(s) at the close of the Record Date. In the event of the Company not receiving any notice of transfer at least 7 days before the respective due date of payment of interest and at least 7 days prior to the Redemption Date, as the case may be, the transferees of such Non-Convertible Debentures shall not have any claim against the Company in respect of interest and/or Redemption Amount so paid to the registered Debenture Holders.

In case of those Non-Convertible Debentures for which the beneficial owner is not identified by the Depository at the close of the Record Date, the Company would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to the Company, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 (Thirty) days from the date of such notification by the Depository.

1.15.17. Interest on Debentures

Non-Convertible Debentures shall carry interest at Coupon Rate (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof). The interest shall be payable on Coupon Payment Date quarterly through the Tenor of Non-Convertible Debentures.

Interest on Non-Convertible Debentures will be paid to the Debenture Holder(s) /Beneficial Owner(s) as per the beneficiary list provided by the Registrar / Depository at the close of the Record Date.

Payment will be made by way of Cheque / DD / RTGS / NEFT / Electronic mode and any other prevailing mode of payment from time to time in the name of Debenture Holder(s) whose names appear on the list of Beneficial Owners as on Record Date given by the Depository/Registrar to the Company at the close of the Record Date. Cheque / DD will be dispatched to the Debenture Holder(s) by Courier / Registered Post/ Hand Delivery, in accordance with the existing rules / laws at the sole risk of the Debenture Holder(s) to the sole holder(s) / first named holder(s) at the address registered with the Company.

Interest in all cases shall be payable on the amount of outstanding Non-Convertible Debentures on an Actual/Actual basis, i.e., Actual number of days elapsed divided by the actual number of days in the year and rounded off to the nearest Rupee.

1.15.18. Payment on Redemption

Non-Convertible Debentures shall be redeemed on each redemption date, as mentioned in the "Issue Details" Section 3 of this Key Information Document.

Non-Convertible Debentures will not carry any obligation, for interest or otherwise, after the Redemption Date. Non-Convertible Debentures held in the dematerialised form shall be taken as discharged on payment of the Redemption Amount by the Company on Redemption Date to the registered Debenture Holders whose name appear in the Register of Debenture Holders/List of Beneficial Owners as per the list provided by the Depository(ies), on the Record Date. Such payment will be a legal discharge of the liability of the Company towards the Debenture Holders.

Payment of Redemption Amount will be made by way of Cheque / DD / RTGS / NEFT / Electronic mode and any other prevailing mode of payment in the name of Debenture Holder(s) / Beneficial Owner(s) whose name appears on the list of Beneficial Owners given by the Depository /Registrar to the Company as on the Record Date. Cheque / DD will be dispatched to the Debenture Holder(s) by Courier / Registered Post / Hand Delivery, in accordance with the existing rules / laws at the sole risk of the Debenture Holder(s) to the sole holder(s) / first named holder(s) at the address registered with the Depository.

In respect of any Non-Convertible Debentures held physically under a consolidated debenture certificate, payments will be made by way of cheque or DD or electronically. However, if the Issuer so requires, payments on maturity may be made upon the surrender of the consolidated debenture certificate(s). Dispatch of cheque or DD in respect of payments with respect to redemptions will be made within a period

of 30 (thirty) days from the date of receipt of the duly discharged consolidated debenture certificate. No interest will accrue after the Redemption Date, irrespective of the fact whether consolidated debenture certificate is surrendered or not.

1.15.19. Application / Bidding Process

Bidding Process

This section applies to all Eligible Participants. Please note that all Eligible Participants are required to make payment of the full application amount in accordance with the Operational Guidelines.

Pursuant to a resolution of the Board of Directors dated January 31, 2024 the Issuer has been authorised to issue the debentures in one or more tranches on private placement basis and vide the Operation and Finance Committee Resolution dated April 04, 2024 the Issuer has been authorised to inter-alia invite bids in relation to the issue of Debentures pursuant to this Key Information Document.

Who can bid?

All Eligible Participants comprising of QIBs and any non-QIB Investors specifically mapped by the Issuer on the BSE BOND – EBP Platform, are eligible to bid for this Issue.

All Eligible Participants are required to comply with the relevant regulations/ guidelines applicable to them for investing in this Issue in accordance with the norms approved by the Government of India, RBI or any other Governmental Authority from time to time, including but not limited to the Operational Guidelines for investing in this Issue.

Eligible Investors shall not make use of any software, algorithm, bots or other automation tools, which would give unfair access for placing bids on the BSE Bond–EBP Platform.

Documents to be provided by Successful Bidders

Investors need to submit the certified true copies of the following documents, along-with Identified Investor Details provided in the Application Form, as applicable:

a) Memorandum and Articles of Association/ Constitution/ Bye-laws/ Debenture Trust Deed/ Deed of Hypothecation;
b) Board Resolution authorizing the investment and containing operating instructions;
c) Power of attorney/ relevant resolution/authority to make application;
d) Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;
e) Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;
f) Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

Right to accept or reject bids

The Issuer reserves its full, unqualified and absolute right to accept or reject any application for bid, in part or in full, without assigning any reason thereof in accordance with the Operational Guidelines.

How to bid?

All Eligible Participants will have to register themselves as a one-time exercise (if not already registered) under the BSE BOND – EBP Platform offered by BSE for participating in the electronic book mechanism. Eligible Participants will also have to complete the mandatory KYC verification process. Eligible Participants should refer to the Operational Guidelines.

The details of the Issue shall be entered on the BSE BOND – EBP Platform by the Issuer at least 2 (two) working days prior to the Issue / Bid Opening Date, in accordance with the Operational Guidelines.

The bidding on BSE BOND – EBP Platform shall take place between 9 a.m. to 5 p.m. only, on the working days of BSE.

The bidding window shall be open for the period as specified by the issuer in the bidding announcement, however, the same shall be open for at least 1 (one) hour.

The issuer can provide details of the eligible participant(s) for a particular issue, to the BSE BOND-EBP Platform, not later than 1 (one) hour before the bidding start time.

The Issuer shall provide the bidding start time and close time of the BSE BOND – EBP Platform at least 1

(one) working day before the start of the Issue / bid opening date.

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 BSE BOND – EBP Platform, at least 1 (one) working day before the start of the Issue / Bid Opening Date.

A bidder will only be able to enter the amount while placing their bids in the BSE BOND – EBP Platform, since the proposed Issue is a fixed rate/coupon issue.

Some of the key guidelines in terms of the Operational Guidelines on issuance of securities on private placement basis through an electronic book mechanism, are as follows:

a) Modification of Bid:
Eligible Participants may note that modification of bid is allowed during the bidding period / window. However, in the last 10 minutes of the bidding period / window, revision of bid is only allowed for upward revision of the bid amount placed by the Eligible Participant.

b) Cancellation of Bid
Eligible Participants may note that cancellation of bid is allowed during the bidding period / window. However, in the last 10 minutes of the bidding period / window, no cancellation of bids is permitted.

c) Multiple Bids
Eligible Participants are permitted to place multiple bids on the BSE BOND - EBP Platform in line with the Operational Guidelines. Multiple bids by the Arranger, if any, is allowed where each bid is on behalf of multiple investor(s) provided the bid amount is not more than Rs.100 crore or 5% of the base issue size, whichever is lower.

d) Manner of Bidding
The Issue will be through open bidding on the BSE BOND - EBP Platform in line with the Operational Guidelines.

e) Manner of Allotment
The allotment will be done on uniform yield basis in line with the Operational Guidelines.

f) Manner of Settlement
Settlement of the Issue will be done through Indian Clearing Corporation Limited (ICCL) and the account details are given in the section on Payment Mechanism of this Key Information Document.

g) Settlement Cycle
The process of pay-in of funds by Eligible Participants and pay-out to Issuer will be done on T+1 day, where T is the Issue / Bid Closing Day.

h) Withdrawal of Issue
The Issuer may, at its discretion, withdraw the issue process on the following conditions:
(i) non-receipt of bids upto the Issue Size;
(ii) bidder has defaulted on payment towards the allotment, within the stipulated time frame, due to which the Issuer is unable to fulfil the Issue Size.
(iii) If applicable to the Issue, in the event, the cut-off yield (i.e. the highest yield at which a bid is accepted) in the Issue is higher than the estimated cut-off yield (i.e. the yield estimated by the Issuer, prior to opening of the Issue) disclosed to the BSE BOND-EBP Platform,

Where the Issue Size is fully subscribed, then:
(i) The Issuer, at its discretion, may withdraw from the issue process at any time; however, subsequent to such withdrawal, the Issuer shall not be allowed to access any of the EBP platforms for a period of 7 (seven) days from the date of such withdrawal. A withdrawal from the issue process shall imply withdrawal of the total issue. Disclosure of the estimated cut-off yield on the BSE EBP platform to the eligible participants, pursuant to closure of issue, shall be at the discretion of the Issuer.

(ii) In case an issuer withdraws issue on the BSE BOND-EBP Platform due to the cut-off yield being higher than the estimated cut-off yield, the BSE BOND-EBP Platform shall mandatorily disclose

the estimated cut-off yield to the Eligible Investors.

However, Eligible Participant should refer to the Operational Guidelines as prevailing on the date of the bid.

i) Payment of issue price and pay-in-date:

Face Value of Debenture i.e. Rs. 1,00,000 (Rupees One Lakh) per Debenture on the Pay-In Date, i.e. April 12, 2024.

j) Application / Bid Size

Applications / Bids for the Debentures are required to be for a minimum of 100 (One Hundred) Debenture and multiples of 1 (one) Debenture thereafter. All Eligible Participants under the Operational Guidelines and subsequent Debenture Holders (who shall purchase the Debentures in the secondary market) are required to consult their own advisors in investing in the Debentures and comply with the relevant rules, regulations, guidelines or notifications applicable to them for investing in the Debentures.

k) Provisional Allocation / Allotment

Allocation shall be made on time priority basis in multiples of the bidding lot size, i.e., in multiples of Rs. 1,00,000 only subject to minimum bid size as mentioned above. If two or more bids have the same time, then allotment will be done on 'pro-rata' basis.

Once the Issuer has accepted the issue on BSE BOND EBP Platform and completed the provisional allotment, the eligible allottees (i.e., Successful Bidders) can view the allocation of their respective bid(s) in the Provisional Allocation Report.

l) Anchor Portion

(i) The Issuer shall have an option to avail an '*anchor portion*' within the Issue, subject to the below mentioned conditions:

(a) The Issuer shall have the discretion to select the anchor investor(s) for the anchor portion.

(b) The quantum of allocation(s) to the anchor investor(s) shall be at the discretion of the issuer, subject to total allocation to the anchor(s) not exceeding 30% of the Issue size.

(c) There shall be no bidding for anchor portion on the BSE BOND-EBP Platform.

(d) The quantum for anchor portion shall be suitably disclosed in this Key Information Document.

(e) The Issuer shall disclose details of the anchor investor(s) and the corresponding quantum allocated to the BSE BOND-EBP Platform, along with the Key Information Document.

(ii) Settlement amount for the anchor investor(s) where Coupon is specified by the Issuer shall be determined on the basis of the following:

- For uniform yield allotment: The settlement amount shall be the 'cut-off' price determined in the bidding process i.e. total Issue size less the anchor portion.

- For Multiple yield allotment: The settlement amount shall be the face value of the security.

Provided that, in case of re-issuance, the '*cut-off*' price determined in the bidding process shall be applicable on the anchor investor(s).

The remaining portion of the Issue (i.e. the non-anchor portion within the Issue size), shall be open for bidding by Eligible Investors at the chosen time slot on the BSE BOND-EBP Platform. The anchor investor(s) may also participate in the said portion if identified as eligible participant(s) by the Issuer.

m) Offer or Issue of executed PPOAL to Successful Bidders

The PPOAL along with the Application Form will be issued to the Successful Bidders. Successful Bidders will be required to complete and submit the Application Form and Part B of the PPOAL to the Issuer in order to accept the offer of Debentures. No person other than the Successful Bidders to whom the PPOAL has been issued by Issuer may apply for the Issue through the PPOAL and any Application Form received from a person other than those specifically addressed will be invalid.

Payment Mechanism

Payment of subscription money for the Debentures should be made by the Successful Bidder as notified by the Issuer (to whom the Issuer has issued the PPOAL).

Successful Bidders should do the funds pay-in to the following bank account of ICCL ("Designated Bank Account"):

Bank	:	ICICI Bank Limited
Beneficiary Name	:	INDIAN CLEARING CORPORATION LIMITED
Account Number	:	ICCLEB
IFSC Code	:	ICICI0000106
Mode	:	NEFT / RTGS

Successful Bidders must do the subscription amount payment to the Designated Bank Account on or before 10:30 a.m. on the Pay-In Date ("**Pay-in Time**"). Successful Bidders should ensure to make payment of the subscription amount for the Debentures from their same bank account which is updated by them in the BSE BOND - EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE BOND - EBP Platform and the bank account from which payment is done by the Successful Bidder, the payment would be returned.

Note: In case of failure of any Successful Bidders to complete the subscription amount payments by the Pay-in Time or the funds are not received in the ICCL's Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will be liable to be rejected and the Issuer shall not be liable to issue Debentures to such Successful Bidders.
Funds payment to the Issuer would be made by ICCL to the following bank account of the Issuer:
Bank:

Bank	:	Punjab National Bank
Beneficiary Name	:	Paisalo Digital Limited
Account Number	:	0983008700001370
IFSC Code	:	PUNB0098300
Mode	:	NEFT / RTGS

Date of Subscription

The date of subscription shall be the date of realization of proceeds of subscription money in the Designated Bank Account of ICCL.

Settlement Process

Upon final allocation by the Issuer, the Issuer or the Registrar on behalf of the Issuer shall instruct the Depositories on the Pay-in Date, and the Depositories shall accordingly credit the allocated Debentures tothe demat account of the Successful Bidder.

The Company shall give the instruction to the Registrar for crediting the Debentures by 12:00 noon on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 noon on the Pay-In Date. On the Pay-In Date, the Depositories shall confirm to ICCLthe transfer of Debentures in the demat account(s) of the Successful Bidder(s).

Post-Allocation Disclosures by the EBP

Upon final allocation by the Issuer, the Issuer shall disclose the Issue Size, coupon rate, ISIN, number of Successful Bidders, category of the Successful Bidder(s), etc., in accordance with the Operational Guidelines. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

2. PARTICULARS OF THE OFFER

S. No.	Term	Description
1.	Details of the offer of non-convertible securities in respect of which the key information document is being issued	1,800 Secured, Listed, Rated, Redeemable and Non-Convertible Debentures ("Non-Convertible Debentures Series PDL042024") of a face value of Rs. 1,00,000/- (Indian Rupees One Lakh Only) each aggregating ₹ 18,00,00,000 (Indian Rupees Eighteen Crore Only)
2.	Financial information, if such information provided in the General Information Document is more than six months old	The Company confirms that the information provided in the General Information Document is not more than six months old as on the date of this Key Information Document.
3.	Material changes, if any, in the information provided in the General Information Document;	The Company confirms that there are no material changes to the information provided in the General Information Document
4.	Any material developments not disclosed in the General Information Document, since the issue of the General Information Document relevant to the offer of non-convertible securities in respect of which the key information document is being issued	The Company confirms that there are no material developments

3. ISSUE DETAILS

Term	Description
Security Name	9.95% Secured, Listed, Rated, Redeemable and Non-Convertible Debentures (PDL042024)
Issuer	Paisalo Digital Limited
Type of Instrument	Secured, Listed, Rated, Redeemable Non-Convertible Debentures
Nature of Instrument	Secured
Seniority	a) Each Debenture issued by the Issuer will constitute direct and secured obligations of the Issuer. b) The claims of the Debenture holders shall be superior to claims of investor/lenders of Tier I and Tier II capital. c) Each of the Debenture Holders shall inter-se rank first pari-passu in relation to their rights and benefits in relation to the Debentures, without any preference or privilege.
Mode of Issue	The Issue will be through open bidding on the BSE BOND - EBP Platform in line with the Operational Guidelines.
Eligible Investors/ Participants	All QIBs, non-QIB, specifically mapped by the Issuer on the BSE Bond EBP Platform, are eligible to bid / invest / apply for this Issue. All other investors eligible to bid / invest / apply for this Issue pursuant to the SEBI NCS Regulations read with SEBI Master Circular are eligible to apply for this Issue. All Eligible Participants are required to comply with the relevant regulations/ guidelines applicable to them for investing in this Issue.
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	On the wholesale debt market segment of the BSE Listing application shall be filed with the Stock Exchange in terms of SEBI NCS Regulations and any amendments thereto within 3 (three) working days of issue closing date. In case of delay in listing beyond the timelines specified above, the Company will pay penal interest of 1% p.a. over the Coupon Rate to Debenture Holders from the Deemed Date of Allotment to the date of listing of Non-Convertible Debentures.
Rating of the Instrument	IVR AA/Stable Outlook (IVR Double A with Stable Outlook) by Infomerics Valuation and Rating Private Limited.
Issue Size	1,800 Secured, Listed, Rated, Redeemable and Non-Convertible Debentures ("Non-Convertible Debentures Series PDL042024") of a face value of Rs. 1,00,000/- (Indian Rupees One Lakh Only) each aggregating ₹ 18,00,00,000 (Indian Rupees Eighteen Crore Only)
Minimum Subscription	Minimum subscription, for overall issue level, is not applicable for privately placed debentures. However, minimum subscription (minimum application) per investor shall be as per the provisions of the RBI Directions and the same is being separately given in the Term Sheet.
Option to retain oversubscription/ Green Shoe Option (Amount)	N.A.
Objects of the Issue / Purpose for which there is requirement of funds	The net proceeds of the Issue will be utilized for on lending.
In case the issuer is an 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:	Not Applicable
Details of the utilization of the Proceeds	A. The funds raised by the Issue shall, after issue-related

	expenses, be utilized by the Issuer towards on-lending. B. The funds raised by the Issue shall be utilized by the Issuer solely for the above purpose and the Issuer shall not use the proceeds of the Issue towards: i. Any equity capital market instruments, and equity-linked instruments or any other equity 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. Any purposes which have been restricted or declared unlawful by any Governmental Authority (including without limitation, the Government of India and the relevant state governments); v. Providing any loans to any group companies of the Issuer; and in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI). C. Until the funds raised by the Issue are utilized for the Purpose, the funds raised by the Issue maybe held by the Issuer either (i) in the instruments, liquid debt instruments, liquid mutual funds, or (iii) deposits held with scheduled commercial banks.
Coupon Rate	9.95% (Nine Point Nine Five) per annum payable quarterly.
Step Up/ Step Down Coupon Rate	If at any time during the tenor of the debentures, the rating of the Issuer's bank facilities/other instruments is downgraded below AA-, the coupon rate shall be increased by 25 basis points for every one notch downgrade. Such coupon is applicable from the date of such downgrade until such event is cured on the outstanding principal and accrued interest. The debenture trustee shall, based on instruction from majority debenture holders, also have the right to initiate Mandatory Redemption on Rating covenant getting triggered.
Coupon Payment Frequency	Quarterly
Coupon Type	Fixed
Coupon Reset Process	None
Early Redemption / Accelerated Redemption Option	Upon occurrence of the following events, any debenture holder will have the right to recall up to the respective amounts outstanding under the NCDs: a) Company fail to comply with any covenants mention in the terms of issue. b) Rating of the company is downgraded to AA- and below from INFOMERICS Valuation and Rating Private Limited
Shareholding Covenant	Promoter and Promoter Group shall continue to hold minimum 26% (Twenty Six per cent) of the paid up equity share capital of the Issuer during the tenure of the issue
Day Count Basis	Actual/Actual Basis Interest payable on Non-Convertible Debentures will be calculated on the basis of actual number of days elapsed in a year of 365 or 366 Days as the case may be.
Interest on Application Money	As the Pay-In Date and the Deemed Date of Allotment fall on the same date, interest on application money shall not be applicable.
Default Interest Rate	In case of default in payment of interest and/ or Redemption

	Amount on due dates, additional interest at the rate of 2% p.a. over and above the Coupon Rate will be payable by the Issuer for the period of default excluding date of payment.
Tenor	1. 15 Months from the Date of Allotment of 1200 NCDs of aggregate amount of Rs. 12 Crores 2. 18 Months from the Date of Allotment of 600 NCDs of aggregate amount of Rs. 6 Crores
Redemption Date(s)	**Tranche** / **Redemption date** / **No. of NCDs** / **Amount** A / July 12, 2025 / 1200 / 12 Cr. B / October 10, 2025 / 600 / 6 Cr. If the Redemption Date is not a Business Day, then the Redemption Date shall be arrived at as per the Business Day Convention
Redemption Amount	At par at the face value of Rs. 1,00,000 per Non-Convertible Debenture
Redemption Premium / Discount	NIL
Prepayment	In case of early redemption of NCD's at the instance of the Issuer on any date other than respective maturity date and not arising due to Event of Default (EOD), the issuer shall pay a penalty of 2% of the principal amount repaid. A notice of minimum 10 days is to be provided to the Debenture holders prior to prepayment.
Issue Price	Rs.1,00,000 per Non-Convertible Debenture
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable, as the Non-Convertible Debentures are being issued at par
Premium / Discount at which security is redeemed and the effective yield as a result of such premium / discount	Not Applicable, as the Non-Convertible Debentures will be redeemed at par
Put Date	Not Applicable
Put Price	Not Applicable
Call Date	Not Applicable
Call Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Face Value	Rs.1,00,000 per Non-Convertible Debenture
Minimum Application and in multiples thereafter	100 Debenture of Rs. 1,00,000 each and in multiple of 1 Debenture thereafter.
Anchor Investor	None
Quantum of Anchor	Not applicable
Issue timing	The details of the Issue shall be entered on the BSE BOND – EBP Platform by the Issuer at least 2 (two) working days prior to the Issue / Bid Opening Date, in accordance with the Operational Guidelines. The bidding on BSE BOND – EBP Platform shall take place between 9 a.m. to 5 p.m. only, on the working days of BSE. The bidding window shall be open for the period as specified by the Issuer in the bidding announcement, however, the same shall be open for at least 1 (one) hour. The issuer can provide details of the eligible participant(s) for a particular issue, to the BSE BOND-EBP Platform, not later than 1 (one) hour before the bidding start time. The Issuer shall provide the bidding start time and close time of the BSE BOND– EBP Platform at least 1 (one) working day before the start of the Issue / bid opening date.
Issue Opening Date	April 10, 2024

Issue Closing Date	April 10, 2024
Date of earliest closing of the issue, if any	Not Applicable
Pay-in Date	April 12, 2024
Deemed Date of Allotment	April 12, 2024
Manner of allotment	The allotment will be done on uniform yield basis in line with the Operational Guidelines.
Manner of settlement	Settlement of the Issue will be done through Indian Clearing Corporation Limited (ICCL) and the account details are given in the Section 1.15.19 of this Key Information Document.
Settlement cycle	The process of pay-in of funds by investors and pay-out to Issuer will be done on T+1 day, where T is the Issue / Bid Closing Day
Issuance mode of the Debentures	Only in dematerialized form
Trading Mode of the Debentures	Only in dematerialized form
Settlement Mode of the Debentures	Payment of interest and Redemption Amount will be made by way of Cheque / DD / RTGS / NEFT / Electronic mode and any other prevailing mode of payment from time to time.
Depository	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
Business Day Convention	If any of the Coupon Payment Date(s) other than Redemption Date falls on a day which is not a Business Day, the payment due on such date may be made on the immediately succeeding Business Day. However, the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of any earlier coupon payment that has been postponed because of it having fallen on a day which is not a Business Day. It is further clarified that the amount of interest payable on each such Coupon Payment Date will be calculated as if Coupon Payment Date remained as per the schedule originally stipulated at the time of issuing the Debentures. If the Redemption Date falls on a day which is not a Business Day, payment in respect of Redemption Amount (along with interest accrued on the Debentures until but excluding the date of such payment) shall be made one Business Day prior to the Redemption Date.
Disclosure of Interest / redemption dates	**Cash Flow** / **Date** 1st Coupon / 12/07/2024 2nd Coupon / 12/10/2024 3rd Coupon / 12/01/2025 4th Coupon / 12/04/2025 5th Coupon / 12/07/2025 Principal (Tranche A- Partial Redemption) / 12/07/2025 6th Coupon / 10/10/2025 Principal (Tranche B- Final Redemption) / 10/10/2025
Record Date	7 Days prior to each Coupon Payment / Redemption Date.
All covenants of the Issue (including side letters, accelerated payment clause etc.)	The covenants of the Issue are set out herein and in the Debenture Trust Deed which will be/ has been duly filed with the stock exchange in terms of SEBI guidelines and notifications and may be accessed on their website.
Financial Covenants	During the tenor of the NCDs, the Issuer shall maintain the below mentioned ratio on consolidated audited financials: a) Capital Adequacy ratio (as defined in RBI regulations) to be above 15% at all times.

	b) Cumulative Asset Liability Mismatch should always be positive as per RBI guidelines. c) NPA lower than 5% d) Total Debt/ TNW not to exceed level 5 times PAR 90 shall mean outstanding principal amount of all clients that have one or more instalments of principal past due for ninety days or more. (Net worth is defined as Share capital + Reserves and Surplus- Accumulated losses - Investment in any group companies – Intangible assets) Above financial covenants will be calculated and tested while the facility is outstanding, based on the quarterly limited reviewed financial statements of the Issuer. The first testing of the covenants would be for the quarter ending subsequent to the date of investment.
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 Debenture Trust Deed and disclosed in this Key Information Document	The Non-Convertible Debentures shall be secured by way of a First Pari Passu and continuing charge on identified receivables. The issuer undertakes: To maintain the value of security at all times equal to 1.1 times or 110% of aggregate amount of principal outstanding of NCD's where the cover is from principal receivables. To create, register and perfect security over Hypothecated receivables within 30 days from the date of investment (i.e. Filing CHG-9 Form with ROC within stipulated timelines). To provide a list on a quarterly basis of identified book debts to Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favor of Debenture Trustee. To add fresh loan assets to security cover to ensure that the value of hypothecated assets is equal to 110% of aggregate amount of principal outstanding. To replace any ineligible receivables (beyond 90dpd) with current receivables. Such receivables shall be effected within 15 business days of the receivables becoming ineligible. Eligibility Criteria: The receivables should not have been restructured or reschedule all KYC norms to have been completed. The Issuer can create security for its future borrowings on first pari passu or second / subservient basis without obtaining consent / no objection certificates (NOCs) from Debenture Holders or Debenture Trustee as long as Issuer is maintaining stipulated security cover ratio and there is no event of default. The Issuer shall produce certificate from chartered accountant confirming security cover ratio to Debenture Trustee at the time of creation of such pari passu charge in respect of future borrowings.
Debenture Redemption Reserve	According to rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, no Debenture Redemption Reserve is required to be created in the case of privately placed debentures by the company which is a NBFC registered with the RBI under Section 45-IA of the RBI (Amendments) Act,1997. The Company maintains a reserve fund under section 45–IC of

	the Reserve Bank of India Act, 1934 by transferring 20% of its profits as per the provisions of the RBI Act, 1934.
Future Borrowings	The Company shall be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue debentures / notes / other securities in any manner with ranking at first pari passu basis and to change its capital structure including issue of shares of any class or redemption or reduction of any class of paid up capital, on such Terms and Conditions as the Company may think appropriate, without the consent of, or intimation to, Debenture Holders/Debenture Trustee in this connection. The Company can create security for its future borrowings on first pari passu or second / subservient basis without obtaining consent / no objection certificates (NOCs) from Debenture Holders or Debenture Trustee as long as Issuer is maintaining stipulated security cover ratio and there is no event of default. The Issuer shall produce certificate from chartered accountant confirming security cover ratio to Debenture Trustee at the time of creation of such pari passu charge in respect of future borrowings/ debentures / notes /other securities.
Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in this Key Information Document	The Company shall be at liberty at any time until the Redemption Date, with the prior permission in writing of the Debenture Trustee (acting on Majority Debenture Holder(s) / Beneficial Owner(s) approval/instructions), to withdraw any of the Security from such of the trusts, powers and provisions hereof as exclusively relate to the Security upon substituting other property whether of the same or greater than the value of the property proposed to be withdrawn. The Debenture Holders shall permit the Company to withdraw any property under this clause, if the Company proves to their satisfaction that the property proposed to be substituted for the same is of a value equal to or greater than the value of the property proposed to be withdrawn and that such property is suitable for the purpose of business of the Company and upon such proof being given.
Debenture Trust Deed	Means the Debenture Trust Deed to be entered into between the Issuer and the Debenture Trustee, as amended from time to time.
Debenture Trustee Agreement	Means the Debenture Trustee Agreement entered between the Issuer and the Debenture Trustee for the appointment of the Debenture Trustee.
Deed of Hypothecation	Means the deed of hypothecation to be entered into between the Issuer and the Debenture Trustee.
Transaction Documents	The Company has executed/shall execute the documents including but not limited to the following in connection with the issue: • Certified true copy of the Board Resolution dated January 31, 2024 / Operation and Finance Committee Resolution dated April 04, 2024. • Consent Letter dated April 05, 2024 from Alankit Assignments Limited to act as Registrar for the Issue, Consent Letter dated April 03, 2024 from Axis Trustee Services Limited to act as Debenture Trustee for the Issue. • Debenture Trustee Appointment Agreement Debenture Trust Deed, Deed of Hypothecation • Credit Rating Letters by INFOMERICS Valuation and Rating Private Limited • Tripartite Agreement between the Company, the Registrar and NSDL for offering Depository option to the

	investors • Tripartite Agreement between the Company, the Registrar and CDSL for offering Depository option to the investors • General Information Document and the Key Information Document • EBP Agreement with BSE • Upon closure of the bidding on the Bid Closing Date, PPOAL in format of Form PAS 4, as per the Companies Act to be issued to each Successful Bidder
Conditions Precedent to Disbursement	Issuer shall have submitted the following to the Debenture Trustee: a) Certified true copy of the constitutional documents (Memorandum of Association, Articles of Association and Certificate of Incorporation) of the Company. b) A certified true copy of resolution of the Board of Directors of the Company approving the issue of the Non-Convertible Debentures on a private placement basis. c) Certified true copies of the special resolutions of the Shareholders of the Company under Sections 42 of the Act an under Section 180 of the Act (if applicable). d) Execute, deliver and stamp the transaction documents in a form and manner satisfactory to Debenture Trustee e) Certified Shareholding pattern and list of Directors from a Chartered Accountant or Company Secretary. f) All 'Know your Customer' requirements. g) PAS 4 and General Information and Key Information Documents. h) A certificate of the director of the Company certifying: i. the absence of any event or circumstance that could reasonably be expected to have a material adverse effect on: - the business, condition (financial or otherwise), operations, performance or assets of the Company taken as a whole - the ability to perform their obligations under any Debenture Document by the Company; or - the legality, validity or enforceability of any Debenture Document or the rights or remedies of the Debenture Trustee ii. the issuance of Debentures in terms of Debenture Documents would not cause any borrowing limit binding on Company to be exceeded; iii. all relevant regulatory requirements have been or will be complied with prior to the Deemed Date of Allotment in relation to the issue of the Debentures; all representations and warranties made under the Debenture documents are true and correct as of the date of such certificate.
Conditions Subsequent	a) Security creation of Non-Convertible Debentures Series-PDL042024 shall be as per the timelines

	specified under SEBI Master Circular. b) Listing of Non-Convertible Debentures on the Stock Exchange c) The Company shall ensure the dematerialized credit of the Debentures within 2 (two) Business Days or such other earlier days as per the applicable provisions, from the deemed date of allotment. d) File a return of allotment on the issue of the Debentures in Form PAS-3 by the Company, with the Registrar of Companies, with in 10 (Ten) days from the deemed date of allotment. e) Submission of a certificate of Statutory Auditor of the Company certifying the purpose for utilization of proceed of the Debentures, within 30 (Thirty) days from the deemed date of allotment. f) The Company shall file appropriate charge form with the Registrar of Companies in respect of the Hypothecation Property and deed of hypothecation within 30(Thirty) days from the date of execution of the deed of hypothecation.
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As more particularly set out in the Debenture Trust Deed- The occurrence of any of the following events shall be deemed to be an Eventof Default if not cured at the end of the cure period, if any, specified therefor hereunder: a) Nonpayment of any dues under the issue with grace period of 3 days in case of delay due to technical reason; b) Any default/cross-defaults in any credit facility or credit obligation of Issuer or the Promoter(s); c) Promoters or key management personnel of the company declared wilful defaulter; d) Breach of any financial covenants/other covenants agreed to under Transaction documents; e) Revocation of business, operating license and/or any other material contract of the Issuer; f) Failure to maintain security cover; g) Breach of representations and warranties, conditions, undertakings, covenants (including covenants, wilful default, gross negligence or fraudulent act by the Company / Promoter(s); h) Any creditor initiating bankruptcy, dissolution, insolvency, liquidation or winding up proceedings in relation to the Issuer / Promoter(s). i) If an involuntary proceeding against the Issuer or its promoter(s) has been commenced under any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect, or in any case, proceeding or other action for the appointment of a receiver, liquidator, assignee (or similar official) for all or substantial part of its property, or for the winding up or liquidation of its affairs, or other action has been admitted by a court which has or is likely to result in a Material Adverse Effect; j) It is or becomes unlawful for the Issuer to perform any of its obligations under any Definitive Agreements. Issuer is unable or admits in writing its inability to pay its debts as they mature or suspends making payment of any of its debts by reason of actual of anticipated financial difficulties or proceedings for taking it into liquidation have been admitted by any competent court or a moratorium or other protection from its creditors

	is declared or imposed in respect of any indebtedness of the company; k) If any attachment or expropriation or restraint of act of sequestration is levied on Hypothecated assets or any part thereof; l) Change in management control of the Borrower without prior consent of Debenture Trustee; m) Unapproved utilization of proceeds; n) Any act which is likely to result in any of the foregoing o) Any other items as specifically identified under the Transaction documents p) A cross default shall also be treated as an event of default; In case of any EOD, Issuer to immediately inform the Debenture Trustee and take measures to cure the said default immediately. The cure period will be defined in the transaction documentation. On declaration of EOD and levy of penal interest, if the issuer prepays the debenture holders, no prepayment penalty shall be charged on the amount prepaid; Subject to agreed cure period, where any default is curable in nature, the consequences for EOD shall be as finalized under the Definitive Agreements, but shall at the minimum include: a) Accelerated redemption and repayment of all outstanding dues by utilizing proceeds from hypothecated receivables b) Right to invoke securities. **"Material Adverse Effect"** means the occurrence of any event or circumstance in relation to the business, operations, property and assets of the Issuer which has/had or is reasonably likely to have a material and adverse effect on (a) the Issuer's ability to make payment of interest and principal towards the Debentures; or (b) performance of its other material obligations towards the Debentures; or (c) the validity or enforceability of the Transaction Documents and security relating to Debentures. **Consequences of Event(s) of Default** In accordance with the SEBI Debenture Trustee Master Circular issued by SEBI which provides framework on "operational framework for transactions in defaulted Non-Convertible Debentures Series PDL042024 post maturity date/ redemption date, post the occurrence of one or more of the Event(s) of Default specified above, the consent of the Debenture Holders for entering into an inter-creditor agreement (the "ICA") / enforcement of security shall be sought by the Debenture Trustee after providing a notice to the Debenture Holders in the manner stipulated under applicable law. Further, the meeting of the Debenture Holders shall be held within the period stipulated under applicable law. In case(s) where majority of Debenture Holders express their dissent to enforce the security, the Debenture Trustee shall not enforce the security on behalf of the Debenture Holders. In case(s) where majority of Debenture Holders express their consent to enter into the ICA, the Debenture Trustee shall enter into the ICA on behalf of the Debenture Holders upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA or

	enforcement of security, the Debenture Trustee shall take further action, if any, as per the decision taken in the meeting of the Debenture holders. The Debenture Trustee may form a representative committee of the Debenture Holders to participate in the ICA or to enforce the security or as may be decided in the meeting. The dissent for enforcement / consent for joining the ICA of the majority of Debenture Holders shall mean the approval of not less than 75% of the Debenture Holders by value of the outstanding debt and 60% of the Debenture Holders by number at the ISIN level. Thus, in case of an occurrence of a "default", the Debenture Trustee shall abide and comply with the procedures mentioned in the SEBI Debenture Trustee Master Circular. The Debenture Trustee / Debenture Holders shall have such other rights and remedies as may be provided in the Debenture Trust Deed including levy of penal interest, enforcement of security and appointment of nominee director/observer upon occurrence of event of default(s).
Creation of recovery expense fund	The Company has created a Recovery Expense Fund by way of cash remittance directly to BSE Limited, being the Designated Stock Exchange The recovery expense fund shall be utilized for the purposes and in the manner as may be required under SEBI NCS Regulations.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Please refer to rows: i. "Event of Defaults (including manner of voting /conditions of joining Inter Creditor Agreement)" ii. "Default Interest Rate" iii. "Listing"
Provisions related to Cross Default Clause	Cross default shall also be treated as an event of default.If the Company and/or any of its subsidiaries, in regards to any Financial Indebtedness availed by it from the Debenture Holders and/or any third party (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; (b) 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 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) any Financial Indebtedness of the Company and/or any of its subsidiaries 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, provided that any voluntary prepayment made by the Company and/or any of its subsidiaries including any exercise of option by the Debenture Holder of the Company and/or any of its subsidiaries will not be covered under this clause.
Debenture Trustee	Axis Trustee Services Limited

Role and Responsibilities of Debenture Trustee	As per Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time and Debenture Trust Deed and as specified in the Transaction Documents. While the Debentures are secured to the tune of 110% of the principal and interest amount as per the terms of this Key Information Document, in favour of Debenture Trustee, and it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.
Risk factors pertaining to the issue	As set out in under Section 1.3 of this Key Information Document.
Governing Law and Jurisdiction	Non-Convertible Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the exclusive jurisdiction of the courts at Delhi in India. Over and above the aforesaid terms and conditions, the said Non-Convertible Debentures shall be subject to the terms and conditions of the General Information Document, this Key Information Document and terms and conditions of the Debenture Trust Deed/ Debenture Trustee Appointment Agreement and other Security Documents.

4. ILLUSTRATION OF CASH FLOWS

The illustrative cash flows per Debenture (bearing face value of ₹ 1,00,000) is as under:

Particulars	Example 1			
Name of the Issuer	Paisalo Digital Limited			
Face Value	INR 1,00,000			
Deemed Date of Allotment	April 12, 2024			
Redemption Date(s)	**Tranche**	**Redemption date**	**No. of NCDs**	**Amount**
	A	July 12, 2025	1200	12 Cr.
	B	October 10, 2025	600	6 Cr.
Coupon Rate	9.95% per annum			
Frequency of Interest Payment	Quarterly			
Day Count Convention	Actual/Actual			
Number of Debentures	1800			

Cash Flow:

The illustrative cash flows per Debenture (bearing face value of INR 1,00,000) is as under:

Cash Flows	Coupon Payment Date	Actual Days for calculation	No. of Days in Coupon Period	Per NCD Amount (in Rs.)
Principal Drawdown	April 12, 2024	-	-	1,00,000
Coupon/Interest Payment 1	July 12, 2024	366	91	2,473.91
Coupon/Interest Payment 2	October 12, 2024	366	92	2,501.09
Coupon/Interest Payment 3	January 12, 2025	365	92	2,507.95
Coupon/Interest Payment 4	April 12, 2025	365	90	2,453.43
Coupon/Interest Payment 5	July 12, 2025	365	91	2,480.69
Principal	July 12, 2025	-	-	1,00,000
Coupon/Interest Payment 6	October 10, 2025	365	90	2,453.43
Principal	October 10, 2025	-	-	1,00,000

(In the event any Due Date is a holiday, payments will be made in accordance with the Business Day Convention).

5. UNDERTAKING BY THE ISSUER

Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The Debentures have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to section 'General Risk' on Page Number 1 and the statement of 'Risk factors' given in **Annexure 1** of the General Information Document and Section 1.3 of the Key Information Document.

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

The Securities proposed to be issued under this Key Information Documents are not perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments and shall not the forming part of non-equity regulatory capital, as permitted by the Reserve Bank of India.

The issuer has no side letter with any holder of the Debentures. Any covenants later added shall be disclosed on the website of the stock exchange where the Debentures will get listed.

6. DISCLOSURES PRESCRIBED UNDER FORM PAS 4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

Sr. No.	Disclosure Requirements	Reference
PART A		
1	**GENERAL INFORMATION**	
i.	Name of Issuer Company	Paisalo Digital Limited (CIN: L65921DL1992PLC120483)
	Registered Office and Corporate Office	CSC, Pocket 52, CR Park, Near Police Station, New Delhi-110019
	Web-site	www.paisalo.in
	Telephone	+91 11 43518888
	E-mail	delhi@paisalo.in
ii.	Date of incorporation of the company	March 5, 1992
iii.	Business carried on by the company and its subsidiaries with the details of branches or units, if any	The Company M/s Paisalo Digital Limited (PAISALO) is a Non-Banking Finance Company (NBFC ND-SI). It is registered with the RBI with registration no. B-14.02997. Company provides various finance like Business Loans, MSME's/SME Loans, Income Generation Loans to small medium entrepreneurs, partnership firms and small business owners. Wholly owned subsidiary of the Company M/s Nupur Finvest Private Limited is also a Non-Deposit Accepting Non-Banking Finance Company, registered with RBI with registration no. B-14.03266, is engaged in the business of providing finance to small medium entrepreneurs, partnership firms and small business owners.
iv.	Brief particulars of the management of the Company	Please refer to **Annexure 12** of the Key Information Document
v.	Names, addresses, DIN and occupations of the directors	Please refer to Section 12(h) of the General Information Document dated September 19, 2023
vi.	Management's perception of risk factors;	Please refer to **Annexure 1** of the General Information Document dated September 19, 2023
vii.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of	
	a. statutory dues;	Nil
	b. debentures and interest thereon;	Nil
	c. deposits and interest thereon;	Nil
	d. loan from any bank or financial institution and interest thereon.	Nil
viii.	Names, 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. Manendra Singh Designation : Company Secretary Address : CSC, Pocket 52, CR Park, Near Police Station, New Delhi-110019 Ph. No. : +91 11 43518888 Fax : +91 11 43518816 e-mail : cs@paisalo.in
ix.	Any Default in Annual filing of the Company under the Companies Act, 2013, or the rules made thereunder.	No default

2	**PARTICULARS OF THE OFFER**	
i.	Financial position of the Company for the last 3 financial years;	Please refer to **Annexure 5** of Key Information Document
ii.	Date of passing of board resolution;	Board resolution dated January 31, 2024 and Operations and Finance Committee resolutions dated April 04, 2024. (Certified true copy of the Board Resolution dated January 31, 2024 and certified true copy of the resolutions of the Finance Committee dated April 04, 2024 have been annexed in **Annexure 6**)
iii.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	Shareholder resolution dated September 21, 2023 (Certified true copy of the shareholders resolution has been annexed in **Annexure 6**)
iv.	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued;	1800 Secured, Listed, Rated, Redeemable and Non-Convertible Debentures ("Non-Convertible Debentures Series PDL042024") of a face value of Rs. 1,00,000/- (Indian Rupees One Lakh Only) each aggregating ₹ 18,00,00,000 (Indian Rupees Eighteen Crore Only)
v.	Price at which the **security** is being offered including the premium, if any, along with justification of the price	Non-Convertible Debentures **Face Value**: INR 1,00,000 (Indian Rupees One Lakh) each Non-Convertible Debenture **Issue Price**: Based on uniform yield with a face value of INR 1,00,000 per Non-Convertible Debenture **Justification**: Issuance of Non-Convertible Debenture is proposed to be made based on uniform yield allotment basis with a face value of INR 1,00,000 per Debenture
vi.	Name and address of the valuer who performed valuation of the security offered/to be offered, and basis on which the price has been arrived at along with report of the registered valuer.	Not Applicable as the Debentures are issued at par
vii.	Relevant date with reference to which the price has been arrived at;	Not applicable
viii.	The class or classes of persons to whom the allotment is proposed to be made;	The allotment is proposed to be made to the Identified Investors
ix.	Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer);	Not Applicable
x.	The proposed time within which the allotment shall be completed	On the Deemed Date of Allotment
xi.	The names of the proposed allottees and the percentage of post private placement capital that may be held by them	Not Applicable
xii.	The change in control, if any, in the company that would occur consequent to the private placement	Not Applicable
xiii.	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;	None

xiv.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable	
xv.	Amount which the Company intends to raise by way of proposed offer of securities	INR 18,00,00,000 (Indian Rupees Eighteen Crore)	
xvi.	Terms of raising of securities: (a) duration; if applicable (b) rate of dividend; (c) rate of interest; (d) mode of payment repayment;	**Non-Convertible Debentures**	
		Duration, if applicable (Tenor)	As mentioned in the Section 3 "Issue Details" of this Key Information Document
		Deemed Date of Allotment	April 12, 2024
		Redemption Date	As mentioned in the Section 3 "Issue Details" of this Key Information Document
		Coupon Rate	9.95% (Nine point nine five percent) P.A. payable quarterly
		Coupon Payment Date(s)	As set out in "Illustration of Cash flows" section of this Key Information Document
		Redemption Premium	Not Applicable
		Default Interest	Has the meaning set forth in Section 3 (**Issue Details**) section of this Key Information Document
		Mode of Payment	NEFT / RTGS / Direct Credit / any other electronic mode / any other permissible mode
		Mode of Repayment	NEFT / RTGS / Direct Credit / any other electronic mode / any other permissible mode
		Rating of Debentures	"IVR AA/Stable Outlook (IVR Double A with Stable Outlook) by Infomerics Valuation and Rating Private Limited
		Redemption Price	At par – Rs. 1,00,000
		Day Count Basis	Actual / Actual
xvii.	Purposes and objects of the Offer	Has the meaning set forth in Section 3 (*Issue Details)* of this Key Information Document.	
xviii.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	Nil	
xix.	Principle terms of assets charged as security, if applicable;	As set forth in Section 3 (Issue Details) of this Key Information Document.	
xx.	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;	There are no material orders passed by the regulators, courts and tribunals which impact the going concern status of the Company and its future operations.	
xxi.	The pre-issue and post- issue shareholding pattern of the company	Please refer to **Annexure 7** of Key Information Document	
3	Mode of Payment for Subscription	Cheque: Not Applicable Demand Draft: Not Applicable Identified Investors may use the below payment modes for subscription:	

		• Electronic clearing services (ECS) • Real time gross settlement (RTGS) • Direct credit or national electronic fund transfer (NEFT)
4	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC:**	
i.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	Not Applicable
ii.	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 offeree Company during the last three years immediately preceding the year of the issue of the private placement offer cum 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	Please refer to Section 12 (l) General Information Documents dated September 19, 2023
iii.	Remuneration of directors (during the current year and last three financial years);	Please refer to Section 12 (h) (i)(b) of the General Information Document dated September 19, 2023
iv.	Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided;	Please refer to **Annexure 8** of Key Information Document
v.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of this Private placement offer 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

vi.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous Company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of 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 three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries;	Nil
vii.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	Nil
5	**FINANCIAL POSITION OF THE COMPANY**	
a.	The capital structure of the company in the following manner in a tabular form the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value); size of the present offer; Paid-up capital after the offer after conversion of convertible instruments (if applicable) share premium account (before and after the offer)	Please refer to **Annexure 9**. Rs. 18,00,00,000 (Indian Rupees Eighteen Crore)
b.	Details of the existing share capital of the issuer company 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: Provided that the issuer company shall also disclose 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:	

Date of Issue	No. of share issued	Issue Price (Rs.)	Consideration	Type of Issue (IPO/FPO/Preferential Issue/Scheme/Bonus/Right etc.)	Cumulative Capital (No. of Shares)
05th March 1992	20	100	Cash	Issued to the subscriber of the Memorandum	20
30th March 1993	200	10	-	Sub-Division of shares into Rs. 10 each	200
30th March 1994	63,800	10	Cash	Preferential Issue/Private Placement	64,000
30th November 1994	1,35,310	10	Cash	Preferential Issue/Private Placement	1,99,310
31st December 1994	1,55,000	10	Cash	Preferential Issue/Private Placement	3,54,310
18th February 1995	8,45,690	10	Cash	Preferential Issue/Private Placement	12,00,000
15th April 1995	4,50,000	10	Cash	Preferential Issue/Private Placement	16,50,000
10th April 1996	15,02,500	10	Cash	Public Issue	31,52,500
14th March 2005	(12,500)	10	-	Forfeited	31,40,000
04th November 2009	21,00,000	10	-	Issue pursuant to Scheme of Amalgamation	52,40,000
10th March 2010	49,00,000	10	Cash	Issue to against GDRs	1,01,40,000

		06th April 2010	5,07,00,000	2	-	Sub-Division of shares into Rs. 2 each	5,07,00,000
		20th May 2010	15,21,00,000	2	-	Bonus issue	20,28,00,000
		01st November 2010	40,56,00,000	1	-	Sub-Division of shares into Rs. 1 each	40,56,00,000
		05th October 2011	4,05,60,000	10	-	Consolidation of shares into Rs. 10 each	4,05,60,000
		27th June 2019	17,32,199	316.09	-	Share of Rs. 10 each Issued pursuant to Scheme of Amalgamation	4,22,92,199
		14th March 2022	8,10,000	705	Cash	Share of Rs. 10 each Issued pursuant to Conversion of Share Warrants	4,31,02,199
		25th March 2022	8,10,000	705	Cash	Share of Rs. 10 each Issued pursuant to Conversion of Share Warrants	4,39,12,199
		01st July 2022	43,91,21,990	1	-	Sub-Division of shares into Rs. 1 each	43,91,21,990
		03rd September 2022	85,55,000	70.5	Cash	Share of Rs. 1 each Issued pursuant to Conversion of Share Warrants	44,76,76,990
		12th September 2022	13,45,000	70.5	Cash	Share of Rs. 1 each Issued pursuant to Conversion of Share Warrants	44,90,21,990
		21st March 2024	44,90,21,990	1	-	Bonus Issue	89,80,43,980

c.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding Private placement offer letter.	**CONSOLIDATED**			
					(Rs. in Lakh)
		Particulars	**31st March, 2023**	**31st March, 2022**	**31st March, 2021**
		Profit before Tax	12,623.72	10,712.16	7,776.75
		Profit after Tax	9,361.86	7,925.07	5,798.01
		STANDALONE			
					(Rs. in Lakh)
		Particulars	**31st March, 2023**	**31st March, 2022**	**31st March, 2021**
		Profit before Tax	12,383.02	10,639.08	7,724.90
		Profit after Tax	9,169.25	7,871.44	5,763.82
d.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)	**Particulars**	**31st March, 2023**	**31st March, 2022**	**31st March, 2021**
		Dividend amounts paid (INR crore)	10% on each fully paid-up equity shares of Re. 1 each. (Aggregate amount of Dividend Rs. 4.49 cr)	10% on each fully paid-up equity shares of Re. 1 each. (Aggregate amount of Dividend Rs. 4.49 cr)	10% on each fully paid-up equity shares of Rs. 10 each. (Aggregate amount of Dividend Rs. 4.22 cr)
		Interest Coverage Ratio (cash profit after tax plus interest paid/interest paid)	2.01	1.69	1.64
e.	A summary of the financial position of the company as in the three audited financial statements immediately preceding the date of issue of private placement offer cum application letter	Please refer to **Annexure 10**			

f.	Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter	Please refer to **Annexure 10**
g.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company	Nil
PART – B: APPLICATION FORM		**Please refer to section titled 'Application Form'**
6	A Declaration by the Directors	Please refer to the Section titled 'Declaration'

7. PROJECT DETAILS

Not Applicable

8. OTHER CONFIRMATION PERTAINING TO THE ISSUE

8.1. The Company confirms that proceeds of the Issue shall be utilized towards on lending and other business purpose.

8.2. None of the Directors of the Company has been declared as willful defaulter or is appearing in the RBI Defaulter list or ECGC Default list.

9. PARTICULARS OF THE MATERIAL CONTRACTS

Material Contracts - By very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Company) which are or may be deemed to be material for this Issue have been entered into by the Company.

Para A:

(a) Letter appointing Axis Trustee Services Limited, as trustee for the benefit of the Debenture Holders ("Debenture Trustee").
(b) Debenture Trustee Appointment Agreement.

Para B:

(a) Board Resolution dated January 31, 2024 authorizing issue of non-convertible debentures.
(b) Operations and Finance Committee Resolution dated April 04, 2024 inviting subscription for Debentures offered in terms of this Key Information Document.
(c) Consent letter from Axis Trustee Services Limited for acting as Debenture Trustee for and on behalf of the Debenture Holders dated April 03, 2024.
(d) Consent letter dated April 05, 2024 provided by the Registrar.
(e) Application made to BSE for grant of in-principle approval for listing of Debentures.
(f) Letter from BSE conveying its in-principle approval for listing of Debentures dated September 21, 2023
(g) Letters from Infomerics Valuation and Rating Private Limited conveying the credit rating for Non-Convertible Debentures of the Company.
(h) Annual Reports of the Company for last three years.
(i) Due diligence certificate issued by the Debenture Trustee.
(j) Any other material contract as may specified under the General Information Document.

10. DISCLOSURES IN TERMS OF SEBI DEBENTURE TRUSTEE MASTER CIRCULAR

10.1. The Debentures shall be considered as secured only if the charge is registered with registrar of companies or CERSAI etc., as applicable, or is independently verifiable by debenture trustee.

10.2. Terms and conditions of the Debenture Trustee Appointment Agreement

I. **Fees charged by Debenture Trustee**

The Company shall pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other documents executed/to be executed to give effect to the creation of security for securing the Debentures and such any other expenses like advertisement, notices, letters to Debenture Holders, and additional professional fees/expenses that would be incurred in case of default. The remuneration of the Debenture Trustee shall be as per letter no ATSL/CO/2024-2025/32 dated April 03, 2024 issued by the Debenture Trustee. Arrears of installments of annual service charges, if any, shall carry interest at the rate as applicable under the Micro, Small and Medium Enterprises Development Act, 2006, as amended from time to time.

II. **Terms of carrying out due diligence**

(1) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Key Information Document and the Relevant Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents/advisors/consultants, shall after giving 2 Business days prior written notice have the power to examine the books of account of the Company and to have the Company's assets (which are made available as security for Debenture) inspected by its officers and/or external auditors / valuers / consultants / lawyers / technical experts/management consultants appointed by the Debenture Trustee.

(2) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets of the Company or any third party security provider for securing the Debentures, are registered / disclosed.

(3) Further, in the event that existing charge holders, the concerned trustee/agent on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders/trustee and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders/trustee about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

(4) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the Relevant Laws;

(5) The Debenture Trustee shall have the power to either independently appoint or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee.

10.3. Other confirmations

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Law including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI Debenture Trustee Master Circular. The due diligence certificate in this regard is enclosed as Annexure 11.

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	We have obtained the consent of the Directors for the purpose of Issue of Non-Convertible Debentures vide their Board Resolution dated May 11, 2023.
Auditors	We have obtained the consent of the auditors for the purpose of Issue of Non-Convertible Debentures September 7, 2023.
Bankers to Issue	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no bankers to the issue have been appointed in respect of the Debentures.
Debenture Trustees	Please refer to **Annexure 4** of Key Information Document
Solicitors/ Advisors	Not Applicable
Lead Managers	Not Applicable
Registrar to the Issue	Please refer to **Annexure 3** of Key Information Document
Lenders to the Issuer	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.
Expert	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.

DECLARATION

The Company hereby declares that the General Information Document dated September 19, 2023 and this Key Information Document contains full disclosure in accordance with SEBI NCS Regulations, the Companies Act and the Operational Guidelines.

The Company undertakes and confirms that the General Information Document and the Key Information Document does not omit disclosure of any material fact which may make the statements made therein, in the fight of the circumstances under which they are made, misleading.

The Company accepts no responsibility for the statements made otherwise than in the General Information Document and the Key Information Document or in any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk.

Without prejudice to the above, the company and each of the directors of the Company, confirm that:

(a) The Company has complied with the provisions of the Securities contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, companies Act, 2013 and the rules and regulation made thereunder;
(b) The compliance with the SEBI Act and the rules does not imply that payment of dividend or interest or repayment of 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 the Key Information Document;
(d) Nothing in the General Information Document and the Key information Document is contrary to the provisions of Companies Act, the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules and regulations made thereunder; and
(e) The clause on "General Risks" has been suitably incorporated in prescribed format in the General information Document and Key Information Document.

I, Sunil Agarwal, am authorized by the Board of Directors of the Company vide resolution dated January 31, 2024 to sign the General information Document and the Key information Documents and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of this subject matter of the General information Document and the Key Information Document and matters incidental thereto have been complied with. Whatever is stated in General Information Document and the Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of General Information Document and the Key Information Document has been suppressed or concealed and is as per the original records maintained by the Debenture Trustee. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to the General Information Document and the Key Information Documents, as required.

For Paisalo Digital Limited

SUNIL AGARWAL

Digitally signed by SUNIL AGARWAL
Date: 2024.04.08 16:07:39 +05'30'

Sunil Agarwal
Managing Director

APPLICATION FORM

PAISALO
EASY LOAN आसान लोन

PAISALO DIGITAL LIMITED
(CIN: L65921DL1992PLC120483)
A public limited company incorporated under the Companies Act, 1956
Date of Incorporation: March 5,1992
Registered Office: CSC POCKET-52, CR Park, Near Police Station, New Delhi-110019, Delhi, India
Telephone No.: +91-11-43518888**, Email Id:** cs@paisalo.in**, Website:** www.paisalo.in
Contact Person: Mr. Manendra Singh

DEBENTURE SERIES APPLICATION FORMS SERIAL NO							

ISSUE OF 1800 (EIGHTEEN HUNDRED) SECURED, LISTED, RATED, REDEEMABLE NON-CONVERTIBLE DEBENTURES EACH HAVING A FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH) AGGREGATING INR 18,00,00,000 (EIGHTEEN CRORES) ON A PRIVATE PLACEMENT BASIS (THE "ISSUE").

Date of Application:

Name of the Investor:

Dear Sirs,

We have received, read, reviewed and understood all the contents, terms and conditions and disclosures in this Private Placement Offer Letter cum Application Form (the **"Private Placement Offer Letter"**), issued by Paisalo Digital Limited (the **"Company"**). We have also done all the required due diligence (legal or otherwise). Now, therefore, we hereby agree to accept Non-Convertible Debentures mentioned hereunder, or such smaller number as may be allocated to us, subject to the terms of the Private Placement Offer Letter, this Subscription Application Form. We undertake that we will sign all such other documents and do all such other acts, if any, necessary on our part to enable us to be registered as the holder(s) of Non-Convertible Debentures which may be allotted to us. The amount payable on application as shown below is remitted herewith.

We have attached a filled in Part B of the Subscription Application Form and confirm that all the information provided thereinis accurate, true and complete. The Bank Account details set out by us in Part B is the account from which we are making payment for subscribing to the Issue.

We note that the Company is entitled in its absolute discretion to accept or reject this application in whole or in part withoutassigning any reason whatsoever.

Yours faithfully,

For *(Name of the Applicant)*
(Name and Signature of Authorized Signatory)

PART A OF THE SUBSCRIPTION APPLICATION FORM

The details of the application are as follows:
SUBSCRIPTION APPLICATION FORM FOR DEBENTURES (CONT.)

WHETHER GREEN SHOE OPTION IS BEING EXERCISED (please select as applicable) [ ] **YES** [ ] **NO**
IF YES, AMOUNT FOR WHICH GREEN SHOE OPTION IS BEING EXERCISED:

Number of Debentures: .....In words .....Only

Amount Rs..... /-in words (Rupees ..... Only)

DEBENTURE APPLIED FOR:

Number of Debentures: .....In words .....Only

Amount Rs..... /-in words (Rupees ..... Only)

APPLICANT'S DETAILS:

Category of Applicant

Financial Institution	[ ]	Company	[ ]
Non-Banking Finance Company	[ ]	Insurance Company	[ ]
Commercial Bank/RRB/Co-op. Bank/UCB	[ ]	Body Corporate	[ ]
Mutual Fund	[ ]	Others	[ ]

SOLE/FIRST APPLICANT'S NAME IN FULL	SIGNATORY/AUTHORISED SIGNATORY	SPECIMEN SIGNATURE
SECOND APPLICANT'S NAME		SPECIMEN SIGNATURE
THIRD APPLICANT'S NAME		SPECIMEN SIGNATURE

ADDRESS (Do not repeat name) (Post Box No. alone is not sufficient)

ADDRESS			
STREET			
CITY			
PIN	PHONE	Email:	

Tax status of the Applicant (please tick one)

Non-Exempt [ ]
Exempt under: Self-declaration Under Statute Certificate from I.T. Authority [ ]
Please furnish exemption certificate, if applicable.

SOLE/ FIRST APPLICANT'S BANK DETAILS	
Bank Name	
Bank A/c No.	
Branch	
Banker's IFSC Code	
Type of Account	( ) Saving ( ) Current ( ) Others

INCOME TAX DETAILS

	Sole/ First Applicant	Second Applicant	Third Applicant
P.A.N./ G.I.R. NO.			
I.T. Circle/ Ward/ District No.			

TO BE FILLED IN ONLY IF THE APPLICANT IS AN INSTITUTION

Name of the Authorised Signatory(ies)	**Designation**	**Signature**

I / We, the undersigned, want delivery of the Debentures in Electronic Form. Details of my / our Beneficiary (Electronic) account are given below:

Depository Name	NSDL					CDSL		
Depository Participant Name								
DP ID								
Beneficiary Account Number								
Name of Applicant								

We understand that in case of allocation of Non-Convertible Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allocated Non-Convertible Debentures. (Applicants must ensure that the sequence of names as mentioned in the subscription application form matches that of the Account held with the DP).

Name of the Authorised Signatory(ies)	**Designation**	**Signature**

---------- Tear Here----------

FOR OFFICE USE ONLY

No. of Debentures (in words and figures)		
Amount for Debentures (INR) (in words and figures)		
RTGS/Cheque/Fund Transfer/ Demand Draft drawn on (Name of Bank and Branch)	Cheque/Demand Draft No./UTR No. in case of RTGS/ A/c no in case of FT	RTGS/Cheque / Demand Draft/ fund transfer Date

Date of receipt of application						
Date of clearance of cheque						
DP ID No.						
Client ID No.						

PART B OF THE SUBSCRIPTION APPLICATION FORM

Investor Details
(To be filled by Investor)

SERIAL NO :.....INVESTOR NAME: .....

	Name		
	Father's Name		
	Complete Address including Flat/House Number, Street, Locality, Pin Code		
	Phone Number, if any		
	Email id, if any		
	PAN Number		
	Bank Account Details		
	Tick if applicable:-	The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares	
		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.	

Name of Investor :
Signature of Investor :

Initial of the officer of the Company designated to keep the record

Instructions to fill Subscription Application Form

1. Application must be completed in full BLOCK LETTER IN ENGLISH except in case of signature. Applications, which are not complete in every respect, are liable to be rejected.

2. Successful Bidders should do the funds pay-in to the following bank account of ICCL ("Designated Bank Account"):
ICICI Bank Limited:

Beneficiary Name	:	INDIAN CLEARING CORPORATION LIMITED
Account Number	:	ICCLEB
IFSC Code	:	ICICI0000106
Mode	:	NEFT / RTGS

Successful Bidders must do the subscription amount payment to the Designated Bank Account on or before 10:30 a.m. on the Pay-In Date ("Pay-in Time"). Successful Bidders should ensure to make payment of the subscription amount for the Debentures from their same bank account which is updated by them in the BSE BOND - EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE BOND - EBP Platform and the bank account from which payment is done by the Successful Bidder, the payment would be returned.

Note: In case of failure of any Successful Bidders to complete the subscription amount payments by the Pay-in Time or the funds are not received in the ICCL's Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will be liable to be rejected and the Issuer shall not be liable to issue Debentures to such Successful Bidders.

Funds payment to the Issuer would be made by ICCL to the following bank account of the Issuer:
Bank:

Bank	:	Punjab National Bank
Beneficiary Name	:	Paisalo Digital Limited
Account Number	:	0983008700001370
IFSC Code	:	PUNB0098300
Mode	:	NEFT / RTGS

3. The Subscription Application Form along with relevant documents should be forwarded to the corporate office of the Issuer, to the attention of Company Secretary, Authorised Person along on the same day the application money is deposited in the Bank or with the clearing corporation. A copy of PAN Card must be attached to the application.

4. In the event of debentures offered being over-subscribed, the same will be allotted in such manner and proportion as may be decided by the Company.

5. The Debentures shall be issued in Demat form only and subscribers may carefully fill in the details of Client ID/ DP ID.

6. In the case of application made under Power of Attorney or by limited companies, corporate bodies, registered societies, trusts etc., following documents (attested by Company Secretary /Directors) must be lodged along with the application or sent directly to the Company at its Corporate office to the attention of Company Secretary, Authorized Person along with a copy of the Subscription Application Form.

(a) Memorandum and Articles of Association / Documents Governing Constitution / Certificate ofIncorporation.

(b) Board resolution of the investor authorizing investment.

(c) Certified true copy of the Power of Attorney.

(d) Specimen signatures of the Authorized Signatories duly certified by an appropriate authority.

(e) PAN (otherwise exemption certificate by IT authorities).

(f) Specimen signatures of Authorized Persons.

(g) SEBI Registration Certificate, if applicable.

7. Any person who:

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

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

(c) otherwise induces directly or indirectly a Company to allot or register any transfer of securities to him or any other person in a fictitious name, shall be punishable with imprisonment for a term which shall not be less than 6 months, but which may extend to 10 years and shall also be liable to fine which shall not be less than the amount involved which may extend to 3 times the amount involved.

8. The applicant represents and confirms that it has understood the terms and conditions of the Debentures and is authorized and eligible to invest in the same and perform any obligations related to such investment.

Any Subscription Application Form received from a person other than an Eligible Investor will be invalid. Further, any incomplete Subscription Application Form not accompanied by the filled in Eligible Investor Details in Part B of the Subscription Application Form will also be treated as invalid.

Annexure-1: CREDIT RATING

INFOMERICS VALUATION AND RATING PVT. LTD.

Integrated Financial Omnibus Metrics Research of International Corporate Systems

Mr. Sunil Agarwal

Managing Director

Paisalo Digital Limited

101, CSC, Pocket 52, CR Park,

Near Police Station, New Delhi – 110019

September 15, 2023

Dear Sir,

Credit rating for the Bank facilities, NCD and CP of Paisalo Digital Limited

After taking into account all the recent developments and the operational and financial performance of your company during FY2023(A) and Q1FY24.

1. Our Rating Committee has assigned the following ratings:

Instrument / Facility	Amount (Rs. Crore)	Previous Rating	Current Rating	Rating Action
Long Term Bank Facilities	1663.01	IVR AA-/Stable (IVR Double A Minus with Stable Outlook)	IVR AA/Stable (IVR Double A with Stable Outlook)	Upgraded
Proposed Long Term Bank Facilities	436.99	IVR AA-/Stable (IVR Double A Minus with Stable Outlook)	IVR AA/Stable (IVR Double A with Stable Outlook)	Upgraded
Proposed NCD	235.00	IVR AA-/Stable (IVR Double A Minus with Stable Outlook)	IVR AA/Stable (IVR Double A with Stable Outlook)	Upgraded
Commercial Paper (CP)	18.00	-	IVR A1+ (IVR A One Plus	Assigned
Proposed CP	432.00	IVR A1+ (IVR A One Plus)	IVR A1+ (IVR A One Plus)	Reaffirmed
Non-Convertible Debentures (NCD)	50.00*	IVR AA-/Stable (IVR Double A Minus with Stable Outlook)	-	Withdrawn
Total	**2785.00**	**Rupees Two Thousand Seven Hundred Eighty Five Crore Only**		

*The above amount has not been included in total as these NCD's ratings are being withdrawn as they have been repaid.

2. Details of the credit facilities are attached in **Annexure I.** Our rating symbols for long-term and short-term ratings and explanatory notes thereon are attached in **Annexure II.**

3. The press release for the rating(s) will be communicated to you shortly.

Corporate Office : Kanakia Wallstreet, Office No.1105, B Wing, Off Andheri-Kurla Road, Andheri (East), Mumbai - 400093, India.
Phone : +91-22 62396023 E-mail: mumbai@infomerics.com Website: www.infomerics.com
Registered & Head Office : Flat No. 104/106/108/303, 1st Floor, Golf Apartments, Sujan Singh Park, New Delhi - 110003, (INDIA)
Phone : +91-11-24601142, 24611910, 24649428 Fax : +91-11-2462 7549 E-mail : vma@infomerics.com
CIN : U32202DL1986PTC024575

INFOMERICS VALUATION AND RATING PVT. LTD.
Integrated Financial Omnibus Metrics Research of International Corporate Systems

4. If the proposed long term / short term facility (if any) is not availed within a period of six months / three months respectively from the date of this letter, then the rating may please be revalidated from us before availing the facility.

5. The above rating is normally valid for a period of one year from the date of **communication** of rating to you (that is. **September 15, 2023).**

6. INFOMERICS reserves the right to undertake a surveillance/review of the ratings from time to time, based on circumstances warranting such review, subject to atleast one such review/surveillance every year.

7. A formal surveillance/review of the rating is normally conducted within 12 months from the date of initial rating/last review of the rating. However, INFOMERICS reserves the right to undertake a surveillance/review of the rating more than once a year if in the opinion of INFOMERICS, circumstances warrant such surveillance/review.

8. **You shall provide us a No Default Statement as at the last date of the month on the first date of succeeding month without fail**. The NDS shall be mailed every month to nds@Infomerics.com and to the mail id of the undersigned.

9. **You shall provide the quarterly performance results/quarterly operational data (being submitted to Banks) to us within 6 weeks from the close of each calendar quarter for our review/monitoring**.

10. You shall furnish all material information and any other information called for by INFOMERICS in a timely manner, for monitoring the rating assigned by INFOMERICS. In the event of failure on your part in furnishing such information, to carry out continuous monitoring of the rating of the bank facilities, INFOMERICS shall carry out the review/annual surveillance on the basis of best available information throughout the lifetime of such bank facilities as per the policy of INFOMERICS.

11. Please note that INFOMERICS ratings are not recommendations to buy, sell or hold any security or to sanction, renew, disburse or recall the bank facilities. INFOMERICS do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.

12. Users of the rating may kindly refer our website www.infomerics.com for latest update on the outstanding rating.

13. Further, this is to mention that all clauses mention in the initial rating letter are also stands applicable. In case you require any clarification, you are welcome to communicate with us in this regard.

Corporate Office : Kanakia Wallstreet, Office No.1105, B Wing, Off Andheri-Kurla Road, Andheri (East), Mumbai - 400093, India.
Phone : +91-22 62396023 E-mail: mumbai@infomerics.com Website: www.infomerics.com
Registered & Head Office : Flat No. 104/106/108/303, 1st Floor, Golf Apartments, Sujan Singh Park, New Delhi - 110003, (INDIA)
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CIN : U32202DL1986PTC024575

INFOMERICS VALUATION AND RATING PVT. LTD.

Integrated Financial Omnibus Metrics Research of International Corporate Systems

Thanking you,

With Regards,

Shivam Bhasin
Manager-Ratings
shivam.bhasin@infomerics.com

Tarun Jain
Rating Analyst-Ratings
tarun.jain@infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

INFOMERICS VALUATION AND RATING PVT. LTD.
Integrated Financial Omnibus Metrics Research of International Corporate Systems

Annexure I

1. Long Term Fund Based Facility/Instruments

1.A. Long Term Fund Based Facility- Working Capital Loans (Cash Credit/WCDL)

(Rs. Crore)

S.No.	Lender Name	Rated Amount	Remarks	Maturity
1.	Bank of Baroda	40.00	-	-
2.	Bank of Baroda	60.00	-	-
3.	Bank of India	18.20	-	-
4.	Bank of India	27.30	-	-
5.	Punjab National Bank	48.00	-	-
6.	Punjab National Bank	72.00	-	-
7.	Union Bank of India	66.00	-	-
8.	Union Bank of India	99.00	-	-
9.	UCO Bank	37.00	-	-
10.	IDBI Bank	7.00	-	-
11.	IDBI Bank	18.00	-	-
12.	Bank of Maharashtra	12.50	-	-
13.	Bank of Maharashtra	18.75	-	-
14.	State Bank of India	5.00	-	-
15.	Dhanlaxmi Bank	10.00	-	-
16.	Dhanlaxmi Bank	15.00	-	-
17.	CSB Bank	30.00	-	-
18.	CSB Bank	45.00	-	-
19.	Indian Bank	20.00	-	-
20.	Indian Bank	30.00	-	-
21.	Karnataka Bank	50.00	-	-

1.B. Long Term Fund Based Facility- Term Loans

(Rs. Crore)

S.No.	Lender Name	Rated Amount	Remarks	Maturity
1.	Bank of Baroda	43.75	-	March 2025
2.	Bank of Baroda	18.75	-	March 2024
3.	Punjab National Bank	30.00	-	August 2024
4.	UCO Bank	34.73	-	September 2025
5.	IDBI Bank	10.00	-	December 2026
6.	Bank of Maharashtra	16.61	-	December 2024
7.	State Bank of India	3.50	-	November 2023
8.	State Bank of India	34.00	-	May 2029
9.	State Bank of India	320.84	-	March 2028
10.	State Bank of India	96.66	-	June 2028
11.	Dhanlaxmi Bank	10.42	-	September 2024
12.	Indian Bank	37.50	-	December 2024
13.	Indian Bank	50.00	-	June 2025
14.	Canara Bank	68.75	-	March 2028
15.	Canara Bank	145.00	-	June 2028
16.	South Indian Bank	13.75	-	March 2028
17.	Proposed	436.99	-	-

INFOMERICS VALUATION AND RATING PVT. LTD.
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1.C. Long Term Instrument-Non-Convertible Debentures

(Rs. Crore)

S.No	ISIN	Rated Amount	Coupon Rate p.a.	Issue Date	Maturity Date
1.	Proposed	50.00	-	-	-
2.	Proposed	185.00	-	-	-

2. Short Term Fund Based Facility/Instruments

2.A. Short Term Fund Based Instruments-Commercial Papers

(Rs. Crore)

S.No	ISIN	Rated Amount	Coupon Rate p.a.	Issue Date	Maturity Date
1.	INE420C14011	18.00	10.00	06 April 2023	27 March 2024
2.	Proposed	432.00	-	-	-

Total Amount of Facilities rated (1A+1B+1C+2A) is Rs. 2785.00 crore

INFOMERICS VALUATION AND RATING PVT. LTD.
Integrated Financial Omnibus Metrics Research of International Corporate Systems

Annexure II

INFOMERICS Rating Scale for Long Term Instruments & Borrowing Programmes

Rating Scale	Definition
IVR AAA	Securities with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such securities carry lowest credit risk
IVR AA	Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk
IVR A	Securities with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such securities carry low credit risk
IVR BBB	Securities with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such securities carry moderate credit risk
IVR BB	Securities with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations
IVR B	Securities with this rating are considered to have high risk of default regarding timely servicing of financial obligations
IVR C	Securities with this rating are considered to have very high risk of default regarding timely servicing of financial obligations
IVR D	Securities with this rating are in default or are expected to be in default soon

Modifiers {'+' (plus) or '-' (minus)} can be used with rating symbols for the categories 'AA' to C'. The modifiers reflect comparative standing within the category.
The above rating scale also applies to rating of bank loans and other instruments.

INFOMERICS Rating Scale for Short Term Instruments & Borrowing Programmes

Rating Scale	Definition
IVR A1	Securities with this rating are considered to have very strong degree of safety regardingtimely payment of financial obligations. Such instruments carry lowest credit risk.
IVR A2	Securities with this rating are considered to have strong degree of safety regardingtimely payment of financial obligations. Such instruments carry low credit risk.
IVR A3	Securities with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations. Such instruments carry higher credit risk as compared to instruments rated in the two higher categories.
IVR A4	Securities with this rating are considered to have minimal degree of safety regarding timely payment of financial obligations. Such instruments carry very high credit risk andare susceptible to default.
IVR D	Securities with this rating are in default or expected to be in default on maturity inservicing of debt obligations.

Modifiers {'+' (plus) or '-' (minus)} can be used with rating symbols for the categories 'A1 to A4'. The modifiers reflect comparative standing within the category.
The above rating scale also applies to rating of bank loans and other instruments

INFOMERICS VALUATION AND RATING PVT. LTD.
Integrated Financial Omnibus Metrics Research of International Corporate Systems

Mr. Sunil Agarwal

Managing Director

Paisalo Digital Limited

101, CSC, Pocket 52, CR Park,

Near Police Station, New Delhi – 110019

January 18, 2024

Dear Sir,

Revalidation of rating to the Non-Convertible Debenture (NCD) and Commercial Paper (CP) of Paisalo Digital Limited

Please refer to our rating letter dated September 15, 2023, on the captioned subject and your request dated January 09, 2024 for revalidation letter for the proposed to be listed NCD of Rs. 27.00 crore and unlisted CP of Rs. 90 crore. Our Rating Committee has assigned the following ratings:

Instrument / Facility	**Amount (Rs. Crore)**	**Rating Assigned**
Long Term Bank Facilities	1756.76	IVR AA/Stable (IVR Double A with Stable Outlook)
Proposed Long Term Bank Facilities	343.24 (Reduced from Rs. 443.24 crore)	IVR AA/Stable (IVR Double A with Stable Outlook)
NCD	125.00	IVR AA/Stable (IVR Double A with Stable Outlook)
Proposed NCD	110.00 (Reduced from Rs. 137 crore)	IVR AA/Stable (IVR Double A with Stable Outlook)
Commercial Paper (CP)	120.00	IVR A1+ (IVR A One Plus
Proposed CP	90.00	IVR A1+ (IVR A One Plus
Proposed CP	240.00 (Reduced from Rs. 330 crore)	IVR A1+ (IVR A One Plus)
Total	**2785.00**	**Rupees Two Thousand Seven Hundred Eighty Five Crore Only**

1. Details of the credit facilities are attached in **Annexure I.** Our rating symbols for long-term and short-term ratings and explanatory notes thereon are attached in **Annexure II.**
2. The press release for the rating(s) will be communicated to you shortly.

Corporate Office : Kanakia Wallstreet, Office No.1105, B Wing, Off Andheri-Kurla Road, Andheri (East), Mumbai - 400093, India.
Phone : +91-22 62396023 E-mail: mumbai@infomerics.com Website: www.infomerics.com
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Phone : +91-11-24601142, 24611910, 24649428 Fax : +91-11-2462 7549 E-mail : vma@infomerics.com
CIN : U32202DL1986PTC024575

3. If the **proposed long term** / **short term facility/Instrument** (if any) is not availed within a period of six months / three months respectively from the date of this letter, then the rating may please be revalidated from us before availing the facility to maximum period of six months only from date of communication of rating.

4. The above rating is normally valid for a period of one year from the date of **communication** of rating to you (that is. **September 15, 2023).**

5. INFOMERICS reserves the right to undertake a surveillance/review of the ratings from time to time, based on circumstances warranting such review, subject to atleast one such review/surveillance every year.

6. A formal surveillance/review of the rating is normally conducted within 12 months from the date of initial rating/last review of the rating. However, INFOMERICS reserves the right to undertake a surveillance/review of the rating more than once a year if in the opinion of INFOMERICS, circumstances warrant such surveillance/review.

7. **You shall provide us a No Default Statement as at the last date of the month on the first date of succeeding month without fail**. The NDS shall be mailed every month to nds@Infomerics.com and to the mail id of the undersigned.

8. **You shall provide the quarterly performance results/quarterly operational data (being submitted to Banks) to us within 6 weeks from the close of each calendar quarter for our review/monitoring**.

9. You shall furnish all material information and any other information called for by INFOMERICS in a timely manner, for monitoring the rating assigned by INFOMERICS. In the event of failure on your part in furnishing such information, to carry out continuous monitoring of the rating of the bank facilities, INFOMERICS shall carry out the review/annual surveillance on the basis of best available information throughout the lifetime of such bank facilities as per the policy of INFOMERICS.

10. Please note that INFOMERICS ratings are not recommendations to buy, sell or hold any security or to sanction, renew, disburse or recall the bank facilities. INFOMERICS do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.

11. Users of the rating may kindly refer our website www.infomerics.com for latest update on the outstanding rating.

12. Further, this is to mention that all clauses mention in the initial rating letter are also stands applicable. In case you require any clarification, you are welcome to communicate with us in this regard.

INFOMERICS VALUATION AND RATING PVT. LTD.

Integrated Financial Omnibus Metrics Research of International Corporate Systems

Thanking you,

With Regards,

Shivam Bhasin
Sr. Manager-Ratings
shivam.bhasin@infomerics.com

Tarun Jain
Sr. Rating Analyst-Ratings
tarun.jain@infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

INFOMERICS VALUATION AND RATING PVT. LTD.
Integrated Financial Omnibus Metrics Research of International Corporate Systems

Annexure I

1. Long Term Fund Based Facility/Instruments

1.A. Long Term Fund Based Facility- Working Capital Loans (Cash Credit/WCDL)

(Rs. Crore)

S.No.	Lender Name	Rated Amount	Remarks	Maturity
1.	Bank of Baroda	40.00	-	-
2.	Bank of Baroda	60.00	-	-
3.	Bank of India	18.20	-	-
4.	Bank of India	27.30	-	-
5.	Punjab National Bank	48.00	-	-
6.	Punjab National Bank	72.00	-	-
7.	Union Bank of India	66.00	-	-
8.	Union Bank of India	99.00	-	-
9.	UCO Bank	37.00	-	-
10.	IDBI Bank	7.00	-	-
11.	IDBI Bank	18.00	-	-
12.	Bank of Maharashtra	11.25	-	-
13.	Bank of Maharashtra	13.75	-	-
14.	State Bank of India	5.00	-	-
15.	Dhanlaxmi Bank	10.00	-	-
16.	Dhanlaxmi Bank	15.00	-	-
17.	CSB Bank	30.00	-	-
18.	CSB Bank	45.00	-	-
19.	Indian Bank	20.00	-	-
20.	Indian Bank	30.00	-	-
21.	Karnataka Bank	50.00	-	-

1.B. Long Term Fund Based Facility- Term Loans

(Rs. Crore)

S.No.	Lender Name	Rated Amount	Remarks	Maturity
1.	Bank of Baroda	43.75	-	March 2025
2.	Bank of Baroda	18.75	-	March 2024
3.	Punjab National Bank	30.00	-	August 2024
4.	UCO Bank	34.73	-	September 2025
5.	IDBI Bank	10.00	-	December 2026
6.	State Bank of India	3.50	-	November 2023
7.	State Bank of India	34.00	-	May 2029
8.	State Bank of India	320.84	-	March 2028
9.	State Bank of India	96.66	-	June 2028
10.	Dhanlaxmi Bank	10.42	-	September 2024
11.	Indian Bank	37.50	-	December 2024
12.	Indian Bank	50.00	-	June 2025
13.	Canara Bank	68.75	-	March 2028
14.	Canara Bank	145.00	-	June 2028
15.	South Indian Bank	13.75	-	March 2028
16.	Bank of Maharashtra	16.61	-	December 2024
17.	Bank of Maharashtra	100.00	-	December 2026
18.	Proposed	343.24	-	-

INFOMERICS VALUATION AND RATING PVT. LTD.
Integrated Financial Omnibus Metrics Research of International Corporate Systems

1.C. Long Term Instrument-Non-Convertible Debentures

(Rs. Crore)

S.No	ISIN	Rated Amount	Coupon Rate p.a.	Issue Date	Maturity Date
1.	INE420C07056	10.00	9.95%	16 November, 2023	15 November, 2025
2.	INE420C07049	50.00	9.95%	27 September, 2023	26 September, 2026
3.	INE420C07064	20.00	9.95%	15 December, 2023	15 December, 2033
4.	INE420C07072	18.00	9.95%	28 December, 2023	28 June, 2025
5.	INE420C07080	27.00	9.95%	18 January, 2024	17 January, 2034
6.	Proposed	110.00	-	-	-

2. Short Term Fund Based Facility/Instruments

2.A. Short Term Fund Based Instruments-Commercial Papers

(Rs. Crore)

S.No	ISIN	Rated Amount	Coupon Rate p.a.	Issue Date	Maturity Date
1.	INE420C14011	18.00	10.00%	06 April 2023	27 March 2024
2.	INE420C14037	30.00	9.70%	10 November, 2023	24 January 2024
3.	INE420C14045	30.00	9.70%	10 November, 2023	29 January 2024
4.	INE420C14029	30.00	9.70%	10 November, 2023	09 February 2024
5.	INE420C14052	12.00	10.00%	20 December, 2023	13 September, 2024
6.	Proposed	90.00	-	-	-
7.	Proposed	240.00	-	-	-

Total Amount of Facilities rated (1A+1B+1C+2A) is Rs. 2785.00 crore

INFOMERICS VALUATION AND RATING PVT. LTD.
Integrated Financial Omnibus Metrics Research of International Corporate Systems

Annexure II

INFOMERICS Rating Scale for Long Term Instruments & Borrowing Programmes

Rating Scale	Definition
IVR AAA	Securities with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such securities carry lowest credit risk
IVR AA	Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk
IVR A	Securities with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such securities carry low credit risk
IVR BBB	Securities with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such securities carry moderate credit risk
IVR BB	Securities with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations
IVR B	Securities with this rating are considered to have high risk of default regarding timely servicing of financial obligations
IVR C	Securities with this rating are considered to have very high risk of default regarding timely servicing of financial obligations
IVR D	Securities with this rating are in default or are expected to be in default soon

Modifiers {'+' (plus) or '-' (minus)} can be used with rating symbols for the categories 'AA' to C'. The modifiers reflect comparative standing within the category.
The above rating scale also applies to rating of bank loans and other instruments.

INFOMERICS Rating Scale for Short Term Instruments & Borrowing Programmes

Rating Scale	Definition
IVR A1	Securities with this rating are considered to have very strong degree of safety regardingtimely payment of financial obligations. Such instruments carry lowest credit risk.
IVR A2	Securities with this rating are considered to have strong degree of safety regardingtimely payment of financial obligations. Such instruments carry low credit risk.
IVR A3	Securities with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations. Such instruments carry higher credit risk as compared to instruments rated in the two higher categories.
IVR A4	Securities with this rating are considered to have minimal degree of safety regarding timely payment of financial obligations. Such instruments carry very high credit risk andare susceptible to default.
IVR D	Securities with this rating are in default or expected to be in default on maturity inservicing of debt obligations.

Modifiers {'+' (plus) or '-' (minus)} can be used with rating symbols for the categories 'A1 to A4'. The modifiers reflect comparative standing within the category.
The above rating scale also applies to rating of bank loans and other instruments

Annexure-2: IN PRINCIPLE APPROVAL GRANTED BY THE STOCK EXCHANGE

BSE
The Power of Vibrance

DCS/COMP/MJ/IP-PPDI/279/23-24

September 21, 2023

PAISALO DIGITAL LIMITED
CSC, Pocket 52, C R Park, Near Police Station,
New Delhi – 110019

Dear Sir/Madam

Re: Private Placement of Secured/Unsecured, Listed, Rated Non-Convertible Debentures or other debt securities in one or more tranches (GID dated 19.09.2023).

We acknowledge receipt of your application on the online portal on September 20, 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 be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

BSE
The Power of Vibrance

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 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
Deputy General Manager

Raghavendra Bhat
Associate Manager

BSE - PUBLIC

Annexure-3: CONSENT OF THE REGISTRAR AND TRANSFER AGENT

Health & Wealth
We Manage Both

Alankit ASSIGNMENTS LIMITED

05th April, 2024

To,
Company Secretary
PAISALO DIGITAL LIMITED
CSC, Pocket 52 Near Police Station, CR Park
New Delhi- 110019 India

Sub: **Consent to act as RTA for issuance of NCDs (Non-Convertible Debenture)**

Dear Sir,

We hereby provide our consent to act as Registrar & Transfer Agent **for issuance of NCDs (Non-Convertible Debenture) of Rs.18 Crores** for your esteemed Company which is to be issued on private placement basis. Kindly find below our consent details for further communication in this regards.

Name of the Concern Person	**Mr. Jagdeep Kumar Singla**
Designation	Deputy General Manager
Name of Organization	Head-Client Service-RTA
Complete address of the organization	4E/2, Alankit House, Jhandewalan Extension, New Delhi-110055
Contact Number	9899888264
Email:	jksingla@alankit.com

Thanking you,

Your faithfully,

For Alankit Assignments Ltd

Jagdeep Kumar Singla
(Head-Client Service-RTA)

Annexure-4: CONSENT OF THE DEBENTURE TRUSTEE

ATSL/CO/2024-2025/32 **April 03, 2024**

Paisalo Digital Limited
CSC, Pocket-52, Near Police Station,CR Park,
New Delhi-110019
Delhi – 110019

Kind Attn: - Mr. Manendra Singh

Dear Sir,

Sub: Consent to act as Debenture Trustee for the Listed, Rated, Secured, Redeemable, Non-Convertible Debentures Aggregating upto INR 18 Crores on Private Placement basis

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the abovementioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustee is purely its business decision and not an indication on the Issuer's standing or on the Debenture Issue. By consenting to act as Debenture Trustee, ATSL does not make nor deems to have made any representation on the Issuer, its Operations, the details and projections about the Issuer or the Debentures under Offer made in the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer, its performance and profitability and details in the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debenture) Rules, 2014.

Yours truly,

For Axis Trustee Services Limited

(Subhash Kumar Jha)
Deputy General Manager

Registered Office:
Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli Mumbai - 400 025
Corporate Office:
The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai-400 028
Tel No.: 022-62300451 Fax No.: 022-6230 0700 Website- www.axistrustee.com
Corporate Identify Number: U74999MH2008PLC182264 | **MSME Registered UAN:** MH19E0033585

AXIS TRUSTEE

Annexure-5: FINANCIAL POSITION OF THE ISSUER

FINANCIAL RESULTS FOR THE QUARTER ENDED 31.12.2023

Annexure-1

PAISALO

EASY LOAN आसान लोन

PAISALO DIGITAL LIMITED

FORMERLY KNOWN AS S. E. INVESTMENTS LIMITED
REGD. OFF: CSC, POCKET 52, NEAR POLICE STATION, CR PARK, NEW DELHI-110019
TEL: +91 11 43518888 FAX: + 91 11 43518816 WEB: www.paisalo.in
CIN: L65921DL1992PLC120483
अर्थः समाजस्य न्यासः

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/NINE MONTHS ENDED 31ST DECEMBER, 2023

(₹ in Lakh Except EPS)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	**Revenue from operations:**						
	(i) Interest Income	15,658.92	12,317.40	10,722.78	38,761.80	31,315.00	41,485.30
	(ii) Dividend Income	-	1.24	-	1.24	0.83	0.83
	(iii) Rental Income	-	-	-	-	-	-
	(iv) Fees and commission Income	1,454.94	682.90	296.80	2,852.02	574.45	811.06
	(v) Net gain on fair value changes	11.55	19.52	-	66.78	-	-
	(vi) Net gain on derecognition of financial instruments under	-	-	-	-	-	-
	(vii) Sale of products (including Excise Duty)	-	-	-	-	-	-
	(viii) Sale of services	-	-	-	-	-	-
	(ix) Others	-	-	-	638.38	-	-
	Total Revenue from operations (I)	**17,125.41**	**13,021.06**	**11,019.58**	**42,320.22**	**31,890.28**	**42,297.19**
II	Other Income	-	-	-	-	-	-
	Total Income (I+II)	**17,125.41**	**13,021.06**	**11,019.58**	**42,320.22**	**31,890.28**	**42,297.19**
III	**Expenses:**						
	(i) Finance Costs	5,673.27	5,183.07	4,521.38	15,965.05	12,980.28	18,035.46
	(ii) Fees and commission expense	-	-	-	-	-	-
	(iii) Net loss on fair value changes	-	-	-	-	-	49.38
	(iv) Net loss on derecognition of financial instruments under amortized cost category	-	-	-	-	-	-
	(v) Impairment on financial instruments	898.91	(1,287.32)	980.69	(1,274.86)	3,958.21	4,454.08
	(vi) Cost of materials consumed	-	-	-	-	-	-
	(vii) Purchases of Stock-in-trade	-	-	-	-	-	-
	(viii) Changes in Inventories of finished goods,	-	-	-	-	-	-
	(ix) Employee Benefits Expenses	1,355.41	1,128.01	913.29	3,448.72	2,332.40	3,271.10
	(xi) Depreciation, amortization and impairment	86.14	86.03	82.24	247.49	229.53	328.68
	(x) Others expenses	1,557.96	1,611.71	830.49	4,939.85	2,631.03	3,316.62
	Total Expenses (III)	**9,571.69**	**6,721.50**	**7,328.09**	**23,326.25**	**22,131.45**	**29,455.32**
IV	**Profit / (loss) before exceptional items and tax (II-III)**	**7,553.72**	**6,299.56**	**3,691.49**	**18,993.97**	**9,758.83**	**12,841.87**
V	Exceptional items	-	-	-	-	-	458.85
VI	**Profit/(loss) before tax (IV-V)**	**7,553.72**	**6,299.56**	**3,691.49**	**18,993.97**	**9,758.83**	**12,383.02**
VII	**Tax Expense:**						
	(1) Current Tax	2,167.07	1,704.50	928.60	5,575.05	2,513.38	3,542.29
	(2) Deferred Tax	(224.79)	(125.85)	(16.15)	(693.78)	9.69	(328.52)
VIII	**Profit / (loss) for the period from continuing operations (VI-VII)**	**5,611.44**	**4,720.91**	**2,779.04**	**14,112.70**	**7,235.76**	**9,169.25**
IX	Profit/(loss) from discontinued operations	-	-	-	-	-	-
X	Tax Expense of discontinued operations	-	-	-	-	-	-
XI	**Profit/(loss) from discontinued operations (After tax) (IX-X)**	-	-	-	-	-	-
XII	**Profit/(loss) for the period (VIII+XI)**	**5,611.44**	**4,720.91**	**2,779.04**	**14,112.70**	**7,235.76**	**9,169.25**
XIII	**Other Comprehensive Income:**						
	(A) (i) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to	-	-	-	-	-	-
	Subtotal (A)	-	-	-	-	-	-
	(B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Subtotal (B)	-	-	-	-	-	-
	Other Comprehensive Income (A+B)	-	-	-	-	-	-
XIV	**Total Comprehensive Income for the period**	**5,611.44**	**4,720.91**	**2,779.04**	**14,112.70**	**7,235.76**	**9,169.25**
XV	Paid-up equity share capital **(face value of Re. 1 per equity share)**	4,490.22	4,490.22	4,490.22	4,490.22	4,490.22	4,490.22
XVI	Other equity as per statement of assets and liabilities)	-	-	-	-	-	1,10,528.10
XVII	**Earnings per equity share (for continuing operations):**						
	Basic (Rs.)	1.25	1.05	0.62	3.14	1.61	2.06
	Diluted (Rs.)	1.25	1.05	0.62	3.14	1.61	2.06
XVII	**Earnings per equity share (for discontinued operations):**						
	Basic (Rs.)	-	-	-	-	-	-
	Diluted (Rs.)	-	-	-	-	-	-
XIX	**Earnings per equity share (for continuing and discontinued operations):**						
	Basic (Rs.)	1.25	1.05	0.62	3.14	1.61	2.06
	Diluted (Rs.)	1.25	1.05	0.62	3.14	1.61	2.06

PAISALO DIGITAL LIMITED • PAISALO DIGITAL LIMITED

PAISALO

EASY LOAN आसान लोन

PAISALO DIGITAL LIMITED

FORMERLY KNOWN AS S. E. INVESTMENTS LIMITED
REGD. OFF: CSC, POCKET 52, NEAR POLICE STATION, CR PARK, NEW DELHI-110019
TEL: +91 11 43518888 FAX: + 91 11 43518816 WEB: www.paisalo.in
CIN: L65921DL1992PLC120483

अर्थः समाजस्य न्यासः

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/NINE MONTHS ENDED 31ST DECEMBER, 2023

(₹ in Lakh Except EPS)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	**Revenue from operations:**						
	(i) Interest Income	16,790.18	13,764.64	11,929.47	42,782.83	34,941.94	46,502.06
	(ii) Dividend Income	-	1.24	-	1.24	0.83	0.83
	(iii) Rental Income	-	-	-	-	-	-
	(iv) Fees and commission Income	1,457.08	682.85	297.90	2,856.21	577.71	816.10
	(v) Net gain on fair value changes	11.55	19.52	-	66.78	-	-
	(vi) Net gain on derecognition of financial instruments under	-	-	-	-	-	-
	(vii) Sale of products (including Excise Duty)	-	-	-	-	-	-
	(viii) Sale of services	-	-	-	-	-	-
	(ix) Others	-	-	-	638.38	-	-
	Total Revenue from operations (I)	**18,258.81**	**14,468.25**	**12,227.37**	**46,345.44**	**35,520.48**	**47,318.99**
II	Other Income	-	-	-	-	-	-
	Total Income (I+II)	**18,258.81**	**14,468.25**	**12,227.37**	**46,345.44**	**35,520.48**	**47,318.99**
III	**Expenses:**						
	(i) Finance Costs	6,418.43	6,022.80	5,236.58	18,410.93	14,945.33	20,867.00
	(ii) Fees and commission expense	-	-	-	-	-	-
	(iii) Net loss on fair value changes	-	-	-	-	-	49.38
	(iv) Net loss on derecognition of financial instruments under amortized cost category	-	-	-	-	-	-
	(v) Impairment on financial instruments	1,149.30	(929.47)	1,381.81	(350.57)	5,346.23	5,390.14
	(vi) Cost of materials consumed	-	-	-	-	-	-
	(vii) Purchases of Stock-in-trade	-	-	-	-	-	-
	(viii) Changes in Inventories of finished goods,	-	-	-	-	-	-
	(ix) Employee Benefits Expenses	1,418.66	1,167.87	977.81	3,600.68	2,489.70	3,467.12
	(xi) Depreciation, amortization and impairment	86.23	86.13	82.35	247.79	229.84	329.09
	(x) Others expenses	1,586.13	1,767.41	843.71	5,278.93	2,671.70	4,139.67
	Total Expenses (III)	**10,658.75**	**8,114.74**	**8,522.26**	**27,187.76**	**25,682.80**	**34,242.40**
IV	**Profit / (loss) before exceptional items and tax (II-III)**	**7,600.06**	**6,353.51**	**3,705.11**	**19,157.68**	**9,837.68**	**13,076.59**
V	Exceptional items	-	-	-	-	-	452.87
VI	**Profit/(loss) before tax (IV-V)**	**7,600.06**	**6,353.51**	**3,705.11**	**19,157.68**	**9,837.68**	**12,623.72**
VII	**Tax Expense:**						
	(1) Current Tax	2,180.48	1,733.06	926.75	5,622.51	2,525.58	3,586.24
	(2) Deferred Tax	(226.87)	(128.71)	(10.88)	(701.26)	16.30	(324.38)
VIII	**Profit / (loss) for the period from continuing operations (VI-VII)**	**5,646.45**	**4,749.16**	**2,789.24**	**14,236.43**	**7,295.80**	**9,361.86**
IX	Profit/(loss) from discontinued operations	-	-	-	-	-	-
X	Tax Expense of discontinued operations	-	-	-	-	-	-
XI	**Profit/(loss) from discontinued operations (After tax) (IX-X)**	-	-	-	-	-	-
XII	**Profit/(loss) for the period (VIII+XI)**	**5,646.45**	**4,749.16**	**2,789.24**	**14,236.43**	**7,295.80**	**9,361.86**
XIII	**Other Comprehensive Income:**						
	(A) (i) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to	-	-	-	-	-	-
	Subtotal (A)	-	-	-	-	-	-
	(B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Subtotal (B)	-	-	-	-	-	-
	Other Comprehensive Income (A+B)	-	-	-	-	-	-
XIV	Total Comprehensive Income for the period	**5,646.45**	**4,749.16**	**2,789.24**	**14,236.43**	**7,295.80**	**9,361.86**
XV	**Net profit after tax attributable to:**						
	Owners of the holding company	5,646.45	4,749.16	2,789.24	14,236.43	7,295.80	9,361.86
	Non-controlling interest	-	-	-	-	-	-
XVI	**Other comprehensive income attributable to:**						
	Owners of the holding company	-	-	-	-	-	-
	Non-controlling interest	-	-	-	-	-	-
XVII	**Total comprehensive income attributable to:**						
	Owners of the holding company	5,646.45	4,749.16	2,789.24	14,236.43	7,295.80	9,361.86
	Non-controlling interest	-	-	-	-	-	-
XV	Paid-up equity share capital (face value of Re. 1 per equity share)	4,490.22	4,490.22	4,490.22	4,490.22	4,490.22	4,490.22
XIX	Other equity as per statement of assets and liabilities	-	-	-	-	-	1,11,762.91
XVI	**Earnings per equity share (for continuing operations):**						
	Basic (Rs.)	1.26	1.06	0.62	3.17	1.62	2.10
	Diluted (Rs.)	1.26	1.06	0.62	3.17	1.62	2.10
XVII	**Earnings per equity share (for discontinued operations):**						
	Basic (Rs.)	-	-	-	-	-	-
	Diluted (Rs.)	-	-	-	-	-	-
XVII	**Earnings per equity share (for continuing and discontinued operations):**						
	Basic (Rs.)	1.26	1.06	0.62	3.17	1.62	2.10
	Diluted (Rs.)	1.26	1.06	0.62	3.17	1.62	2.10

PAISALO DIGITAL LIMITED
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CIN: L65921DL1992PLC120483

अर्थः समाजस्य न्यासः

NOTES

1 The above results have been reviewed by Audit Committee and approved by the Board of Directors in the meeting held on January 31, 2024. The Statutory Auditors have expressed an Unmodified Opinion.

2 The Consolidated financial results include results of Wholly Owned Subsidiary Nupur Finvest Private Limited (a RBI registered Non-Banking Finance Company).

3 The above financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard prescribed under the Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in accordance with the requirements of Regulations 33, 52 and 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.

4 During the quarter ended December 31, 2023, Company has raised fund through issuance of following series of Non Convertible Debentures:

Particular	Date of allotment	No. of Debentures	Total Amount (In Rs. Crores)
9.95% Unlisted Unsecured Redeemable Non-Convertible Debentures Face Value Rs. 10 Lakh Per Debenture	November 7, 2023	85	8.50
9.95% Listed Secured Redeemable Non-Convertible Debentures Face Value Rs. 100 Lakh Per Debenture	November 11, 2023	10	10.00
12.00% Unlisted Unsecured Redeemable Non-Convertible Debentures Face Value Rs. 10 Lakh Per Debenture	December 8, 2023	462	46.20
9.95% Listed Secured Redeemable Non-Convertible Debentures Face Value Rs. 100 Lakh Per Debenture	December 15, 2023	1970	19.70
9.95% Listed Secured Redeemable Non-Convertible Debentures Face Value Rs. 100 Lakh Per Debenture	December 28, 2023	1800	18.00

5 The Company is engaged in single business segment viz; financing. As such, there are no separate reportable segments as per Indian Accounting Standard 108 (IND AS) on Operating Segment.

6 Previous periods/year's figures have been reclassified/regrouped whenever necessary to conform to current period presentation.

7 Disclosures pursuant to RBI Notification - RBI /DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021 - None

8 The information pursuant to Regulation 52(4) and 52(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:

Sr. No.	Particulars	Period ended 31.12.2023	
		Standalone	Consolidated
a	Debt-Equity Ratio (no. of times)	1.71	1.86
b	Debt service coverage ratio	Not applicable	Not applicable
c	Interest service coverage ratio	Not applicable	Not applicable
d	Outstanding redeemable preference shares (quantity and value)	Nil	Nil
e	Capital Redemption Reserve (Rs. in Lakhs)	250.00	250.00
f	Debenture Redemption Reserve	Not applicable	Not applicable
g	Net Worth (Rs. in Lakhs)	1,29,518.85	1,31,025.93
h	Net Profit after tax (Rs. in Lakhs)	14,112.70	14,236.43
i	Earnings Per Share (Basic and Diluted) (Rs.)	3.14	3.17
j	Current ratio (no. of times)	3.20	3.26
k	Long term debt to working capital (no. of times)	0.61	0.62
l	Bad debts to Account receivable ratio	0.00	0.00
m	Current liability ratio (no. of times)	0.49	0.47
n	Total debts to total assets	0.60	0.63
o	Debtors turnover	Not applicable	Not applicable
p	Inventory turnover	Not applicable	Not applicable
q	Operating margin (%)	Not applicable	Not applicable
r	Net profit margin (%)	44.88%	41.34%
s	Sector specific equivalent ratios, as applicable		
s-i	Net Interest Margin (%)	7.29%	6.98%
s-ii	GNPA (%)	0.23%	0.21%
s-iii	NNPA (%)	0.02%	0.02%

Place : New Delhi
Date : 31/01/2024

For and on behalf of Board of Directors

PAISALO DIGITAL LIMITED

SUNIL AGARWAL
MANAGING DIRECTOR

Annexure - 2

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

Independent Auditor's Review Report on the Review of Interim Unaudited Standalone Quarterly Financial Results of Paisalo Digital Limited pursuant to the Regulation 33, Regulation 52 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (As Amended)

To
THE BOARD OF DIRECTORS OF
M/S PAISALO DIGITAL LIMITED

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **M/S PAISALO DIGITAL LIMITED** (the 'Company') for the quarter and nine month ended December 31, 2023 (the 'Statement'), being submitted by the Company pursuant to the requirements of Regulation 33, Regulation 52 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the 'Listing Regulations').

The Statement of Standalone Financial Results, 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, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principle generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

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.

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 the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33, Regulation 52 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Our conclusion is not modified in respect of this matter

Date : 31.01.2024
Place : Agra

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA MANISH GOYAL)
Partner
M. No. 074778
UDIN: 24074778BKAOZV1470

PHONE-: (0562) 4032000, 2852560, 2524553
MOBILE-: 91-97600 20853; E-MAIL-: MANISHGOYALFCA@GMAIL.COM
AGRA | LUCKNOW | NOIDA | MORADABAD

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

Independent Auditor's Review Report on the Review of Interim Unaudited Consolidated Quarterly Financial Results of Paisalo Digital Limited pursuant to the Regulation 33, Regulation 52 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (As Amended)

TO
THE BOARD OF DIRECTORS OF
M/S PAISALO DIGITAL LIMITED

We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **M/S PAISALO DIGITAL LIMITED** (the 'Company') and its wholly owned subsidiary **M/S NUPUR FINVEST PRIVATE LIMITED** (collectively referred as the 'Group') for the quarter and nine month ended December 31, 2023 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33, Regulation 52 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the 'Listing Regulations').

The Statement of Consolidated Financial Results, 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, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principle generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

The Statement includes the results of the wholly owned subsidiary **M/S NUPUR FINVEST PRIVATE LIMITED**.

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 the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33, Regulation 52 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Our conclusion is not modified in respect of this matter

Date : 31.01.2024
Place : Agra

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA MANISH GOYAL)
Partner
M. No. 074778
UDIN: 24074778BKAOZW3551

PHONE-: (0562) 4032000, 2852560, 2524553
MOBILE-: 91-97600 20853; E-MAIL-: MANISHGOYALFCA@GMAIL.COM
AGRA | LUCKNOW | NOIDA | MORADABAD

CONSOLIDATED FINANCIAL STATEMENTS

Please Refer General Information Document Dated September 19, 2023

STANDALONE FINANCIAL STATEMENTS

Please Refer General Information Document Dated September 19, 2023

Annexure-6: CORPORATE AUTHORISATIONS

Certified true copy of the Board Resolution dated January 31, 2024

PAISALO
EASY LOAN आसान लोन

CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF THE COMPANY PAISALO DIGITAL LIMITED IN THEIR MEETING HELD ON WEDNESDAY, JANUARY 31, 2024 AT 10:45 A.M. THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO-VISUAL MEANS (OAVM)

AUTHORITY TO ISSUE AND ALLOT NON-CONVERTIBLE DEBT SECURITIES

"**RESOLVED THAT** subject to provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013; and the provisions of SEBI (Issue & Listing of Non-Convertible Securities) Regulations, 2021; the Securities Contracts (Regulation) Act, 1956; Guidelines, Direction issued by the Reserve Bank of India for Non- Banking Finance Company; the Memorandum and Articles of Association of the Company; and the Listing Agreement to be entered into by the Company with the National Stock Exchange of India Limited ("NSE")/ BSE Limited ("BSE"); and subject to consent of the Securities and Exchange Board of India ("SEBI"); the relevant stock exchange; all other concerned statutory and regulatory authorities (if and to the extent necessary); and such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed in granting of such approvals, permissions and sanctions by any of the aforesaid authorities which may be agreed to by the Board of Directors of the Company (the "Board", which term shall be deemed to include any authorized Committee thereof), the Company do raise credit facilities by way of an issue of Secured/Unsecured, Rated/Unrated, Listed/Unlisted Non-Convertible Debentures ("the NCDs")/Non-Convertible Debt Securities ("the NCS") up to an aggregate maximum limit of total borrowing power of the Company under Section 180 (1)(c) of the Companies Act, 2013 by way of private placement in one or more tranches/ series.

RESOLVED FURTHER THAT Operations and Finance Committee of the Company be and is hereby authorized to do the needful in connection with the allocation of the NCDs/NCS and to decide the other terms of issue, including but not limited to the followings:

a. approve of and to decide on the other terms and conditions applicable to the NCDs/NCS, and to vary any of the above-specified terms;

b. finalize the appointment of Registrars, Debenture Trustees, Merchant Banker, Arranger(s) and such other intermediaries as may be required to be appointed and terms and conditions of their appointment, succession and their agents;

c. determine the date of opening and closing of the NCD/NCS Issue and the period for which the aforesaid issue will remain open;

d. finalize and issue of Offer document(s) and finalize terms and conditions.

e. finalize the date of allotment and the allotment of the NCDs/NCS to the Subscriber;

f. obtainment of in-principle listing approvals and final listing approvals in respect of the listed Debentures, and the listing of the Debentures on Stock Exchange(s);

PAISALO DIGITAL LIMITED • PAISALO

g. deal with the appropriate regulatory authorities in connection with the Debenture Issue including but not limited to SEBI, Registrar of Companies, Reserve Bank of India, Ministry of Corporate Affairs, Company Law Board, the relevant stock exchange, National Securities Depository Limited, Central Depository Services (India) Limited; and

h. negotiate, execute, file, amend, supplement, issue and deliver all documents, instruments, papers, applications, notices in relation to the NCDs/NCS Issue.

i. to create charge on the movable/immovable property(ies) of the Company to secure the secured Non-Convertible Debt Securities as per the term of the allotment of Debt Securities and to authorize any person to execute necessary documents for this purpose.

RESOLVED FURTHER THAT any one from the Operations and Finance Committee Members be and are hereby authorized to issue Allotment letter to the persons subscribing the issue of NCDs on private placement basis.

RESOLVED FURTHER THAT Managing Director, Executive Director Operation, Chief Financial Officer and Company Secretary of the Company be and are hereby severally and jointly authorized to sign, execute, amend all the necessary forms, returns, offer documents, supplements and other documents undertakings, declarations, confirmations, deeds, acknowledgement and deal with the appropriate regulatory authorities and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for the matter connected therewith or incidental thereto".

Certified True Copy
For Paisalo Digital Limited

PAISALO DIGITAL LIMITED
PAISALO

Manendra Singh
Company Secretary
Membership No.: F7868
Off. Add.: CSC Pocket-52, CR Park
Near Police Station, New Delhi-110019

Certified true copy of the Operations and Finance Committee Meeting Resolution dated April 04, 2024

PAISALO
EASY LOAN आसान लोन

CERTIFIED TRUE COPY OF RESOLUTION PASSED IN THE MEETING OF OPERATIONS AND FINANCE COMMITTEE OF BOARD OF DIRECTORS OF THE COMPANY PAISALO DIGITAL LIMITED (THE COMMITTEE) HELD ON APRIL 04, 2024 AT 2:30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY

CONSIDERATION AND APPROVAL TO ISSUE (ALLOCATION) LISTED RATED SECURED NON-CONVERTIBLE DEBENTURES (NCDS), ON PRIVATE PLACEMENT BASIS

"**RESOLVED THAT** pursuant to the provisions of Section 42 of the Companies Act, 2013 (the Act); the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions of the Act, including amendments thereto; Operational Guidelines for participation on BSEBOND platform issued by BSE and pursuant to RBI Circular regarding raising money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs and pursuant to Shareholders approvals obtained by the Company on September 21, 2023 in the 31st Annual General Meeting and power delegated by the Board of Directors of the Company in its meeting held on January 31, 2024, the approval be and is hereby accorded to offer and allocate upto 1,800 Rated, Listed Secured Redeemable 9.95% Non-Convertible Debentures each having a face value of Rs. 1,00,000/- (Rupees One Lakh only) of the aggregate nominal value upto Rs. 18,00,00,000 (Indian Rupees Eighteen Crore Only), on private placement basis through Electronic Book Provider Platform ("EBP" Platform) of BSE, only to such person, as per Sections 42(7) of the Act, whose name are recorded by the Operations and Finance Committee of Board of Directors of the Company (the Committee) prior to offer/invitation to subscribe in such form, manner, within such period, and on such terms and conditions as mentioned in the Key Information Document (KID) and as the Committee/Board of Directors of the Company may in its absolute discretion deem fit and proper.

RESOLVED FURTHER THAT Mr. Sunil Agarwal, Managing Director and/or Mr. Manendra Singh, Company Secretary, be and are hereby jointly and severally authorized to sign, issue and file necessary documents with the Stock Exchanges, Banks and Other Competent Authorities for and on behalf of the Company and to do all acts, deeds, writings and things necessary in this regard to give effect to the above resolution."

Certified True Copy
For Paisalo Digital Limited

MANENDRA SINGH
Digitally signed by MANENDRA SINGH
Date: 2024.04.04 15:13:49 +05'30'

PAISALO DIGITAL LIMITED

Manendra Singh
Company Secretary
Offc. Add.: CSC Pocket-52,
CR Park Near Police Station,
New Delhi- 110019

Certified true copy of the Special Resolution dated September 21, 2023

PAISALO
EASY LOAN आसान लोन

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE 31ST ANNUAL GENERAL MEETING OF THE MEMBERS OF PAISALO DIGITAL LIMITED HELD ON THURSDAY, SEPTEMBER 21, 2023 AT 02:45 P.M. THROUGH VIDEO CONFERENCING (VC) / OTHER AUDIO VISUAL MEANS (OAVM)

Special Resolution: Approval to issue Non-Convertible Securities/Debentures through Private Placement.

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and rules made thereunder, including any statutory modifications, clarifications, exemptions or re-enactment thereof, for the time being in force and pursuant to the provisions of the the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and RBI-Master Directions on Non-Banking Financial Company-Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 and all other rules, regulations, guidelines, notifications, clarifications and circular, if any issued by any statutory/regulatory authority, as may be applicable and the provisions of the Memorandum of Association and the Articles of Association of the Company and subject to such consent, approvals, permissions and sanctioned of the concerned statutory and regulatory authorities if and to the extent necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include any Committee(s) which the Board may have constituted / reconstituted or hereinafter constitute / reconstitute to exercise its powers including the powers conferred by this Resolution) to create, offer, invite for subscription, issue and allot, in one or more tranches secured/unsecured, redeemable, Non–Convertible Securities ("NCSs") including but not limited to subordinated/ senior, perpetual/non perpetual, cumulative/non-cumulative rated/ unrated, listed/ unlisted, debentures, bonds, and/or other debt securities, etc. on private placement basis, aggregating upto INR 4,500 Crores (Indian Rupees Four Thousand Five Hundred Crores) on such terms and conditions and at such times, as may be decided by the Board, to such person(s), including but not limited to one or more company(ies), body(ies) corporate, statutory corporation(s), commercial bank(s), lending agency(ies), financial institution(s), insurance company(ies), mutual fund(s), pension/ provident funds, family office(s) and individual(s), as the case may be, or such other person(s) as the Board may decide/approve in its absolute discretion, during the period of one year or for such other period as permissible under the applicable law from the date of passing of the Special Resolution by the Members, within the overall borrowing limits of the Company as approved by the Members of the Company from time to time under Section 180(1)(c) of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to determine the terms of issue of NCSs including but not limited to determine the size, issue price, timing, tenure, interest rate of NCSs, listing of NCSs, if required, creation of security, utilization of issue proceeds, appointment of Debenture Trustee(s), Registrar and Transfer Agent, Legal Counsel and other agency(ies) and to do all necessary acts, deeds, and things and to execute

PAISALO DIGITAL LIMITED PAISALO

PAISALO DIGITAL LIMITED
Registered Office: CSC, Pocket 52, Near Police Station, CR Park, New Delhi - 110 019. Phone : + 91 11 4351 8888. Email: delhi@paisalo.in
Head Office: Paisalo House, 74, Gandhi Nagar, NH-2, Agra - 282 003, India. Phone : +91 562 402 8888. Email : agra@paisalo.in
CIN: L65921DL1992PLC120483
www.paisalo.in

अर्थ: समाजस्य न्यास:

such documents / deeds / writings / papers / agreements as may be required as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to issue of NCSs as aforesaid."

For Paisalo Digital Limited

(Manendra Singh)
Company Secretary
Membership No.: F 7868
Registered Office:
CSC, Pocket 52, CR Park,
Near Police Station, New Delhi-110019

Annexure-7: PRE ISSUE AND POST ISSUE SHAREHOLDING PATTERN OF THE COMPANY

Sr. No.	Category & Name of the Shareholders	Pre-Issue as on 31.03.2024		Post-Issue	
		No. of fully paid up equity shares of Re. 1/- each held	% to total fully paid-up share capital	No. of fully paid up equity shares of Re. 1/- each held	% to total fully paid-up share capital
	Promoter and Promoter Group				
(1)	**Indian**				
(a)	Individuals/Hindu Undivided Family	14,65,72,800	16.32	14,65,72,800	16.32
(b)	Central Government/State Government(s)	0	0	0	0
(c)	Financial Institutions/Banks	0	0	0	0
(d)	Any Others (specify) # Body Corporates	17,04,85,502	18.98	17,04,85,502	18.98
(f)	Any Others (specify)	0	0	0	0
	Sub-Total(A)(1)	**31,70,58,302**	**35.31**	**31,70,58,302**	**35.31**
(2)	Foreign	0	0	0	0
(a)	Individuals (Non- Resident Individuals/ Foreign Individuals)	0	0	0	0
(b)	Government	0	0	0	0
(c)	Institutions	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0
	Sub-Total (A)(2)	**0**	**0**	**0**	**0**
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**31,70,58,302**	**35.31**	**31,70,58,302**	**35.31**
	Public Shareholding				
(1)	**Institutions (Domestic)**				
(a)	Mutual Fund	8,91,504	0.1	8,91,504	0.1
(b)	Venture Capital Funds	0	0	0	0
(c)	Alternate investment Funds	1,03,214	0.01	1,03,214	0.01
(d)	Banks	80,60,286	0.90	80,60,286	0.90
(e)	Insurance Companies	7,19,88,139	8.02	7,19,88,139	8.02
(f)	Provident / Pension Funds	0	0	0	0
(g)	Asset Reconstruction Companies	0	0	0	0
(h)	Sovereign Wealth Funds	0	0	0	0
(i)	NBFCs registered with RBI	1,15,000	0.01	1,15,000	0.01
(j)	Other Financial Institutions	0	0	0	0
(k)	Any Other (specify)	0	0	0	0
	Sub-Total(B)(1)	**8,11,58,143**	**9.04**	**8,11,58,143**	**9.04**
(2)	**Institutions (Foreign)**				
(a)	Foreign Direct Investment	0	0	0	0
(b)	Foreign Venture Capital Investors	0	0	0	0
(c)	Sovereign Wealth Funds	0	0	0	0
(d)	Foreign Portfolio Investors Category I	9,29,18,867	10.35	9,29,18,867	10.35
(e)	Foreign Portfolio Investors Category II	18,72,322	0.21	18,72,322	0.21
(f)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0
(g)	Any Other (specify)	0	0	0	0
	Sub-Total(B)(2)	**9,47,91,189**	**10.56**	**9,47,91,189**	**10.56**
(3)	**Central Government/ State Government(s) / President of India**				
(a)	Central Government / President of India	0	0	0	0
(b)	State Government / Governor	0	0	0	0
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0	0	0	0
	Sub-Total (B)(3)	**0**	**0**	**0**	**0**
(4)	**Non-institutions**				
(a)	Associate companies / Subsidiaries	0	0	0	0
(b)	Directors and their relatives (excluding independent directors and nominee directors)	0	0	0	0
(c)	Key Managerial Personnel	0	0	0	0
(d)	Relatives of promoters (other than immediate relatives of promoters disclosed under Promoter & PGC)	0	0	0	0
(e)	Trusts where any person belonging to Promoter & PGC is trustee, beneficiary or author of the trust	0	0	0	0
(f)	Investor Education and Protection Fund (IEPF)	11,740	0.00	11,740	0.00

(g)1	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	3,77,00,974	4.2	3,77,00,974	4.2
(g)2	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	1,89,07,229	2.11	1,89,07,229	2.11
(h)	Non Resident Indians (NRIs)	7,70,600	0.09	7,70,600	0.09
(i)	Foreign Nationals	0	0	0	0
(j)	Foreign Companies	0	0	0	0
(k)	Bodies Corporate	7,34,17,634	8.18	7,34,17,634	8.18
(l)	Any Other (specify)	56,12,269	0.62	56,12,269	0.62
	i) Clearing Member	42,28,047	0.47	42,28,047	0.47
	ii) Resident HUF	13,63,312	0.15	13,63,312	0.15
	iii) Unclaimed or Suspense or Escrow Account	20,910	0.00	20,910	0.00
	Sub-Total (B) (4)	**13,64,20,446**	**15.19**	**13,64,20,446**	**15.19**
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)+ (B)(4)	**31,23,69,778**	**34.78**	**31,23,69,778**	**34.78**
	Non Promoter - Non Public Shareholder				
(1)	Custodian/DR Holder	26,86,15,900	29.91	26,86,15,900	29.91
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0
	Total Non-Promoter-Non-Public Shareholding (C)= (C)(1)+(C)(2)	**26,86,15,900**	**29.91**	**26,86,15,900**	**29.91**
	Total	**89,80,43,980**	**100.00**	**89,80,43,980**	**100.00**

Annexure-8: RELATED PARTY TRANSACTIONS

Related Party Transactions (excluding reimbursements)

(**Rs. in Lakh**)

Sl. No.	Related Party	Relationship	Transaction	H1 2023-24	FY 2022-23	FY 2021-22	FY 2020-21
1	Mr. Sunil Agarwal	Managing Director	Remuneration to Director	196.80	405.85	435.60	376.56
2	Mr. Harish Singh	Executive Director	Remuneration to Director	16.50	33.00	33.00	26.72
3	Mr. Anoop Krishna	Executive Director	Remuneration to Director	22.80	39.60	39.60	32.18
4	Mr. Sunil Agarwal	Managing Director	Loan Repaid	-	-	233.00	-
5	Mrs. Raj Agarwal	Relative of Managing Director	Rent	-	9.00	9.00	9.00
6	Mr. Santanu Agarwal	Deputy Managing Director	Remuneration to Director/Salary	90.00	164.32	18.00	18.00
7	Mr. Atul Agarwal	CFO	Salary	-	-	12.00	14.63
8	Mr. Manendra Singh	CS	Salary	7.27	12.10	11.16	9.99
9	Mr. Santanu Agarwal	Deputy Managing Director	Loan Received	52.00	655.00	0	291.9
10	Mr. Santanu Agarwal	Deputy Managing Director	Loan Repaid	-	-	2,156.63	361
11	Mr. Santanu Agarwal	Deputy Managing Director	Interest Expenses	0.03	40.40	149.00	238.35
12	Mr. Harish Singh	Executive Director	Interest Payment (on NCD)	-	-	6.71	14.5
13	Mr. Pranav Chauhan	Son of Mr. Harish Singh (ED)	Interest Payment (on NCD)	12.03	24.00	19.60	14.5
14	Nupur Finvest Pvt. Ltd.	Subsidiary Company	Sale of Portfolio	-	7,119.00	1,692.32	480.53
15	Nupur Finvest Pvt. Ltd.	Subsidiary Company	Interest Expenses	465.38	548.79	189.03	169.79
16	Nupur Finvest Pvt. Ltd.	Subsidiary Company	Loan given	550.00	477.00	835.00	1330
17	Nupur Finvest Pvt. Ltd.	Subsidiary Company	Interest received on ICD	3.90	4.00	8.85	15.17
18	Mr. Sunil Agarwal	Managing Director	Dividend Paid	52.85	52.85	52.85	-
19	Mr. Santanu Agarwal	Deputy Managing Director	Dividend Paid	16.85	16.85	16.85	-
20	Ms. Suneeti Agarwal	Relative of MD & Promoter Group	Dividend Paid	3.58	3.58	3.58	-
21	Pro Fitcch Pvt. Ltd.	Promoter Group Entity	Dividend Paid	11.1	10.41	6.08	-
22	Equilibrated Ventures Cflow Pvt. Ltd.	Promoter Group Entity	Dividend Paid	51.7	49.54	40.84	-
23	Pri Caf Pvt. Ltd.	Promoter Group Entity	Dividend Paid	11.96	11.27	2.57	-
24	Pro Fitcch Pvt. Ltd.	Promoter Group Entity	Amount received against Share Warrants for conversion into equity (allotment of 33,00,000 equity shares to each allottee)	-	1,744.87	2,855.25	-
25	Equilibrated Ventures Cflow Pvt. Ltd.	Promoter Group Entity		-	1,744.87	2,855.25	-
26	Pri Caf Pvt. Ltd.	Promoter Group Entity		-	1,744.87	2,855.25	-

Annexure-9: CAPITAL STRUCTURE

Capital as on 31.03.2024

Share Capital	Rs. (Number of shares)
Authorized Capital	Rs. 12,500.00 Lakh (1,20,00,00,000 Equity shares of Re. 1 each and 50,00,000 Preference Shares of 10 each)
Issued Capital	Rs. 8,980.44 Lakh (89,80,43,980 Equity shares of Re. 1 each)
Subscribed Capital	Rs. 8981.69 Lakh (89,81,68,980 Equity shares of Re. 1 each)

Paid-up Capital as on 31.03.2024

	Before Issue of Debentures	After Issue of Debentures
Paid up Capital	Rs. 8,980.44 Lakh (89,80,43,980 Equity shares of Re. 1 each fully paid up and 125000 forfeited equity shares partly paid-up)	Rs. 8,980.44 Lakh (89,80,43,980 Equity shares of Re. 1 each fully paid up and 125000 forfeited equity shares partly paid-up)

Securities premium account of the Company as on 31.03.2024

	Before Issue of Debentures	After Issue of Debentures
Security Premium	Rs. 38,091.52 Lakh	Rs. 38,091.52 Lakh

Annexure-10: SUMMARY OF FINANCIAL POSITION OF THE COMPANY INCLUDING AUDITED CASH FLOW STATEMENT FOR THE THREE IMMEDIATELY PRECEDING YEARS

CONSOLIDATED

(Amount in Rs.)

Period	H1 FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21
Balance Sheet				
Assets				
Property, plant and equipment	65,97,59,276	65,57,00,165	62,41,60,774	62,69,45,295
Financial assets	35,23,97,63,670	32,74,45,80,639	26,79,65,61,551	21,94,33,07,427
Non-financial assets, excluding property, plant and equipment	6,38,95,926	13,84,64,473	15,68,84,882	13,16,93,338
Total Assets	**35,96,34,18,872**	**33,53,87,45,277**	**27,57,76,07,207**	**22,70,19,46,060**
Liabilities				
Financial Liabilities				
- Derivative financial instruments	-	-	-	-
- Trade Payables	10,97,18,309	1,52,94,020	9,82,15,808	16,80,41,540
- Other Payables	17,58,25,903	11,61,34,004	5,28,28,320	3,51,31,400
- Debt Securities	4,57,40,03,940	3,99,97,87,672	3,74,70,89,042	2,78,44,36,987
- Borrowings (other than Debt Securities)	16,77,81,92,665	16,28,20,93,590	12,12,24,66,156	9,54,12,39,000
-Deposit	-	-	-	-
- Subordinated liabilities	89,00,00,000	89,00,00,000	89,00,00,000	89,00,00,000
- Lease liabilities	-	-	-	-
- other financial liabilities	8,60,41,191	4,43,13,858	2,51,49,361	27,77,38,321
Non-Financial Liabilities				
Current tax liabilities (net)	14,19,20,166	-	-	-
Provisions	34,55,88,915	37,44,41,912	34,60,64,978	29,12,86,000
Deferred tax liabilities (net)	-	-	2,73,77,805	1,69,51,000
other non-financial liabilities	38,73,80,992	19,13,03,743	3,37,64,787	4,68,02,000
Equity (equity and other equity)	12,47,47,46,791	11,62,53,76,478	10,23,46,50,950	8,65,03,19,811
Non-controlling interest		-	-	-
Total equity and liabilities	**35,96,34,18,872**	**33,53,87,45,277**	**27,57,76,07,207**	**22,70,19,46,059**
Profit and Loss				
Revenue From operations	2,59,92,65,472	4,70,75,48,244	3,92,22,33,431	3,46,02,19,433
Other Income	20,93,98,877	2,43,50,889	-	-
Total Income	2,80,86,64,349	4,73,18,99,133	3,92,22,33,431	3,46,02,19,433
Total Expenses	1,65,29,00,573	3,46,95,26,368	2,85,10,17,251	2,64,97,36,007
Total comprehensive income Profit / loss Other comprehensive income	94,63,64,899	1,23,80,21,876	1,07,12,16,180	81,04,83,426
Profit / loss after tax	85,89,99,477	93,61,86,304	79,25,07,434	61,26,09,173
Earnings per equity share: (a) basic; and (b) diluted	1.91	2.10	1.87	1.45
Cash Flow				
Net cash generated from operating activities	(1,15,15,23,718)	(4,52,17,06,795)	(3,96,38,36,926)	(97,88,68,997)

Net cash used in / generated from investing activities	(1,89,72,023)	(5,07,39,314)	(3,08,40,831)	(7,15,521)
Net cash used in financing activities	1,25,16,37,522	4,76,01,33,936	3,62,03,07,572	1,10,74,29,430
Cash and cash equivalents	29,11,05,719	10,34,17,626	47,77,87,604	34,99,43,691
Balance as per statement of cash flows	37,22,47,500	29,11,05,453	10,34,17,418	47,77,88,604
Additional information				
Net worth	12,56,06,35,006	11,74,90,73,566	10,36,03,16,047	8,73,20,11,498
Cash and Cash Equivalents	37,22,47,500	29,11,05,453	10,34,17,418	47,77,88,604
Loans	34,11,58,72,274	31,50,17,57,014	25,91,48,63,648	21,19,12,83,627
Assets Under Management	38,17,35,95,757	34,92,79,20,283	26,97,26,04,267	23,17,85,10,989
Total Debts to Total assets	0.62	0.63	0.61	0.54
Interest Income	2,66,31,03,929	4,65,02,05,995	3,92,22,33,431	3,46,02,19,433
Interest Expense	1,19,92,49,529	2,08,67,00,342	1,84,10,68,344	1,61,95,33,738
Impairment of Financial Instrument	(14,99,86,816)	53,90,13,673	54,63,98,941	53,71,62,880
Bad debts to loans	(0.005)	0.02	0.02	0.02

STANDALONE

(Amount in Rs.)

Period	H1 FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21
Balance Sheet				
Assets				
Property, plant and equipment	65,96,78,117	65,55,97,127	62,40,81,844	62,68,41,477
Financial assets	32,39,04,82,256	29,63,28,83,681	24,77,34,05,551	20,50,55,34,658
Non-financial assets, excluding property, plant and equipment	5,88,18,169	8,47,31,207	9,51,41,624	8,50,88,281
Total Assets	**33,10,89,78,542**	**30,37,32,12,016**	**25,49,26,29,019**	**21,21,74,64,416**
Liabilities				
Financial Liabilities				
- Derivative financial instruments	-	-	-	-
- Trade Payables	10,97,18,309	1,52,94,020	9,82,16,000	16,80,42,063
- Other Payables	15,99,28,125	9,52,47,501	4,52,67,000	3,02,79,763
- Debt Securities	3,88,80,03,940	3,27,07,87,672	3,23,30,89,042	2,78,44,36,987
- Borrowings (other than Debt Securities)	14,72,81,91,815	14,01,72,56,947	10,69,04,37,156	8,18,52,09,742
- Subordinated liabilities	89,00,00,000	89,00,00,000	89,00,00,000	89,00,00,000
- Other financial liabilities	8,60,41,191	4,43,13,858	2,51,49,361	27,77,38,321
Non-Financial Liabilities				
- Current tax liabilities (net)	19,90,15,594	-	-	-
- Provisions	32,10,36,758	34,89,92,730	32,53,75,566	27,34,98,348
- Deferred tax liabilities (net)	-	-	2,62,45,805	1,66,79,605
- other non-financial liabilities	38,57,06,749	18,94,25,086	3,27,40,787	4,67,85,034
Equity (equity and other equity)	12,34,13,36,061	11,50,18,94,202	10,12,61,08,303	8,54,47,94,552
Total equity and liabilities	**33,10,89,78,542**	**30,37,32,12,016**	**25,49,26,29,020**	**21,21,74,64,416**
Profit and Loss				
Revenue From operations	2,31,02,88,027	4,20,53,67,698	3,56,39,82,431	3,11,54,76,756
Other Income	20,91,94,464	2,43,50,889	-	-
Total Income	2,51,94,82,491	4,22,97,18,587	3,56,39,82,431	3,11,54,76,756
Total Expenses	1,37,54,57,255	2,99,14,16,522	2,50,00,74,251	2,31,01,79,118
Total comprehensive income Profit / loss Other comprehensive income	93,48,30,772	1,21,39,51,176	1,06,39,08,180	80,52,97,638
Profit / loss after tax	85,01,25,398	**91,69,25,018**	**78,71,44,434**	**60,91,90,321**
Earnings per equity share: (a) basic; and (b) diluted Continuing operations Discontinued operations Total Continuing and discontinued operations	1.89	2.06	1.86	1.44
Cash Flow				
Net cash generated from operating activities	(1,40,94,02,819)	(3,47,47,56,759)	(3,37,21,27,478)	(1,26,54,15,713)
Net cash used in / generated from investing activities	(1,89,72,023)	(20,06,75,868)	(51,60,85,831)	(7,15,521)

Net cash used in financing activities	1,50,94,73,292	3,86,23,26,293	3,51,55,73,509	1,42,09,02,501
Cash and cash equivalents	28,24,63,292	9,55,69,626	46,82,09,393	31,34,37,896
Balance as per statement of cash flows	36,35,61,742	28,24,63,292	9,55,69,592	46,82,09,164
Additional information				
Net worth	12,41,32,19,436	11,60,99,92,605	10,24,09,11,891	8,61,88,29,235
Cash and Cash Equivalents	36,35,61,742	28,24,63,292	9,55,69,592	46,82,09,164
Loans	30,86,68,99,945	27,98,87,87,159	23,48,27,10,648	19,34,55,62,428
Total Debts to Total assets	0.59	0.60	0.58	0.52
Interest Income	2,37,41,26,484	4,14,85,29,789	3,56,39,82,431	3,11,54,76,756
Interest Expense	1,02,91,78,771	1,80,35,45,769	1,66,79,32,344	1,43,75,65,766
Impairment on Financial Instruments	(21,73,76,595)	44,54,07,743	39,53,68,941	40,33,79,849
Bad debts to loans	-0.01	0.02	0.02	0.02
% Stage 3 Loans on Loans(Principal Amount)	0.24	0.25	1.52	0.72
% Net Stage 3 Loans on Loans (Principal Amount)	0.01	0.02	1.26	0.57
Tier I Capital Adequacy Ratio (%)	36.13	36.49	37.73	37.08
Tier II Capital Adequacy Ratio (%)	3.61	3.85	5.19	7.39

There were no qualifications in the Auditors' Report on the financial statements of above years.

Annexure-11: DEBENTURE TRUSTEE DUE DILIGENCE CERTIFICATE

(TO BE ATTACHED SEPERATELY)

Annexure-12: BRIEF PARTICULARS OF THE MANAGEMENT OF THE COMPANY

1. Mr. Sunil Agarwal (Managing Director & CEO)

Mr. Sunil Agarwal, Managing Director/Founder at Paisalo Digital Limited is experienced with a demonstrated history of working in the financial services industry for the past 29 years. In 1992, he founded S. E. Investments Ltd, which focused on offering Business, SME and other income generating loans and by July 1995, it became the first company at Agra to be registered by the Reserve Bank of India. It was his efforts, experience and perseverance that resulted in his company being listed on the Bombay Stock Exchange and the National Stock Exchange in 2007 and 2009 respectively.

Mr. Sunil Agarwal is a Business Development Professional graduated from St. John's College Agra and is skilled in Debt Management, Negotiation, Business Planning, Analytical Skills and Risk Management. He is working towards ensuring rural development, self- development and women - empowerment through Paisalo Digital Ltd's group lending model and individual lending model that offers unsecured loans to borrower groups and individual entrepreneurs respectively.

2. Mr. Harish Singh (Executive Director-Operations and Chief Financial Officer)

Mr. Harish Singh, aged about 56 years, is a fellow member of the Institute of Chartered Accountants of India and is an MBA in marketing. He has been in practice with about two decades of post qualification experience. He has developed an expertise in the field of Audit, Taxation and Corporate Advisory Services. As Executive Director he is responsible for financial related matters of the Company and day to day affairs of the Company.

3. Mr. Anoop Krishna (Executive Director-Strategy & Planning)

Mr. Anoop Krishna, aged about 66 years, is a banking veteran. He started his career in the year 1982 as a Probationary Officer and retired as Chief General Manager Corporate Banking in December 2017. He headed Corporate Accounts Group for SBI in Delhi. Prior to his Superannuation on December 31, 2017, he was heading the Mid Corporate Group of State Bank of India as Chief General Manager for Northern and Eastern India based out of SBI Corporate Centre, Mumbai. He has joined the Board of the Company on February, 23, 2018 and has brought with him a rich and varied experience of leading a large team of people operating into complex financial structure.

4. Mr. Santanu Agarwal, (Deputy Managing Director)

Mr. Santanu Agarwal is law graduate from Amity Law School Noida. He started his business journey as Chief Innovation Officer of the Company Paisalo Digital Limited in 2018 and in 2020 appointed as Deputy CEO of the Company. Before joining the business, Mr. Santanu done his internship in various foreign organisations. He is well skilled in Negotiation, Business Planning, Analytical Skills and Risk Management. He has a flair for technology and has been a driving force behind the transformation of the Company to a fully digital NBFC in operations. He successfully led the team Paisalo in negotiation and finalization of co-lending agreements with State Bank of India, Punjab National Bank, Bank of Baroda and UCO Bank Out of the agreements entered currently SBI, PNB and Bank of Baroda are fully operationalized and daily disbursement it taking place. He is instrumental in getting the national banking correspondent agreement with SBI. He has been featured in number of interaction/interviews on CNBC 18, ET Now and is an announced youngster in prestigious "Forbes 30 under 30" List of February 2021.

He has joined the Board of the Company as Deputy Managing Director w.e.f. May 6, 2022.

5. Mr. Anurag Sinha, President (Chief Operating Officer)

Mr. Anurag Sinha, aged about 58 years, he is having multifunctional experience of 21 years in the fields of International Trade, Marketing and Fund Mobilization. He is looking after operations of the Company. He is associated with the Company since last 14 years.

6. Mr. Manendra Singh, (Chief Compliance Officer & Company Secretary)

Mr. Manendra Singh aged about 39 years, He is a Fellow Member of the Institute of Company Secretaries of India. He has completed his post graduation in commerce in 2005 and law graduation in 2008 from Dr. Bhimrao Ambedkar University, Agra and PGDBA (Finance) from Symbiosis. He has more than 14 years of secretarial and legal experience. He has good knowledge of Companies Act, Listing Regulations, Security Laws, Foreign Exchange Management etc. He has been associated with the Company from last 5 years.

7. Mr. Gaurav Chaubey (Chief Credit Officer)

Mr. Gaurav Chaubey, aged about 42 years, holds Masters' Degree in Management Science with specialization in Finance and Marketing from MNNIT, Allahabad. He has over 17 years of experience

	in the Banking industry. He started his career with ICICI Bank and has worked in different functions with the bank. He has been associated with the PDL for last 11 years and was instrumental in setting up the Mumbai office. He moved to Delhi in 2016 and is presently managing the Credit function of the group.
8.	**Mr. Samresh Agarwal (Chief Recovery Officer)** Mr. Samresh Agarwal, aged about 50 years, he has been associated with the company for the last 22 years. He holds the position of Delhi Branch head for 10 years. He is having experience in all operational activities of the company at present he is Chief Recovery Officer of the company.

PAISALO
EASY LOAN आसान लोन

PAISALO DIGITAL LIMITED

Paisalo Digital Limited, was originally incorporated in the State of Uttar Pradesh as S. E. Investments Private Limited on March 5, 1992 under the provisions of Companies Act, 1956. Subsequently, the Company became a Public Limited Company in pursuance to a special resolution passed by the members of the Company on February 24, 1995 and fresh Certificate of Incorporation consequent to conversion to a public limited company was issued on March 1, 1995. The Company shifted its Registered Office from State of Uttar Pradesh to National Capital Territory of Delhi Capital w.e.f. May 22, 2003. Further, on January 12, 2018 the name of the Company has been changed from M/s S. E. Investments Limited to M/s Paisalo Digital Limited. The Company is registered with Reserve Bank of India as a Non-Deposit Taking Systemically Important Non-Banking Financial Company (NBFC-NDSI).

Regd. Office: CSC, Pocket 52, C R Park, Near Police Station, New Delhi – 110019
Head Office: Paisalo House 74 Gandhi Nagar NH-2 Agra – 282003
Tel.: +91-11 4351 8888 | **E-mail**: cs@paisalo.in | **Website**: http://www.paisalo.in
CIN – L65921DL1992PLC120483 | **PAN** – AACCS1879G | **RBI CoR No.**– B-14.02997

GENERAL INFORMATION DOCUMENT FOR ISSUE OF DEBENTURES ON A PRIVATE PLACEMENT BASIS

This General Information Document is in relation to funds to be raised by issuance of Secured/Unsecured, Liste, Rated Non-Convertible Debentures or other debt securities in one or more tranches including debentures, bonds, such security as defined as debt securities under the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (the "**SEBI NCS Regulations**") (hereinafter cumulatively referred to as the ("**Debt Securities**"), and commercial papers etc. as may be approved by the Board of Directors during the period of 1 (one) year from the date of opening of the first offer of Debt Securities made under this General Information Document ("**Validity Period**"), by Paisalo Digital Limited ("**PDL**" or the "**Company**" or the "**Issuer**"), on private placement basis and shall be read with the relevant Key Information Document(s) issued by the Issuer during the Validity Period.

This document provides disclosures in accordance with the SEBI NCS Regulations and the SEBI Master Circular Number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 (as updated from time to time) ("**SEBI Master Circular**") read with "Operational Guidelines for participation on BSEBOND (EBP platform of BSE)" issued by BSE Limited ("**BSE**") vide their notice 20230417-35 dated April 17, 2023 and any amendments ("**BSE EBP Guidelines**") (the SEBI Master Circular and the BSE EBP Guidelines are hereinafter collectively referred to as the "**Operational Guidelines**").The Eligible Participants (as defined in Section 1 titled 'Definitions and Abbreviations') must evaluate the disclosures in the General Information Document for taking their investment decision.

The issuance of the Debt Securities shall be subject to the provisions of The Companies Act, 2013 and rules made thereunder ("**Act**") and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulations**"), The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and RBI Master Direction – Non Banking Financial Company- Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 and the relevant RBI circulars in respect of Private Placement of Non-Convertible Debentures (NCDs) by Non-Banking Financial Companies, each as amended and to the extent applicable and the Memorandum and Articles of Association of the Issuer, the terms and conditions of the General Information Document filed with the Stock Exchange and other documents in relation to the issuance of Debt Securities.

GENERAL RISK

Investment in non-convertible securities is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under **Annexure 1** 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.

Company Secretary and Compliance Officer	Chief Financial Officer (CFO)	Promoter
Mr. Manendra Singh Tel No. +91 562 4028888 Email: cs@paisalo.in	Mr. Harish Singh Tel No. +91 562 4028523 Email: harish@paisalo.in	Mr. Sunil Agarwal Tel No. +91 11 43518820 Email: sunil@paisalo.in

Registrar and Transfer Agent	Debenture Trustee	Credit Rating Agency	Statutory Auditor to Issuer
Alankit Health & Wealth, We Manage Both **Alankit Assignments Limited** Alankit House, 1E/13 Jhandewalan Extension New Delhi-110 055 Tel: +91-11-42541234 Fax: +91-11-23552001 E-mail: info@alankit.com Contact Person : Mr. J.K.Singla Website: www.alankit.com	Please refer to the relevant Key Information Document(s).	Please refer to the relevant Key Information Document(s).	MANISH GOYAL & CO. CHARTERED ACCOUNTANTS Manish Goyal & Co. Chartered Accountant Firm Registration no. 006066C Peer Review No.013438 Friends Trade Centre, 66, Nehru Nagar, Agra-282002 Tel: +91 562 4032000/ 2852560 Email: manishgoyalfca@gmail.com Contact Person : Mr. Manish Goyal www.mgcoindia.com

Date of General Information Document	September 19, 2023
Type of General Information Document	Private Placement
Security Name	Please refer to the relevant Key Information Document(s)
Type of Instrument	Please refer to the relevant Key Information Document(s)
The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable	Please refer to the relevant Key Information Document(s)
The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the shelf prospectus under Section 31 of the Act	Not Applicable
Name(s) of the stock exchanges where the securities are proposed to be listed	BSE Limited
Details of Eligible Investors / Participants	Please refer to the relevant Key Information Document(s)
Coupon Rate	Please refer to the relevant Key Information Document(s)
Coupon Payment Frequency	Please refer to the relevant Key Information Document(s)
Coupon Payment Date(s)	Please refer to the relevant Key Information Document(s)
Redemption Date	Please refer to the relevant Key Information Document(s)
Redemption Amount	Please refer to the relevant Key Information Document(s)
Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters	Not Applicable
Compliance clause in relation to electronic book mechanism and details pertaining to uploading of the General Information Document along with the relevant Key Information Document(s) on the Electronic Book Provider Platform	The Debt Securities would be issued under the electronic book mechanism on private placement basis as per Operational Guidelines. The Issuer intends to use the BSE Bond EBP platform. **THIS GENERAL INFORMATION DOCUMENT IS BEING UPLOADED ON THE BSE BOND EBP PLATFORM TO COMPLY WITH THE OPERATIONAL GUIDELINES AND AN OFFER WILL BE MADE BY ISSUE OF THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT(S) ALONG WITH THE SIGNED PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AFTER COMPLETION OF THE BIDDING PROCESS ON A RELEVANT ISSUE DATE, TO SUCCESSFUL BIDDER(S) IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RELATED RULES.**
Disclosure under Section 26(4) of the Companies Act	The issuance of Debt Securities is being made on private placement basis. Section 26 of the Companies Act is not applicable to the issuance of Debt Securities, and therefore no additional disclosures have been made in relation to Section 26 of the Companies Act under this General Information Document and accordingly, a copy of this General Information Document has not been filed with the relevant Registrar of Companies.

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DEFINITIONS AND ABBREVIATIONS

In this General Information Document, unless the context otherwise requires, the terms defined, and abbreviations expanded below shall have the same meaning as stated in this section. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Further, unless otherwise indicated or the context otherwise requires, all references to "the Company", "our Company", "PDL", "Issuer", "we", "us" or "our" is to Paisalo Digital Limited and references to "you" are to the Eligible Participants, as the case may be, in the Debt Securities.

Words denoting singular number shall include plural number and vice versa. Words denoting any gender shall include any other gender. Words denoting persons shall include companies and bodies corporate.

Company/Issuer/PDL	Paisalo Digital Limited (PDL/Paisalo) having its registered office at CSC, Pocket 52, C R Park, Near Police Station New Delhi – 110019 India
"we", "us", "our"	Unless the context otherwise requires, the Company.
Articles or Articles of Association	Articles of Association of PDL, as amended from time to time
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 reenactments thereof.
Application Form	Application Form forming part of the PPOAL to be issued by the Issuer, after completion of the bidding process
Arranger	Please refer to the relevant Key Information Document(s)
Auditors/ Statutory Auditor	Manish Goyal & Co Chartered Accountants
Board or Board of Directors	The Board of Directors of PDL
Business Day	shall mean a day of the week (other than a Sunday or 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 markets are open for general business in Mumbai.
BSE BOND-EBP Platform	Electronic book provider platform of BSE Limited for issuance of debt securities on private placement basis
Companies Act or Act	Companies Act, 2013 along with the rules framed thereunder, as amended from time to time.
Credit Rating Agency/Rating Agency	Please refer to the relevant Key Information Document(s).
Debentures	Shall mean such debentures, the details of which are specified in the relevant Key Information Document(s)
Debenture Trustee	Please refer to the relevant Key Information Document(s)
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018 as amended from time to time
Depository Participant /DP	A depository participant as defined under Depositories Act, 1996, as amended from time to time
Directors	The directors of PDL
EBP	The entities notified as an 'electronic book provider' by the SEBI. BSE is identified to act as an EBP for the issuance of Debt Securities
Electronic Book Mechanism	The price discovery mechanism through which the Coupon for the Debentures and/or volume of issuance of Debentures shall be determined, in accordance with the terms of the SEBI EBM Circular.

Electronic Book Platform	The electronic book platform offered by the relevant EBP in accordance with the SEBI EBM Circular.
Eligible Participants / Eligible Investors	Please refer to the relevant Key Information Document(s)
Financial Year / FY	Financial year of the Company i.e. a period commencing from 1st April and ending on 31st March of the next calendar year
General Information Document	This general information document dated September 19, 2023.
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
Interest/ Coupon	Please refer to the relevant Key Information Document(s).
Issue	Shall have the meaning as ascribed to the term 'Issue' in the relevant Key Information Document(s).
Key Information Document(s)	shall mean the Key Information Document(s) required to be filed in relation to each issuance of Debt Securities under the General Information Document, containing such issue specific details.
Memorandum /Memorandum of Association	Memorandum of Association of PDL, as amended from time to time
Net Worth	Has the meaning given to it in the Act.
Net Owned Funds	Has the meaning ascribed to it under Section 45IA of the RBI Act, 1934
NBFC Master Directions	Means the Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions and the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions prescribed by the RBI from time to time, as may be applicable
Non-Performing Assets/NPA	Means the aggregate of all loans and other credit facilities provided by the Issuer where one or more repayment instalments are overdue as per the threshold limits prescribed by RBI from time to time. Under IND AS accounting norms, this shall mean the total of Stage 3 assets, as defined from time to time
Operations and Finance Committee	Operations and Finance Committee of the Board of Directors of PDL
Portfolio at Risk or "PAR"	Shall mean the aggregate of (a) all Client Loans including owned and managed portfolio and other credit facilities provided by the Company where one or more repayment instalments are overdue by the PAR Days or more; and (b) all Client Loans and other credit facilities in respect of which the payment schedule have deferred, rescheduled, restructured and/or refinanced.
Private Placement Offer Cum Application Letter /PPOAL	Shall mean the private placement offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 in form PAS-4
Record Date	Please refer to the relevant Key Information Document(s)
Redemption Premium	Please refer to the relevant Key Information Document(s)
Redemption Date	Please refer to the relevant Key Information Document(s)

Registrar and Transfer Agent/ Registrar	Alankit Assignments Limited
Stock Exchange /Designated Stock Exchange / BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
DP-ID	An identification number allocated to Depository Participant by the Depository
LLP	Limited Liability Partnership firms set up under Limited Liability Partnership Act, 2008
N.A.	Not Applicable
NBFC	Non-Banking Financial Company
NSDL	National Securities Depository Limited
PAN	Permanent Account Number
RBI	Reserve Bank of India
Rs. / INR	Indian Rupees
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI Debenture Trustee Master Circular	Means SEBI circular with reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023, as amended from time to time.
TDS	Tax Deduction at Source
WDM	Wholesale Debt Market.

All other words and expressions used but not defined herein, shall have the same meanings respectively assigned to them in the SEBI Act or the Companies Act, 2013 (18 of 2013) or the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Depositories Act, 1996 (22 of 1996) and/or the rules and regulations made thereunder or any statutory modification or re-enactment thereto, unless the context requires otherwise

DISCLAIMERS

This General Information Document is neither a prospectus nor a statement in lieu of prospectus and should not be construed to be a prospectus or a statement in lieu of prospectus under the Companies Act. The issue of Debt Securities to be listed on BSE is being made strictly on a private placement basis. This General Information Document is not intended to be circulated to any person other than the Eligible Participants. 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 does not constitute and shall not be deemed to constitute an offer or a private placement of the Debt Securities under the Companies Act or to the public in general. The contents of this General Information Document should not be construed to be an offer within the meaning of Section 42 of the Companies Act. This General Information Document shall be uploaded on the BSE BOND-EBP Platform to comply with the Operational Guidelines and an offer shall only be made upon the issue of the PPOAL to successful bidders after the completion of the bidding process.

This General Information Document has been prepared in conformity with the SEBI NCS Regulations to provide general information about the Issuer and the Debt Securities to Eligible Participants and shall be uploaded on the BSE Bond EBP Platform to facilitate invitation of bids. This General Information Document shall be available on the wholesale debt market segment of BSE website after the final listing of the Debt Securities. This General Information Document does not purport to contain all the information that any Eligible Participant may require. Neither this General Information Document nor any other information supplied in connection with the issue of Debt Securities is intended to provide the basis of any credit or other evaluation and any recipient of this General Information Document should not consider such receipt a recommendation to subscribe to the issue or purchase any Debt Securities. Each Eligible Participant contemplating subscribing to the issue or purchasing any Debt Securities 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 as well as the structure of the issue of Debt Securities. Eligible Participants should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debt Securities. It is the responsibility of successful bidders to also ensure that they will sell these Debt Securities strictly in accordance with this General Information Document and Applicable Law, so that the sale does not constitute an offer to the public, within the meaning of the Companies Act. Neither the intermediaries, nor their agents, nor advisors associated with the issue of Debt Securities undertake to review the financial condition or any of the affairs of the Issuer contemplated by this General Information Document or have any responsibility to advise any Eligible Participant or successful bidders in the Debt Securities of any information coming to the attention of any other intermediary.

The Issuer confirms that, as of the date hereof, this General Information Document (including the documents incorporated by reference herein, if any) contains all information in accordance with the SEBI NCS Regulations that are material in the context of the issue of the Debt Securities, and are accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein not misleading, in the light of the circumstances under which they are made. No person has been authorised to give any information or to make any representation not contained or incorporated by reference in this General Information Document or in any material made available by the Issuer to any Eligible Participant pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. Further, the Issuer and the lead manager(s) (if any) accept no responsibility for statements made otherwise than in the General Information Document or in the advertisement 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 for investment in the issue of Debt Securities would be doing so at his own risk.

This General Information Document and the contents hereof are restricted for providing information from the Eligible Participants. An offer of private placement shall be made by the Issuer by way of issue of the PPOAL to the successful bidders who have been addressed through a communication by the Issuer and / or the Arranger and only such recipients are eligible to apply for the Debt Securities. All Eligible Participants are required to comply with the relevant regulations/guidelines applicable to them, including but not limited to the Operational Guidelines for investing in this issue of Debt Securities. The contents of this General Information Document and any other information supplied in connection with this General Information Document or the Debt Securities are intended to be used only by those Eligible Participants to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

No offer of private placement is being made to any persons other than the successful bidders on the BSE BOND-EBP Platform to whom the PPOAL will be separately sent by or on behalf of the Issuer. Any application by any person who is not a successful bidder (as determined in accordance with the Operational Guidelines) shall be rejected without assigning any reason.

The person who is in receipt of this General Information Document shall maintain utmost confidentiality regarding

the contents of this General Information Document and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents of this General Information Document or deliver this General Information Document or any other information supplied in connection with this General Information Document or the Debt Securities to any other person, whether in electronic form or otherwise, without the consent of the Issuer. Any distribution or reproduction of this General Information Document in whole or in part or any public announcement or any announcement to third parties regarding the contents of this General Information Document or any other information supplied in connection with this General Information Document or the Debt Securities is unauthorized. Failure to comply with this instruction may result in a violation of the Companies Act, the SEBI NCS Regulations or other Applicable Law of India and other jurisdictions.

This General Information Document has been prepared by the Issuer for providing information in connection with the proposed issue of Debt Securities described in this General Information Document. The Issuer does not undertake to update this General Information Document to reflect subsequent events after the date of the General Information Document 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 nor any issue of Debt Securities made hereunder 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 does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction other than in India in which such offer or solicitation is not authorised 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 Debt Securities or the distribution of this General Information Document in any jurisdiction where such action is required. The distribution of this General Information Document and the offer, sale, transfer, pledge or disposal of the Debt Securities may be restricted by law in certain jurisdictions. Persons who have possession of this General Information Document are required to inform themselves about any such restrictions. No action is being taken to permit an offering of the Debt Securities or the distribution of this General Information Document in any jurisdiction other than India.

Each person receiving the General Information Document acknowledges that:
Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein and such person has not relied on any intermediary that may be associated with issuance of Debt Securities in connection with its investigation of the accuracy of such information or its investment decision. Each such person in possession of this General Information Document should carefully read and retain this General Information Document. However, each such person in possession of this General Information Document is not to construe the contents of this General Information Document as investment, legal, accounting, regulatory or tax advice, and such persons in possession of this General Information Document should consult their own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debt Securities. Each person receiving this General Information Document acknowledges and confirms that he is not an arranger for the Debt Securities save and except arranger as defined in this General Information Document.

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this General Information Document along with the relevant Key Information Document(s) shall be submitted to the Stock Exchange for hosting the same on its website.

It is to be distinctly understood that such submission of this General Information Document along with the relevant Key Information Document(s) with Stock Exchange or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this General Information Document and the relevant Key Information Document(s); nor does it warrant that the Issuer's Debt Securities will be listed or continue to be listed on the Stock Exchange; nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any Debt Securities of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER OF THE ARRANGER(S)

As specified in the relevant Key Information Document(s).

DISCLAIMER OF SECURITIES AND EXCHANGE BOARD OF INDIA

This General Information Document has not been filed with SEBI. The Debt Securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this General Information Document.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS GENERAL INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI), IF ANY, 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 OF DEBT SECURITIES IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS GENERAL INFORMATION DOCUMENT. THE LEAD MANAGER(S), IF ANY, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE 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 OF DEBT SECURITIES.

DISCLAIMER IN RESPECT OF THE RESERVE BANK OF INDIA

The Debt Securities have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this General Information Document. It is to be distinctly understood that this General Information Document should not, in any way, be deemed or construed that the Debt Securities have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the Debt Securities being issued by the Issuer or for the correctness of the statements made or opinions expressed in this General Information Document. Potential investors may make investment decision in the Debt Securities offered in terms of this General Information Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/repayment of such investment.

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 discharge of liability by the Company.

DISCLAIMER CLAUSE OF THE RATING AGENCIES

As specified in the relevant Key Information Document(s).

DISCLAIMER IN RESPECT OF JURISDICTION

This General Information Document does not constitute an offer to sell or an invitation to subscribe to the Debt Securities herein, in any other jurisdiction and to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

Any disputes arising out of this issue of Debt Securities will be subject to the jurisdiction of the courts in Delhi, India.

FORCE MAJEURE

The Issuer reserves the right to withdraw the bid prior to the issue of Debt Securities in accordance with the Operational Guidelines, in the event of any unforeseen development adversely affecting the economic and regulatory environment or otherwise.

CONFIDENTIALITY

By accepting a copy of this General Information Document or any other information supplied in connection with this General Information Document or the Debt Securities, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the transaction described herein or will divulge to any other party any such information. This General Information Document or any other information supplied in connection with this General Information Document or the Debt Securities must not be photocopied, reproduced, extracted or distributed in full or in part to any person other than the recipient without the prior written consent of the Issuer.

CAUTIONARY NOTE

By bidding for the Debt Securities and when investing in the Debt Securities, the Eligible Participants acknowledge that they: (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of purchasing the Debt Securities, (ii) have not requested the Issuer to provide it with any further material or other information, (iii) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the Debt Securities, (iv) have made their own investment decision

regarding the Debt Securities based on their own knowledge (and information they have or which is publicly available) with respect to the Debt Securities or the Issuer, (v) have had access to such information as deemed necessary or appropriate in connection with purchase of the Debt Securities, (vi) are not relying upon, and have not relied upon, any statement, representation or warranty made by any person, including, without limitation, the Issuer, and (vii) understand that, by purchase or holding of the Debt Securities, they are assuming and are capable of bearing the risk of loss that may occur with respect to the Debt Securities, including the possibility that they may lose all or a substantial portion of their investment in the Debt Securities, and they will not look to the Debenture Trustee appointed for the Debt Securities for all or part of any such loss or losses that they may suffer.

FORWARD LOOKING STATEMENTS

Certain statements in this General Information Document are not historical facts but are "forward looking" in nature. Forward-looking statements appear throughout this General Information Document. Forward looking statements include statements concerning the Issuer's plans, financial performance etc., if any, the Issuer's competitive strengths and weaknesses, and the trends the Issuer anticipates in the industry, along with the political and legal environment, and geographical locations, in which the Issuer operates, and other information that is not historical information.

Words such as "aims", "anticipate", "believe", "could", "continue", "estimate", "expect", "future", "goal", "intend", "is likely to", "may", "plan", "predict", "project", "seek", "should", "targets", "would" and similar expressions, or variations of such expressions, are intended to identify and may be deemed to be forward looking statements but are not the exclusive means of identifying such statements.

By their nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and assumptions about the Issuer, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved.

Eligible Participants should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited, to:
compliance with laws and regulations, and any further changes in laws and regulations applicable to India;

a) availability of adequate debt and equity financing at reasonable terms;
b) our ability to effectively manage financial expenses and fluctuations in interest rates;
c) our ability to successfully implement our business strategy;
d) our ability to manage operating expenses;
e) performance of the Indian debt and equity markets; and
f) general, political, economic, social, business conditions in Indian and other global markets.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. Although the Issuer believes that the expectations reflected in such forward-looking statements are reasonable at this time, the Issuer cannot assure Eligible Participants that such expectations will prove to be correct. Given these uncertainties, Eligible Participants are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of the Issuer's underlying assumptions prove to be incorrect, the Issuer's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Issuer are expressly qualified in their entirety by reference to these cautionary statements. As a result, actual future gains or losses could materially differ from those that have been estimated. The Issuer undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date hereof.

Forward looking statements speak only as of the date of this General Information Document. None of the Issuer, its Directors, its officers or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

DISCLOSURES AND OTHER INFORMATION

1. 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 of Debt Securities which is material in the context of the issue of Debt Securities, 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.

2. Details of Promoter of the Issuer

The Promoter of the Company is Mr. Sunil Agarwal

3. Brief Profile of Promoters

 Sunil Agarwal	Mr. Sunil Agarwal is a founder member, Promoter and Managing Director & CEO of the Company with an experience of over three decades. He is responsible for the Company's strategic decision making along with Company's financial activities. He embarked his journey into finance business at a very young age of 20 years. At a nascent age he established this Company, the success of which is contributed to his arduous work and commitment. At present Company is doing its business from many branches in the various states of the Country, which is instrumental in steering the Company's growth story across the country.
Date of Birth	February 2, 1971
Age	52
Personal addresses	S-204, Greater Kailash, Part–2, Delhi-110048
Educational Qualification	Graduate
Experience in the Business or Employment	He has more than 30+ year experience of finance business. He is responsible for the Company's strategic decision making along with Company's financial activities.
Positions/Post held in the past	He holds position of Managing Director of the Company since its incorporation
Directorship Held	1. Paisalo Digital Ltd. 2. Pro Fitcch Private Ltd. 3. Pri Caf Private Ltd. 4. Aanjneya Motor Pvt. Ltd. 5. Nupur Finvest Pvt. Ltd. 6. R N R Automate Pvt. Ltd. 7. Repartee Infrastructures Pvt. Ltd. 8. Equilibrated Venture Cflow Pvt. Ltd. 9. Raj Shiksha Foundation 10. SCS Education Foundation 11. Radiance Techno Powers Company Pvt. Ltd.
Other Ventures	**Sunil Charitable Society** (Running and Maintaining Educational Institutions)
Special Achievements	He embarked his journey into finance business at a very young age of 20 years. At a nascent age he established this Company, the success of which is contributed to his arduous work and commitment.
Business and Financial Activities	NBFC
PAN	AAUPA1817D
Telephone Number	+91 11 43518220
Email ID	sunil@paisalo.in

Declaration:

The Company confirms that the permanent account number, AADHAR number, driving license number, passport and bank account number(s) of the Promoter and permanent account number of Directors shall be submitted to the Stock Exchange at the time of filing of in-principle listing application with the Stock Exchange.

4. Credit Rating

Please refer to the relevant Key Information Document(s)

5. Listing of Debt Securities
Please refer to the relevant Key Information Document(s)

6. Recovery Expense Fund
Please refer to the relevant Key Information Document(s)

7. Issue Schedule
Please refer to the relevant Key Information Document(s)

8. Name and contact details of Arrangers and other parties

Legal Counsel	Please refer to the relevant Key Information Document(s)
Guarantor, if applicable	Please refer to the relevant Key Information Document(s)
Arrangers	Please refer to the relevant Key Information Document(s)

9. About the Issuer

9.1 **Overview and a brief summary of the business activities of the Issuer**
The Company M/s Paisalo Digital Limited (PAISALO) is a Non-Banking Finance Company (NBFC ND-SI). It is registered with the RBI with registration no. B-14.02997. Company provides various finance like Business Loans, MSME's/SME Loans, Income Generation Loans to small medium entrepreneurs, partnership firms and small business owners.

Wholly owned subsidiary of the Company M/s Nupur Finvest Private Limited is also a Non-Deposit Accepting Non-Banking Finance Company, registered with RBI with registration no. B-14.03266, is engaged in the business of providing finance to small medium entrepreneurs, partnership firms and small business owners.

9.2 **Structure of the group**
PDL has following subsidiary as on 30.06.2023

Name of Subsidiary	% Holding
Nupur Finvest Private Limited	100.00 %

9.3 **A brief summary of the business activities of the subsidiaries of the Issuer**
Nupur Finvest Private Limited is a RBI registered Non-Banking Financial Company engaged in the loan financing business.

9.4 **Branches or Units of the Issuer**
As of June 30, 2023, Company has 1377 touch points across 18 states. (240 Branches, 640 Distribution Points and 497 Customer Service Points)

9.5 **Project cost and means of financing, in case of funding of new projects**
None

10. Expenses of the issue for issuance of the Debt Securities
Please refer to the relevant Key Information Document(s)

11. Financial Information

A. Unaudited financial results (Standalone and Consolidated) with limited review reports for the quarter ended June 30, 2023 - **Refer Annexure 2.**

B. Audited financial statements (Standalone) with auditor's reports for the last three financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021 - **Refer Annexure 3.**

C. Audited financial statements (Consolidated) with auditor's reports for the last three financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021 - **Refer Annexure 4.**

D. There were no qualifications in the auditors' reports on the financial statements for the quarter ended June 30, 2023 and for the last three financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021.

E. **Key Operational and Financial Parameters**

i. Standalone

(Amount in Rs.)

Period	Q1 FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21
Balance Sheet				
Assets				
Property, plant and equipment	66,37,20,415	65,55,97,127	62,40,81,844	62,68,41,477
Financial assets	30,29,81,74,636	29,63,28,83,681	24,77,34,05,551	20,50,55,34,658
Non-financial assets, excluding property, plant and equipment	4,71,57,461	8,47,31,207	9,51,41,624	8,50,88,281
Total Assets	**31,00,90,52,512**	**30,37,32,12,016**	**25,49,26,29,019**	**21,21,74,64,416**
Liabilities				
Financial Liabilities				
- Derivative financial instruments	-	-	-	-
- Trade Payables	1,13,96,433	1,52,94,020	9,82,16,000	16,80,42,063
- Other Payables	22,03,08,612	9,52,47,501	4,52,67,000	3,02,79,763
- Debt Securities	3,33,80,03,940	3,27,07,87,672	3,23,30,89,042	2,78,44,36,987
- Borrowings (other than Debt Securities)	13,85,07,51,697	14,01,72,56,947	10,69,04,37,156	8,18,52,09,742
- Subordinated liabilities	89,00,00,000	89,00,00,000	89,00,00,000	89,00,00,000
- Other financial liabilities	7,48,74,077	4,43,13,858	2,51,49,361	27,77,38,321
Non-Financial Liabilities				
- Current tax liabilities (net)	5,77,11,880	-	-	-
- Provisions	35,95,67,463	34,89,92,730	32,53,75,566	27,34,98,348
- Deferred tax liabilities (net)	-	-	2,62,45,805	1,66,79,605
- other non-financial liabilities	33,00,24,283	18,94,25,086	3,27,40,787	4,67,85,034
Equity (equity and other equity)	11,87,64,14,127	11,50,18,94,202	10,12,61,08,303	8,54,47,94,552
Total equity and liabilities	**31,00,90,52,512**	**30,37,32,12,016**	**25,49,26,29,020**	**21,21,74,64,416**
Profit and Loss				
Revenue From operations	1,07,85,48,463	4,20,53,67,698	3,56,39,82,431	3,11,54,76,756
Other Income	13,88,27,167	2,43,50,889	-	-
Total Income	1,21,73,75,630	4,22,97,18,587	3,56,39,82,431	3,11,54,76,756
Total Expenses	70,33,06,414	2,99,14,16,522	2,50,00,74,251	2,31,01,79,118
Total comprehensive income Profit / loss Other comprehensive income	37,52,42,049	1,21,39,51,176	1,06,39,08,180	80,52,97,638
Profit / loss after tax	**37,80,35,935**	**91,69,25,018**	**78,71,44,434**	**60,91,90,321**
Earnings per equity share: (a) basic; and (b) diluted Continuing operations Discontinued	0.84	2.06	1.86	1.44

operations Total Continuing and discontinued operations				
Cash Flow				
Net cash generated from operating activities	(31,77,02,649)	(3,47,47,56,759)	(3,37,21,27,478)	(1,26,54,15,713)
Net cash used in / generated from investing activities	16,90,56,270	(20,06,75,868)	(51,60,85,831)	(7,15,521)
Net cash used in financing activities	(6,87,28,763)	3,86,23,26,293	3,51,55,73,509	1,42,09,02,501
Cash and cash equivalents	28,24,63,292	9,55,69,626	46,82,09,393	31,34,37,896
Balance as per statement of cash flows	6,50,88,150	28,24,63,292	9,55,69,592	46,82,09,164
Additional information				
Net worth	11,95,37,14,280	11,60,99,92,605	10,24,09,11,891	8,61,88,29,235
Cash and Cash Equivalents	6,50,88,150	28,24,63,292	9,55,69,592	46,82,09,164
Loans	29,04,74,40,969	27,98,87,87,159	23,48,27,10,648	19,34,55,62,428
Loans, (Principal amount)	29,04,74,40,969	27,98,87,87,159	23,48,27,10,648	19,34,55,62,428
Total Debts to Total assets	0.58	0.60	0.58	0.52
Interest Income	1,07,85,48,463	4,14,85,29,789	3,56,39,82,431	3,11,54,76,756
Interest Expense	51,08,71,451	1,80,35,45,769	1,66,79,32,344	1,43,75,65,766
Impairment on Financial Instruments	(8,86,44,615)	44,54,07,743	39,53,68,941	40,33,79,849
Bad debts to loans	(0.003)	0.02	0.02	0.02
% Stage 3 Loans on Loans(Principal Amount)	0.28	0.25	1.52	0.72
% Net Stage 3 Loans on Loans (Principal Amount)	0.04	0.02	1.26	0.57
Tier I Capital Adequacy Ratio (%)	36.62	36.49	37.73	37.08
Tier II Capital Adequacy Ratio (%)	3.79	3.85	5.19	7.39

ii. Consolidated

(Amount in Rs.)

Period	**Q1 FY 2023-24**	**FY 2022-23**	**FY 2021-22**	**FY 2020-21**
Balance Sheet				
Assets				
Property, plant and equipment	66,38,11,647	65,57,00,165	62,41,60,774	62,69,45,295
Financial assets	33,22,41,08,177	32,74,45,80,639	26,79,65,61,551	21,94,33,07,427
Non-financial assets, excluding property, plant and equipment	5,31,35,910	13,84,64,473	15,68,84,882	13,16,93,338
Total Assets	**33,94,10,55,734**	**33,53,87,45,277**	**27,57,76,07,207**	**22,70,19,46,060**

Liabilities				
Financial Liabilities				
- Derivative financial instruments	-	-	-	-
- Trade Payables	1,13,96,433	1,52,94,020	9,82,15,808	16,80,41,540
- Other Payables	24,84,05,565	11,61,34,004	5,28,28,320	3,51,31,400
- Debt Securities	4,02,40,03,940	3,99,97,87,672	3,74,70,89,042	2,78,44,36,987
- Borrowings (other than Debt Securities)	15,96,50,81,695	16,28,20,93,590	12,12,24,66,156	9,54,12,39,000
-Deposit	-	-	-	-
- Subordinated liabilities	89,00,00,000	89,00,00,000	89,00,00,000	89,00,00,000
- Lease liabilities	-	-	-	-
- other financial liabilities	7,48,74,077	4,43,13,858	2,51,49,361	27,77,38,321
Non-Financial Liabilities				
Current tax liabilities (net)	45,85,904	-	-	-
Provisions	38,43,14,156	37,44,41,912	34,60,64,978	29,12,86,000
Deferred tax liabilities (net)	-	-	2,73,77,805	1,69,51,000
other non-financial liabilities	33,17,09,729	19,13,03,743	3,37,64,787	4,68,02,000
Equity (equity and other equity)	12,00,66,84,235	11,62,53,76,478	10,23,46,50,950	8,65,03,19,811
Non-controlling interest	-	-	-	-
Total equity and liabilities	**33,94,10,55,733**	**33,53,87,45,277**	**27,57,76,07,207**	**22,70,19,46,059**
Profit and Loss				
Revenue From operations	1,22,28,00,951	4,70,75,48,244	3,92,22,33,431	3,46,02,19,433
Other Income	13,90,37,377	2,43,50,889	-	-
Total Income	1,36,18,38,328	4,73,18,99,133	3,92,22,33,431	3,46,02,19,433
Total Expenses	84,14,27,472	3,46,95,26,368	2,85,10,17,251	2,64,97,36,007
Total comprehensive income Profit / loss Other comprehensive income	38,13,73,479	1,23,80,21,876	1,07,12,16,180	81,04,83,426
Profit / loss after tax	38,40,82,457	93,61,86,304	79,25,07,434	61,26,09,173
Earnings per equity share: (a) basic; and (b) diluted	0.86	2.10	1.87	1.45
Cash Flow				
Net cash generated from operating activities	(12,42,34,699)	(4,52,17,06,795)	(3,96,38,36,926)	(97,88,68,997)
Net cash used in / generated from investing activities	16,90,56,270	-5,07,39,314	-3,08,40,831	-7,15,521

Net cash used in financing activities	(26,22,35,409)	4,76,01,33,936	3,62,03,07,572	1,10,74,29,430
Cash and cash equivalents	29,11,05,719	10,34,17,626	47,77,87,604	34,99,43,691
Balance as per statement of cash flows	7,36,91,880	29,11,05,453	10,34,17,418	47,77,88,604
Additional information				
Net worth	12,09,85,89,104	11,74,90,73,566	10,36,03,16,047	8,73,20,11,498
Cash and Cash Equivalents	7,36,91,880	29,11,05,453	10,34,17,418	47,77,88,604
Loans	32,37,46,80,510	31,50,17,57,014	25,91,48,63,648	21,19,12,83,627
Assets Under Management	36,44,35,70,102	34,92,79,20,283	26,97,26,04,267	23,17,85,10,989
Total Debts to Total assets	0.61	0.63	0.61	0.54
Interest Income	1,22,28,17,951	4,65,02,05,995	3,92,22,33,431	3,46,02,19,433
Interest Expense	59,69,70,310	2,08,67,00,342	1,84,10,68,344	1,61,95,33,738
Impairment of Financial Instrument	(5,70,39,755)	53,90,13,673	54,63,98,941	53,71,62,880
Bad debts to loans	(0.002)	0.02	0.02	0.02

F. **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**

i. **Lending Policy**:
Company's Credit Policy attached as **Annexure-5**

ii. **Classification of Loans given to associate or entities related to Board, Senior management, promoters, others, etc.**

Name of the Party	Nature of Related Party	Outstanding Amount of Loan Given as on 31.03.2023
Nupur Finvest Private Limited	Wholly Owned Subsidiary	Rs. 4.77 Crores

iii. **Classification of loans/ advances given, 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.;**

Classification of loans/advances given to according to:

a) Type of loans as on March 31, 2023

SI. No.	Type of loans	Amount in Lakh as on 31.03.2023
1.	Secured	2,71,398
2.	Unsecured	7,552
3.	Assets under management in form of Loans & Advances only *^	2,78,950

The details mentioned herein are with respect to Loan & Advances by the Issuer for an amount aggregating to Rs. 2,78,950 Lakh

* 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 as on March 31, 2023:

SI. No.	Segment-wise break-up of AUM	Percentage of Loans & Advances	Weighted Avg. LTV/Security Cover

1.	BUSINESS LOANS	97.23	1.09
2.	COLENDING SCHEME	2.59	0.72
3.	GROUP SCHEME LOANS	0.15	0.26
4.	CO-ORIGINATION LOANS-(SINCE DISCONTINUED)	0.03	0.12

c) Denomination of loans outstanding by ticket size as on March 31, 2023:

SI. No.	Ticket size (amount in Rs.)	Percentage of Loans & Advances
1.	0-50000	2.51%
2.	50001-1,00,000	0.02%
3.	1,00,001-10,00,000	0.29%
4.	10,00,001-1,00,00,000	7.45%
5.	1,00,00,001-5,00,00,000	82.78%
6.	5,00,00,001-10,00,00,000	6.41%
7.	>10,00,00,000	0.54%

* % of Loans & Advances as of balance outstanding as of March 31, 2023
* Information required at the borrower level (and not by loan account as a customer may have multiple loan account

d) Geographical classification of borrowers as on March 31, 2023:

SI. No.	State	Percentage of Loans & Advances
1	Bihar	0.28%
2	Delhi	87.31%
3	Gujarat	0.75%
4	Haryana	0.10%
5	Himachal	0.00%
6	Jharkhand	0.01%
7	Maharashtra	1.56%
8	Madhya Pradesh	0.08%
9	Punjab	0.01%
10	Rajasthan	1.04%
11	Uttrakhand	0.00%
12	Uttar Pradesh	8.87%

iv. 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, from time to time;

Concentration of Advances

Particulars	As at March 31, 2023
(i) Total advances to twenty largest borrowers/ customers	Rs. 56,026 Lakh
(ii) Percentage of advances to twenty largest borrowers/customers to total advances	20.02

Concentration of Exposure

Particulars	As on March 31, 2023
(i) Total advances to twenty largest borrowers/ customers	Rs. 56,026 Lakh
(ii) Percentage of advances to twenty largest borrowers/customers to total advances	20.02

v. Details of loans overdue and classified as non-performing in accordance with RBI's stipulations:

Movement of Gross NPA as of March 31, 2023

Movement of NPAs	As on 31.03.2023
(a) Opening balance (Rs. In Lakh)	3,569.34
(b) Additions during the year (Rs. In Lakh)	1.03
(c) Reductions during the year (Rs. In Lakh)	2,874.08
(d) Closing balance (Rs. In Lakh)	696.29

Movement of Net NPA as of March 31, 2023

Movement of NPAs	As on 31.03.2023

(a) Opening balance (Rs. In Lakh)	2,956.10
(b) Additions during the year (Rs. In Lakh)	0.00
(c) Reductions during the year (Rs. In Lakh)	2,900.63
(d) Closing balance (Rs. In Lakh)	55.47

Movement of provisions for NPAs (excluding provisions on standard assets)	As on 31.03.2023
(a) Opening balance (Rs. In Lakh)	613.24
(b) Provisions made during the year (Rs. In Lakh)	314.89
(c) Write-back of excess provisions (Rs. In Lakh)	287.30
(d) Write-off of excess provisions (Rs. In Lakh)	-
(e) Closing balance (Rs. In Lakh)	640.83

Segment-wise NPA (Write Offs)

Sector	Percentage As on 31.03.2023
(i) Agriculture & allied activities	0.24
(ii) MSME	0.46
(iii) Corporate borrowers	1.41
(iv) Services	0.18
(v) Unsecured personal loans	-
(vi) Auto loans	-
(vii) Other personal loans	0.04
Total	2.33

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

i. A portfolio summary with regard to industries/ sectors to which borrowings have been made:

SI. No.	Segment-wise break-up of AUM	Amount (Rs. in Lakh)
1.	Business Loans	2,72,14,718.13
2.	Co-lending Scheme	7,24,632.51
3.	Group Scheme Loans	41,759.13
4.	Co-origination loans (since discontinued)	7,677.38

ii. 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:

			Rs. In Lakh
NPA Details	**March 20**	**March 21**	**March 23**
Gross NPA	3,569.34	3,569.34	696.29
Provision	613.24	613.24	640.83
Net NPA	2,956.10	2,956.10	55.47

iii. Quantum and percentage of secured vs. unsecured borrowings:

Nature of Borrowing	Rs. in Lakh	Percentage
Secured	2,71,398	2,71,398
Unsecured	7,552	7,552
Total	2,78,950	2,78,950

H. **Any Change in promoters holding during last financial year beyond the threshold prescribed by Reserve Bank of India:**

There is no change in the shareholding of the Promoters beyond the threshold limit as prescribed by the Reserve Bank of India.

Details of shareholding of Promoter Group as under:

Name of the Promoter/Promoter Group	% of total fully paid-up equity share capital of the Company		
	31.03.2022	31.03.2023	30.06.2023
Mr. Sunil Agarwal	12.04	11.77	11.77

Ms. Suneeti Agarwal	0.82	0.80	0.80
Mr. Santanu Agarwal	3.84	3.75	3.75
M/s Equilibrated Venture Cflow (P) Ltd.	10.53	11.03	11.26
M/s Pri Caf (P) Ltd.	1.81	2.51	2.51
M/s Pro Fitcch (P) Ltd.	1.62	2.32	2.32

I. **Residual maturity profile of assets and liabilities (in line with the RBI format) as on March 31, 2023:**

(Rs. In Lakhs)

Category	Upto 14 days	Over 14 days to 1 month	Over 1 month & Upto 2 months	Over 2 months & Upto 3 months	Over 3 months & Upto 6 months	Over 6 month & upto 1 year	Over 1 year & Upto 3 years	Over 3 years & upto 5 years	Over 5 Years	Total
Deposits	—	—	—	—	—	—	—	—	—	—
Advances	4,262	6,537	10,538	10,447	30,852	63,380	1,00,380	51,577	1,915	2,79,888
Investments (Bank FDR)	1,800	—	—	—	—	—	266	—	—	2066
Borrowings	—	6,238	1,880	3,888	6,849	5,4734	76,154	22,197	9,840	1,81,780
Foreign Currency Assets	—	—	—	—	—	—	—	—	—	—
Foreign Currency Liabilities	—	—	—	—	—	—	—	—	—	—

J. **Disclosure of latest ALM Statements stock exchange: NA**

K. **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 - subsidiary, Joint Venture entity, group company etc) on behalf of whom it has been issued.**

The company has given corporate guarantee for the loans taken by its wholly owned subsidiary Company i.e. M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs.

(**Rs. In Lakhs)**

Name of Bank / Financial Institution	Facility	Amount o/s as on 31.03.2023
Karnataka Bank Ltd	Cash Credit	2,000.00
Indian Bank	Cash Credit	500.00
State Bank of India	Term Loan	6,919.90
Bank of Baroda	Term Loan	2,430.56
Indian Bank	Term Loan	828.76
Tata Capital Financial Services Limited	Term Loan	956.83
Satin Credit Care Network Limited	Term Loan	305.15
Satin Finserv Limited	Term Loan	61.03
Total		**14,002.23**

There are no letters of comfort issued by the Issuer as on date

L. **Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability.**

Nil

12. Brief history of the Issuer since its incorporation

Paisalo Digital Limited, was originally incorporated in the State of Uttar Pradesh as S. E. Investments Private Limited on March 5, 1992 under the provisions of Companies Act, 1956. Subsequently, the Company became a Public Limited Company in pursuance to a special resolution passed by the members of the Company on February 24, 1995 and fresh Certificate of Incorporation consequent to conversion to a public limited company was issued on March 1, 1995. Further company shifted its Registered Office from State of Uttar Pradesh to National Capital Territory of Delhi Capital w.e.f. May 22, 2003. Further, on January 12, 2018 the name of the Company has been changed from M/s S. E. Investments Limited to M/s Paisalo Digital Limited. The Company is registered with Reserve Bank of India as a Non-Deposit Taking Systemically Important Non-Banking Financial Company (NBFC-NDSI).

a. **Details of Share Capital as on June 30, 2023**:-

Share Capital	Rs. (Number of shares)
Authorized Capital	Rs. 1,25,00,00,000/- (1,20,00,00,000 Equity shares of Re. 1 each and 50,00,000 Preference Shares of 10 each)
Issued Capital	Rs. 44,91,46,990/- (44,91,46,990 Equity shares of Re. 1 each)
Subscribed Capital	Rs. 44,91,46,990/- (44,91,46,990 Equity shares of Re. 1 each)
Paid up Capital	Rs. 44,90,21,990/- (44,90,21,990 Equity shares of Re. 1 each fully paid up and 125000 forfeited equity shares partly paid-up)

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

Date of change (AGM/EGM)	Particulars
EGM - March 8, 2021	Issuance of Fully Convertible Warrants to the Promoter group of the Company, on a preferential basis. Authority to the Board to create, offer, issue and allot at an appropriate time, in one or more tranches in aggregate and upto 26,10,000 (Twenty Six Lakh Ten Thousand) Fully Convertible Warrants ("Warrants") at a price of Rs. 705.00/- per warrant or such other price as may be determined in accordance with the provisions of Chapter V of the SEBI (ICDR) Regulations, each convertible into or exchangeable for One (1) Equity Share of face value of Rs. 10/- each ("the Equity Shares") at a premium of Rs. 695.00/- per Warrant aggregating to Rs. 1,84,00,50,000.00/- (Rupees One Hundred Eighty Four Crore Fifty Thousand only), for cash, to the below mentioned entities belonging to Promoter Group ("Proposed Allottees") on a preferential basis.
Postal Ballot - June 10, 2022	Equity Shares of the Company sub-divided/split from 1 equity share having face value of Rs.10/- each into 10 (Ten) equity shares having face value of ` 1/- each.

Share Capital	PRE -SPLIT		POST -SPLIT	
	No. of shares	Amount (Rs. In Lakh)	No. of shares	Amount (Rs. In Lakh)
Authorized	12,00,00,000 Equity Shares of Rs. 10 each	12,000.00	1,20,00,00,000 Equity Shares of Re. 1 each	12,000.00
	50,00,000 Preference Shares of Rs. 10/- each	500.00	50,00,000 Preference Shares of Rs. 10/- each	500.00
Issued and Subscribed	4,39,24,699 Equity Shares	4,392.47	43,92,46,990 Equity Shares of	4,392.47

		of Rs. 10 each		Re. 1 each	
	Paid-up	4,39,12,199 Equity Shares of Rs. 10 each	4,391.22	43,91,21,990 Equity Shares of Re. 1 each	4,391.22
		Forfeited- 12,500 Equity Shares of Rs. 10 each (Rs. 5 paid-up)	0.63	Forfeited- 1,25,000 Equity Shares of Rs. 1 each (Rs. 0.50 paid-up)	0.63

Note: There is no change other than above in the capital structure during the three financial year including the current financial year till June 30, 2023

c. Equity Share Capital History of the Company, for the last three years and current financial year:

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remark
						No of equity shares	Equity Share Capital (Rs. in Lakhs)	Equity Share Premium (Rs. in Lakhs)	
March 14, 2022	8,10,000	10	705	Cash	Preferential Allotment to promoter group entities on conversion of warrants. Conversion ratio (1:1) - One Equity share for every one Warrant held.	4,31,14,699 Equity shares of Rs. 10 each fully paid up and 12,500 forfeited equity shares partly paid-up	4,310.22	25,581.50	-
March 25, 2022	8,10,000	10	705	Cash	Preferential Allotment to promoter group entities on conversion of warrants. Conversion ratio (1:1) - One Equity share for every one Warrant held.	4,39,24,699 Equity shares of Rs. 10 each fully paid up and 12,500 forfeited equity shares partly paid-up	4,392.47	31,211.00	-
September 3, 2022	85,55,000	1	70.50	Cash	Preferential Allotment to promoter group entities on conversion of warrants. Conversion ratio (10:1) - Ten Equity share for	44,78,01,990 Equity shares of Re. 1 each fully paid up and 1,25,000 forfeited equity shares partly paid-up	4,478.02	37,156.73	-

					every one Warrant held.				
September 12, 2022	13,45,000	1	70.50	Cash	Preferential Allotment to promoter group entities on conversion of warrants. Conversion ratio (10:1) - Ten Equity share for every one Warrant held.	44,91,46,990 Equity shares of Re. 1 each fully paid up and 1,25,000 forfeited equity shares partly paid-up	4,491.47	38,091.52	-

Note:

1. On March 20, 2021 Company has allotted 26,10,000 convertible warrants to promoter group entities, pursuant to the shareholders resolution dated March 8, 2021.
2. There is no change in the Paid-up capital other than above during the three financial year including the current financial year till June 30, 2023

d. Details of any Acquisition of or Amalgamation with any entity in the last 1 year:

There has been no acquisition or amalgamation during last one year from the date of this General Information Memorandum.

e. Details of Reorganisation or Reconstruction in preceding one year:

Type of Event	Date of Announcement	Date of Completion	Details
There has been no reorganization or reconstruction during last one year from the date of this General Information Memorandum.			

f. Details of the shareholding of the Company as on June 30, 2023, as per the format specified under the listing regulations:

Please refer to the **Annexure 6**

g. List of top 10 holders of equity shares of the Company as at the last quarter end i.e. June 30, 2023:

S. No.	Name of the shareholders	Total no of Equity Shares	No of shares in demat form	Total shareholding as % of total no of equity shares
1.	The Bank of New York Mellon, DR (Custodian for GDRs)	13,43,07,950	13,43,07,950	29.91
2.	Mr. Sunil Agarwal	5,28,51,400	5,28,51,400	11.77
3.	M/s Equilibrated Venture Cflow Private Limited	5,05,54,220	5,05,54,220	11.26
4.	M/s Antara India Evergreen Fund Ltd	3,92,92,230	3,92,92,230	8.75
5.	SBI Life Insurance Co. Ltd	3,59,98,031	3,59,98,031	8.02
6.	Mr. Santanu Agarwal	1,68,52,000	1,68,52,000	3.75
7.	Mr. Pri Caf Private Limited	1,12,69,200	1,12,69,200	2.51
8.	M/s Pro Fitcch Private Limited	1,04,05,610	1,04,05,610	2.32
9.	M/s Zeal Professional Services Private Limited	94,71,608	94,71,608	2.11
10.	M/s Nomura Singapore Limited ODI	74,00,000	74,00,000	1.65
11.	State Bank of India	44,00,152	44,00,152	0.98

h. Details regarding the Directors of the Company:

i) Details of the current Directors of the Company:

Name, Designation and DIN	Age	Address	Date of appointment	Details of other Directorship
Mr. Sunil Agarwal Managing Director and CEO DIN: 00006991	51	S-204, Greater Kailash, Part–2, Delhi-110048	05/03/1992	1. Paisalo Digital Limited 2. Pro Fitcch Private Limited 3. Pri Caf Private Limited 4. Aanjneya Motor Private Limited 5. Nupur Finvest Private Limited 6. R N R Automate Private Limited 7. Repartee Infrastructures Private Limited 8. Equilibrated Venture Cflow Private Limited 9. Radiance Techno Powers Company Private Limited 10. SCS Education Foundation 11. Raj Shiksha Foundation
Mr. Harish Singh Executive Director and CFO DIN:00039501	55	88, Surya Nagar, Agra-282002	01/08/2008	1. Paisalo Digital Limited 2. Nupur Finvest Private Limited 3. Saadhvi Cinfra Projects Private Limited
Mr. Anoop Krishna Executive Director DIN: 08068261	65	Flat No 1502, Tower 5 Crescent Bay, Jerbai Wadia Road Bhoiwada, Mahatma Phule Education Society, Parel Mumbai-400012	23/02/2018	1. Paisalo Digital Limited
Mr. Santanu Agarwal Deputy Managing Director DIN:07069797	26	S-204, Greater Kailash, Part–2, Delhi-110048	06/05/2022	1. Paisalo Digital Limited 2. Equilibrated Venture Cflow Private Limited 3. Pro Fitcch Private Limited 4. Pri Caf Private Limited 5. Aanjneya Motor Private Limited 6. R N R Automate Private Limited 7. Radiance Techno Powers Company Private Limited
Mr. Naresh Kumar Jain Independent Director DIN: 01281538	70	B-23, Sector-26, Noida-201301	14/08/2014	1. Optiemus Infracom Limited 2. Global Finserve LLP 3. Paisalo Digital Limited 4. Model Economic Township Limited
Mr. Gauri Shankar Independent Director DIN: 06764026	67	Flat P-4, 16th Floor, Tower-L, Amarpali Sapphire, Sector-45, Gautam Buddha Nagar, Noida-201301, U.P.	22/07/2017	1. Paisalo Digital Limited 2. PNC Infratech Limited 3. Usha Financial Services Limited 4. Universal Fingrowth Private Limited
Mr. Raman Aggarwal Independent Director DIN: 00116103	62	D-15, Ground Floor, Near Savitri Cinema, Greater Kailash Enclave 2, Greater Kailash Delhi- 110048	15/10/2019	1. Paisalo Digital Limited 2. Emerald Leasing Finance And Investmentcompany Limited 3. Association Of Leasing And Financialservices Companies 4. Finance Industry Development Council
Mrs. Nisha Jolly	71	D-503, Kaveri	30/05/2020	1. Paisalo Digital Limited

Independent Director DIN: 08717762		Apartments, Alaknanda, Delhi-110019		2. Nupur Finvest Private Limited
Mr. Vijuy Ronjan Independent Director DIN: 09345384	61	R-145, Ground Floor, Greater Kailash, Part 1, Delhi- 110048	08/10/2021	1. Paisalo Digital Limited 2. Akara Capital Advisors Private Limited 3. Integro Finserv Private Limited 4. Platinum Industries Limited

a) Inter se relationship between the director

Except Mr. Sunil Agarwal (Father) and Mr. Santanu Agarwal (Son), there are no inter se relationship between the above directors of the Company.

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

1.

i) Remuneration paid by the Issuer to the Directors:

(Amount Rs. in Lakh)

Name of the Director	Current FY (till end of Q1)	FY 2022-23	FY 2021-22	FY 2020-21
Mr. Sunil Agarwal (MD)	98.40	405.85	435.60	376.56
Mr. Harish Singh (WTD)	8.25	33.00	33.00	26.75
Mr. Anoop Krishna (ED)	11.40	39.60	39.60	32.18
Mr. Santanu Agarwal (DMD)	45.00	164.32	-	-
Mr. Naresh Kumar Jain (ID)*	0.80	2.55	2.10	-
Mr. Gauri Shankar (ID)*	0.95	3.30	3.45	3.30
Mr. Raman Aggarwal (ID)*	0.50	2.15	2.40	1.85
Mrs. Nisha Jolly (ID)*	0.50	1.8	1.55	1.30
Mr. Vijuy Ronjan (ID)*	065	1.95	1.00	-

MD - Managing Director, WTD - Whole Time Director, ED - Executive Director, DMD- Deputy Managing Director,
ID- Independent Director
*Includes Sitting fees paid to ID for attending Board and Committee meetings of the Company.

ii)

Particular	Current FY (till end of Q1)	FY 2022-23	FY 2021-22	FY 2020-21
Remuneration payable or paid to a director by the subsidiary or associate company.	Nil	Nil	Nil	Nil

iii) shareholding of the director in the company including any stock options

Equity shares of Re. 1 each

Name of the Director	Current FY (till end of Q1)	FY 2022-23	FY 2021-22	FY 2020-21
Mr. Sunil Agarwal (MD)	5,28,51,400	5,28,51,400	5,28,51,400	5,28,51,400
Mr. Harish Singh (WTD)	Nil	Nil	Nil	Nil
Mr. Anoop Krishna (ED)	Nil	Nil	Nil	Nil
Mr. Santanu Agarwal (DMD)	1,68,52,000	1,68,52,000	1,68,52,000	1,68,52,000
Mr. Naresh Kumar Jain (ID)	Nil	Nil	Nil	Nil
Mr. Gauri Shankar (ID)	Nil	Nil	Nil	Nil
Mr. Raman Aggarwal (ID)	Nil	Nil	Nil	Nil
Mrs. Nisha Jolly (ID)	Nil	Nil	Nil	Nil
Mr. Vijuy Ronjan (ID)	1,100	500	Nil	Nil

For FY 2020-21 and 2021-22 the number of shares adjusted according to equity shares of Re. 1/- each

iv)

Particular	Current FY (till end of Q1)	FY 2022-23	FY 2021-22	FY 2020-21
Shareholding in subsidiaries and associate companies or associate company.	Mr. Sunil Agarwal holds 1000 shares of Rs. 10 each as nominee in the wholly owned subsidiary company.			

2.

Particular	Transaction and name of relative	Current FY (till end of Q1)	FY 2022-23	FY 2021-22	FY 2020-21
Appointment of any relatives to an office or place of profit	Rent paid to Mrs. Raj Agarwal (relative of Managing Director)	Nil	Rs. 9.00 Lakh	Rs. 9.00 Lakh	Rs. 9.00 Lakh
	Remuneration paid to Mr. Santanu Agarwal (relative of Managing Director)	Nil	Up to May 2022 Rs. 1.74 Lakh	Rs. 180.00 Lakh	Rs. 180.00 Lakh

3. **The full particulars of the nature and extent of interest, if any, of every director**

Particular	Current FY (till end of Q1)	FY 2022-23	FY 2021-22	FY 2020-21
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 Prospectus 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.	-	-	-	-

	Mr. Sunil Agarwal, Managing Director, is also the founder promoter of the Company

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

None of the directors of the Issuer will contribute in the issuance of the debt securities or separately in furtherance of such objects.

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

None of the Directors, Promoters, key managerial personnel or senior management has any financial or other material interest in the offer.

ii) Details of change in directors since last three financial years and current financial year:

Name, Designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Mr. Sunil Srivastav DIN: 00237561	12/04/2018	29/07/2021	29/07/2021	Resignation
Mr. Vijuy Ronjan DIN: 09345384	08/10/2021	-	-	Appointment
Mr. Santanu Agarwal DIN: 07069797	06/05/2022	-	-	Appointment
Mr. Pradeep Agarwal DIN: 06892799	28/03/2015	02/08/2022	-	Cased to be director due to sad demise
Mr. Nirmal Chand	27/03/2023	19/07/2023	19/07/2023	Resignation
Note: there is no other change in the directors of the Company other than above since last three year and during current financial year upto June 30, 2023.				

i. Following details regarding the auditors of the Issuer

i) Details of the Auditors of the Issuer:

Name of the Auditor	Address	Auditor since
M/s Manish Goyal & Co. Chartered Accountants Firm Registration no. 006066C Peer Review No.013438	F-6, First Floor, Friends Trade Centre, 66, Nehru Nagar, Agra-282002	25/09/2021

ii) Details of change in auditor since last three years and current financial year:

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of Resignation, if applicable	Remark
M/s Manish Goyal & Co. Chartered Accountants Firm Registration no. 006066C	F-6, First Floor, Friends Trade Centre, 66, Nehru Nagar, Agra-282002	30/09/2022	-	-	Pursuant to Section 139 of the Companies Act, 2013, Listing Regulations and RBI's Circular No. RBI/2021-22/25 Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 ("RBI Circular"), Reappointment for further term of 2 years in the 30th AGM of the Company
M/s Manish Goyal & Co. Chartered Accountants Firm Registration no. 006066C	F-6, First Floor, Friends Trade Centre, 66, Nehru Nagar, Agra-282002	25/09/2021	-	-	As Existing Auditors has, vide their letter dated August 13, 2021 effective from the conclusion of the 29th AGM of the Company, shows intention to resign as a Statutory Auditors of the Company, due to non qualifying the minimum required eligibility norms as prescribed in the RBI's Circular No. RBI/2021-22/25 Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 ("RBI

					Circular"), and accordingly not eligible to continue w.e.f. October 1, 2021 i.e. w.e.f. applicability of the RBI Guidelines. Therefore pursuant to Section 139 of the Companies Act, 2013 and RBI Guidelines, Company's policy for appointment of Statutory Auditors, M/s Manish Goyal & Co., has been appointed as Statutory Auditors of the Company from the conclusion of 29th Annual General Meeting till the conclusion of 30th AGM of the Company to be held in calendar year 2022.
M/s. D. Tayal & jain, Chartered Accountants Firm Registration no. 011181C	G-3, Ganpati Royale 30, Surya Nagar, Agra – 282 002	08/09/2020	25/09/2021	13/08/2021	Existing Auditors has, vide their letter dated August 13, 2021 effective from the conclusion of the 29th AGM of the Company, shows intention to resign as a Statutory Auditors of the Company, due to non qualifying the minimum required eligibility norms as prescribed in the RBI's Circular No. RBI/2021-22/25 Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 ("RBI Circular"), and accordingly not eligible to continue w.e.f. October 1, 2021 i.e. w.e.f. applicability of the RBI Guidelines.
Note: There are no change in the Statutory Auditor other than above during since last three years and current year till August 31, 2023					

j. Details of the following liabilities of the issuer

i) Details of Outstanding Secured Loan Facilities as at the end of the last quarter i.e. June 30, 2023:

(Rs. in Crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
Bank of India	CC	18.20	12.61	12 Months (The Tenure of facilities is 12 months)	The facility is primarily secured by the hypothecation of book-debts / receivables of the Company and collaterally by mortgage of immovable properties including office premises, a flat owned by the	IVR AA-/Stable Outlook (IVR Double A Minus with Stable Outlook)	Standard
Bank of Baroda	CC	40.00	37.77	12 Months (The Tenure of facilities is 12 months)			Standard
Punjab National Bank	CC	48.00	35.41	12 Months (The Tenure of facilities is 12 months)			Standard
Union Bank of India	CC	66.00	61.47	12 Months (The Tenure of facilities is 12 months)			Standard
UCO Bank	CC	37.00	20.38	12 Months (The Tenure of facilities is 12 months)			Standard
IDBI Bank Limited	CC	7.00	6.88	12 Months (The Tenure of facilities is 12 months)			Standard
Bank of Maharashtra	CC	12.50	10.12	12 Months (The Tenure of facilities is 12 months)			Standard
State Bank of India	CC	5.00	0.39	12 Months (The Tenure of facilities is 12 months)			Standard
Karnataka Bank	CC	50.00	42.32	12 Months (The Tenure of facilities is 12 months)			Standard
Dhanlaxmi Bank	CC	10.00	7.85	12 Months (The Tenure of facilities is 12 months)			Standard
CSB Bank	CC	30.00	25.27	12 Months (The Tenure of facilities is 12 months)			Standard
Indian Bank	CC	20.00	19.27	12 Months (The Tenure of facilities is 12 months)			Standard
Bank of India	WCDL	27.30	27.30	12 Months (The Tenure of facilities is 12 months)			Standard

Bank of Baroda	WCDL	60.00	60.00	12 Months (The Tenure of facilities is 12 months)			Standard
Punjab National Bank	WCDL	72.00	72.00	12 Months (The Tenure of facilities is 12 months)			Standard
Union Bank of India	WCDL	99.00	99.00	12 Months (The Tenure of facilities is 12 months)			Standard
IDBI Bank Limited	WCDL	18.00	18.00	12 Months (The Tenure of facilities is 12 months)			Standard
Bank of Maharashtra	WCDL	18.75	18.75	12 Months (The Tenure of facilities is 12 months)			Standard
Dhanlaxmi Bank	WCDL	15.00	15.00	12 Months (The Tenure of facilities is 12 months)			Standard
CSB Bank	WCDL	45.00	45.00	12 Months (The Tenure of facilities is 12 months)			Standard
Indian Bank	WCDL	30.00	30.00	12 Months (The Tenure of facilities is 12 months)			Standard
Bank of Baroda	TL	81.25	62.50	8 Quarterly installment			Standard
Punjab National Bank	TL	60.00	37.50	8 Quarterly installment			Standard
UCO Bank	TL	50.00	37.50	36 Monthly installment			Standard
IDBI Bank Limited	TL	5.00	5.00	36 Monthly installment			Standard
Bank of Maharashtra	TL	25.00	18.71	24 Monthly installment			Standard
State Bank of India	TL	49.50	40.50	40 Monthly installment			Standard
Dhanlaxmi Bank	TL	25.00	10.42	80 Monthly Installment			Standard
Indian Bank	TL	50.00	37.50	12 quarterly installment			Standard
South Indian Bank	TL	15.00	14.25	8 Quarterly installment	Hypothecation of Book debts		Standard
State Bank of India	TL	450.00	81.48	60 Monthly installment			Standard
Canara Bank	TL	75.00	71.25	60 Monthly installment			Standard
Canara Bank TL	TL	150.00	150.00	60 Monthly installment			Standard
Indian Bank	TL	50.00	50.00	60 Monthly installment			Standard

CC=Cash Credit, WCDL=Working Capital Demand Loan, TL=Term Loan

ii) Details of Outstanding Unsecured Loan Facilities as at the last quarter end i.e. June 30, 2023:

Lender's Name	Type of Facility	Amount Sanctioned (Rs. in Crore)	Principal Amount Outstanding (Rs. in Crore)	Repayment Date / Schedule	Credit Rating, if applicable
Hotel Library Club Pvt Ltd	Loan repayable on Demand	11.00	11.00	-	NA
Sachi Properties Pvt Ltd	Loan repayable on Demand	39.00	39.00	-	NA
Dla Infrastructure Ltd	Loan repayable on Demand	2.50	2.50	-	NA
Experience Investment Ltd	Loan repayable on Demand	5.00	5.00	-	NA
Cn Infrabuild Pvt Ltd	Loan repayable on Demand	15.00	15.00	-	NA
Tejas Financial Services India Pvt Ltd	Loan repayable on Demand	22.00	22.00	-	NA

iii) Details of Outstanding Non-Convertible Securities as at the last quarter end i.e. June 30, 2023:

Series of NCS	ISIN	Tenor/ Period of Maturity (Months)	Coupon (%)	Amount (Rs. in Crore)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security
PDL1808 NCD	-	72	14.00	81.00	03-08-2018	02-08-2024	Unrated	Unsecured	NA
PDL 2020-1	-	72	12.00	6.00	30-01-2020	29-01-2026	Unrated	Unsecured	NA
PDL 2020-2	-	72	12.00	1.00	13-02-2020	12-02-2026	Unrated	Unsecured	NA
PDL 2020-3	-	60	12.00	9.00	24-02-2020	23-02-2025	Unrated	Unsecured	NA
PDL-12-2020	-	120	12.00	1.00	04-12-2020	03-12-2030	Unrated	Unsecured	NA
PDL-12-2020-02	-	36	12.00	35.00	11-12-2020	10-12-2023	Unrated	Unsecured	NA

PDL-02-2021	-	60	12.00	23.00	16-02-2021	15-02-2026	Unrated	Unsecured	NA
PDL-07-2021	-	60	12.00	25.00	30-07-2021	29-07-2026	Unrated	Unsecured	NA
PDL-09-2021	-	60	12.00	94.00	17-09-2021	16-09-2026	Unrated	Unsecured	NA
PDL-09-2-2021	-	60	12.00	15.00	27-09-2021	26-09-2026	Unrated	Unsecured	NA
PDL-02-2022	-	84	9.00	27.00	05-02-2022	04-02-2029	Unrated	Unsecured	NA
PDL-07-2022	-	120	9.90	14.00	06-07-2022	05-07-2032	Unrated	Unsecured	NA
PDL-01-2023	-	120	12.00	34.00	18-01-2023	17-01-2033	Unrated	Unsecured	NA
PDL-04-2023	-	120	10.00	5.00	13-04-2023	12-04-2033	Unrated	Unsecured	NA
PDL-04-2023-02	-	120	12.00	36.40	29-04-2023	28-04-2033	Unrated	Unsecured	NA

iv) List of Top 10 holders of secured non-convertible securities in terms of value (in cumulative basis) as at the last quarter end i.e. June 30, 2023:

S. No.	Name of holder	Category of holder	Face value of holding	Holding as a % of total outstanding non-convertible securities of the issuer
As on the date there is no outstanding secured NCDs				

v) Details of Commercial Paper as at the last quarter end i.e. June 30, 2023:

Series	ISIN of Commercial Paper	Tenure/ Period of Maturity	Coupon	Amount Outstanding (Rs. In Crores)	Date of allotment	Redemption date	Credit Rating	Secured/ Unsecured	Security	Other Details
INE420C14011	INE420C14011	356 days	Discount rate 9.1114%	18.00	06-04-2023	27-03-2024	A1+	Unsecured	NA	Issuing and Paying Agent-IDBI Bank Limited Credit Rating Agency-Infomerics Valuation And Ratings Private Limited

vi) List of top 10 holders of commercial papers in terms of value (in cumulative basis):

S. No.	Name of holder	Category of holder	Face value of holding	Amount Outstanding (Rs. In Crores)
1	Unity Small Finance Bank	CP Holder	Rs. 18.00 Crores	Rs. 18.00 Crores

vii) Details of the bank fund based facilities / rest of the borrowings (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 / Name of Instrument.	Type of Facility / Instrument	Amount sanctioned / issued (Rs. Crore)	Principal Amount outstanding (Rs. In Crore)	Date of Repayment / Schedule	Credit Rating	Secured / Unsecured	Security
NA	NA	Nil	Nil	NA	NA	NA	NA

viii) 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: **Nil**

a)	in whole or part,	:	NA
b)	at a premium or discount, or	:	NA
c)	in pursuance of an option or not	:	NA

k. 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 issued by the Company, in the past 3 years and current financial year.

a)	Statutory dues	**:**	Nil
b)	Debentures and Interest Thereon	**:**	Nil
c)	Loan from any Bank or Financial Institution and Interest thereon	**:**	Nil
Note: there is no default in the past 3 years and current financial year till June 30, 2023			

l. 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.

Considering the basic nature of business of Issuer M/s Paisalo Digital Limited, a NBFC, the litigations are by & large for recovery of dues due to default committed in repayment by the Borrowers. During the course of recovery, different proceedings are initiated depending on the nature and terms of sanction and Loan Agreements. Thus, all the pending litigations are either through arbitration proceedings, proceedings u/s 138 of N.I. Act for dishonoring of cheques, money suits for recoveries, execution petitions for disposal and appropriation of dues from the realization, proceedings under SARFAESI Act, proceedings under NCLT and such other options available to a NBFC under various prevailing laws. The Borrowers have filed the counter cases in the competent courts as appeal/revisions against the orders of primary courts and arbitration seats to rebut the charges, to seek relief and also to safeguard their civil rights, to protect their assets and to avoid individual liabilities. In such cases, during the course of proceedings defaulters have made the Company, its promoters and its directors as party to such suits. Therefore, this can be summarized that there are no cases against the Issuer, Directors, Promoters, Subsidiary and all the pending cases are only counter cases related to our original suits/proceedings for recovery of defaulted money and criminal proceedings.

As a policy, the Company writes-off the NPA declared amounts from the books of accounts and the recovery proceedings continue. Therefore, it is evident and clear that there would not be any substantial or material negative impact on the financial of the company even in cases where orders/outcomes in pending litigations are against the company. As against this, the recoveries from such NPA accounts are added back to the profits of the company in the concerned financial year. There shall be no negative impact on the financial position of the Company from the pending litigations as all the pending litigations are related to recovery from NPA which have already been written off by the Company. There shall be no negative impact on the financial position of the Company from the pending litigations as all the pending litigations are related to recovery from NPA which have already been written off by the Company.

Except as disclosed in this section, there are no outstanding legal proceedings which have been considered material where involved amount is ₹ 3,84,00,000 (Indian Rupees Three Crore and Eighty Four Lakh only) or above (being considered as threshold for materiality), in accordance with guidelines provided in SEBI LODR Regulations. Further, as on the date of this General Information Document, except as disclosed hereunder,: (i) the promoter of the Company is not involved in any outstanding action initiated by government department, regulatory or statutory authorities (such as SEBI, RBI, Stock Exchanges or such similar authorities) in the last three years immediately preceding the year of this General Information Document; (ii) the Company, promoter, subsidiaries and group companies are not involved in any outstanding civil litigation or tax proceedings involving where the amount is ₹ 3,84,00,000 (Indian Rupees Three Crore Eighty Four only) (being considered as threshold for materiality) or above; (iii) the Company, promoter, subsidiaries and group companies are not involved in any outstanding criminal litigation the outcome of which could have a material adverse effect on the Issue; (iv) there are no pending proceedings initiated against the Issuer for economic offences and (v) there are no pending litigation involving the Issuer, promoter, director, subsidiaries, group companies, 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 and (vi) there is no material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer or 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.

Except as disclosed in this General Information Document, there are no (i) inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 in the last three years immediately preceding the year of this General Information Document involving the Company and its subsidiaries, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this General Information Document involving the Company and its subsidiaries; (ii) any material fraud committed against the Company in the last three years, and if so, the action taken by the Company; (iii) any significant and material order passed by the regulators, courts and tribunals impacting the going concern status of the Company or its future operations; (iv) any default by the Company including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) any default in annual filing of the Company under the Companies Act, 2013; and (vi) any litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of the Company during the last three years immediately preceding the year of this General Information Document, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, our promoter, or our directors as the case may be, have not been considered as litigation until such time that the above-mentioned parties are not impleaded as a defendant/respondent in litigation proceedings before any judicial or quasi-judicial forum.

1.	**Litigation involving the Company:**	
a)	Material Civil Litigations against the Company	One case has been filed by Borrower/defaulter to protect itself from the legal action initiated by our company against it for recovery of monies. The case will have no financial liabilities/implications against us.
b)	Material Civil Litigations by the Company	One case related to protect Company's right on the security offered by the Borrower.
c)	Criminal Litigations against the Company	The are five cases , in which Borrowers who are in default have filed criminal complaints against our company as counter blast to the criminal proceeding initiated by our Company against them.
d)	Criminal Litigations by the Company though not material as per threshold limit	There are 102 Cases filed by the Company against the Borrowers who are in default in repayment.
e)	Actions Taken by Regulatory and Statutory Authorities against the Company	None
f)	Material cases under Section 138 of Negotiable Instrument Act, 1881	There are thirty cases have been filed by our company against the Borrower/defaulters which are pending in various Courts.
2.	**Litigation involving our Subsidiary:**	
a)	Material Civil Litigations against Subsidiary	None
b)	Material Civil Litigations by Subsidiary	None
c)	Criminal Litigations against Subsidiary	None
d)	Criminal Litigations by the Company	None
e)	Actions Taken by Regulatory and Statutory Authorities against Subsidiary	None
3.	**Litigation involving our Directors:**	
a)	Material Civil Litigations against Directors	None
b)	Material Civil Litigations by Directors	None
c)	Criminal Litigations against Directors	One Borrower, who is in default. where we lodged FIR against him, has filed an application before Court to lodge the

		FIR against the Directors of our Company as counter blast. In the said application concern court has issued direction to the police for preliminary inquiry before issuing any direction for lodging the FIR. Inquiry is pending at the level of concern police station.
d)	Criminal Litigations by the Directors	None
e)	Actions Taken by Regulatory and Statutory Authorities against Directors	None
4.	**Litigation or legal or regulatory actions involving our Promoter as on the date of this General Information Document:**	
a)	Material Civil Litigations against Promoter	None
b)	Material Civil Litigations by Promoter	None
c)	Material Criminal Litigations against Promoter	None
d)	Material Criminal Litigations by the Promoter	None
e)	Regulatory proceedings against our Promoter	None
f)	Litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years immediately preceding the year of this General Information Document -	None
5.	**Arbitration proceedings initiated against the defaulters**	
a)	Material Arbitration proceeding pending	There are five such arbitration proceeding for recovery from borrowers pending in which aggregate amount involved in said proceeding are Rs. 46.11 crore
b)	Award/Decree passed in favour of the Company	Twenty Nine award/decree are passed in favour of Company in which aggregate amount involved are Rs. 160.94 crore

6.	**Tax Litigations**		
	Forum	**Period**	**Remark**
a	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2012-13	Order Pending
b	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2017-18	Rs. 23,29,246/- amount involved
c	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2019-20	Rs. 16,64,666/- amount involved
d	Assessment Proceeding u/s 143(1) of Income Tax Act, 1961	F.Y. 2021-22	Order Pending
f	Income Tax Department u/s 154 of Income Tax Act, 1961	F.Y. 2016-17	Rs. 69,09,140/- amount involved
g	Proceedings u/s 271(1)(c) of Income Tax Act, 1961	F.Y. 2012-13	Order Pending
h	Penalty Proceedings u/s 271(1)(c) of Income Tax Act, 1961	F.Y. 2017-18	Order Pending
i	Proceedings u/s 271(1)(c) of Income Tax Act, 1961	F.Y. 2019-20	Order Pending
j	Proceeding u/s 61 of Goods & Service Tax Act, 2017	F.Y. 2019-20	Order Pending
k	Proceeding u/s 61 of Goods & Service Tax Act, 2017	F.Y. 2017-18	Order Pending
l	Proceedings u/s 133(A) Income Tax Act, 1961	F.Y. 2022-23	Order Pending
7.	**Litigation or legal or regulatory actions involving our group companies as on the date of this General Information Document:**		

a)	Material Civil Litigations against our group companies	None
b)	Material Civil Litigations by our group companies	None
c)	Material Criminal Litigations against our group companies	None
d)	Material Criminal Litigations by our group companies	None
e)	Regulatory proceedings against our group companies	None
f)	Litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against our group companies during the last three years immediately preceding the year of this General Information Document -	None

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

None

n. Details of pending proceedings initiated against the issuer for economic offences.

None

o. Any litigation or legal action pending or taken against the promoter of the company by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of this General Information Memorandum.

None

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

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

(₹ in Lakh)

Name of the Related Party	Loans made			Guarantees given			Securities Provided		
	FY 2022-23	FY 2021-22	FY 2020-21	FY 2022-23	FY 2021-22	FY 2020-21	FY 2022-23	FY 2021-22	FY 2020-21
Nupur Finvest (P) Ltd.	477.00	835.00	1,330.00	14,002.23	9,305.78	9,490.78	Nil	Nil	Nil

Related party transactions entered during the current financial year with regard to loans made or, guarantees given or securities provided as on June 30, 2023

(₹ in Lakh)

Name of the Related Party	Loans made	Guarantees given	Securities Provided
Nupur Finvest (P) Ltd.	3.00	13,124.85	Nil

For related party transaction please refer relevant note of Financial Statements
1. Financial Statement as on 31.03.2023 start from page no.-52
2. Financial Statement as on 31.03.2022 start from page no.-47
3. Financial Statement as on 31.03.2023 start from page no.-41

q. 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.

None

Details of default and non-payment of statutory dues for the preceding three financial years and current financial year None

r. Debenture Trustee

Please refer to the relevant Key Information Document(s).

s. 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 General Information Document.

Please refer to the relevant Key Information Document(s).

t. Disclosure of cash flow with date of interest/ redemption payment as per day count convention

i) Business day conventions / effect of holidays

Please refer to the relevant Key Information Document(s).

ii) Procedure and time schedule for allotment and issue of Debt Securities

Please refer to the relevant Key Information Document(s).

iii) Illustration on coupon payment dates and redemption date and cash flows emanating from the Debt Securities

Please refer to the relevant Key Information Document(s).

u. Other details

(i) **Creation of Debenture Redemption Reserve (DRR)**

Please refer to the relevant Key Information Document(s)

(ii) **Issue/instrument specific regulations - relevant details (Companies Act, 2013 (18 of 2013), Reserve Bank of India guidelines, etc.).**

Please refer to the relevant Key Information Document(s)

(iii) **Default in Payment**

Please refer to the relevant Key Information Document(s)

(iv) **Governing Law and Provisions**

Please refer to the relevant Key Information Document(s)

(v) **Delay in Listing**

Please refer to the relevant Key Information Document(s)

(vi) **Delay in allotment of securities and unblocking of application money in case of refund**

Please refer to the relevant Key Information Document(s)

(vii) **Issue details**

Term	**Description**
Security Name	Please refer to the relevant Key Information Document(s)
Issuer	Paisalo Digital Limited
Type of Instrument	Please refer to the relevant Key Information Document(s)
Nature of Instrument	Please refer to the relevant Key Information Document(s)
Seniority	Please refer to the relevant Key Information Document(s)
Mode of Issue	Please refer to the relevant Key Information Document(s)
Eligible Investors/ Participants	Please refer to the relevant Key Information Document(s)
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	On the wholesale debt market segment of the BSE or NSE Listing application shall be filed with the Stock Exchange in terms of SEBI NCS Regulations and any amendments thereto within 3 (three) working days of issue closing date. In case of delay in listing beyond the timelines specified above, the Company will pay penal interest of 1% p.a. over the Coupon Rate to Debenture Holders from the Deemed Date of Allotment to the date of listing of Non-Convertible Debentures
Rating of the Instrument	Please refer to the relevant Key Information Document(s)
Issue Size	Please refer to the relevant Key Information Document(s)
Minimum Subscription	Minimum subscription, for overall issue level, is not applicable for privately placed debentures. However, minimum subscription (minimum application) per investor shall be as per the provisions of the RBI Directions and the same is being separately given in the Term Sheet.
Option to retain oversubscription/ Green Shoe Option (Amount)	Please refer to the relevant Key Information Document(s)
Objects of the Issue / Purpose for which there is requirement of funds	Please refer to the relevant Key Information Document(s)
In case the issuer is an 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:	Not Applicable
Details of the utilization of the Proceeds	Please refer to the relevant Key Information Document(s)
Coupon Rate	Please refer to the relevant Key Information Document(s)
Step Up/ Step Down Coupon Rate	Please refer to the relevant Key Information Document(s)
Coupon Payment Frequency	Please refer to the relevant Key Information Document(s)
Coupon Payment Date(s)	Please refer to the relevant Key Information Document(s)
Coupon Type	Please refer to the relevant Key Information Document(s)
Coupon Reset Process	Please refer to the relevant Key Information Document(s)
Early Redemption / Accelerated Redemption Option	Please refer to the relevant Key Information Document(s)
Shareholding Covenant	Please refer to the relevant Key Information Document(s)
Day Count Basis	Actual/Actual Basis Interest payable on Non-Convertible Debentures will be calculated on the basis of actual number of days elapsed in a year of 365 or 366 Days as the case may be.
Interest on Application Money	As the Pay-In Date and the Deemed Date of Allotment fall on the same date, interest on application money shall not be applicable.
Default Interest Rate	In case of default in payment of interest and/ or Redemption Amount on due dates, additional interest at the rate of 2% p.a. over and above the Coupon Rate will be payable by the Issuer for the period of default excluding date of payment.
Tenor	Please refer to the relevant Key Information Document(s)
Redemption Date	Please refer to the relevant Key Information Document(s)

Redemption Amount	Please refer to the relevant Key Information Document(s)
Redemption Premium / Discount	Please refer to the relevant Key Information Document(s)
Prepayment	Please refer to the relevant Key Information Document(s)
Issue Price	Please refer to the relevant Key Information Document(s)
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable, as the Non-Convertible Debentures are being issued at par
Premium / Discount at which security is redeemed and the effective yield as a result of such premium / discount	Not Applicable, as the Non-Convertible Debentures will be redeemed at par
Put Date	Please refer to the relevant Key Information Document(s)
Put Price	Please refer to the relevant Key Information Document(s)
Call Date	Please refer to the relevant Key Information Document(s)
Call Price	Please refer to the relevant Key Information Document(s)
Put Notification Time	Please refer to the relevant Key Information Document(s)
Call Notification Time	Please refer to the relevant Key Information Document(s)
Face Value	Please refer to the relevant Key Information Document(s)
Minimum Application and in multiples thereafter	Please refer to the relevant Key Information Document(s)
Anchor Investor	Please refer to the relevant Key Information Document(s)
Quantum of Anchor	Please refer to the relevant Key Information Document(s)
Issue timing	Please refer to the relevant Key Information Document(s)
Issue Opening Date	Please refer to the relevant Key Information Document(s)
Issue Closing Date	Please refer to the relevant Key Information Document(s)
Date of earliest closing of the issue, if any	Please refer to the relevant Key Information Document(s)
Pay-in Date	Please refer to the relevant Key Information Document(s)
Deemed Date of Allotment	Please refer to the relevant Key Information Document(s)
Manner of allotment	The allotment will be done on uniform yield basis in line with the Operational Guidelines/Master Circular.
Manner of settlement	Please refer to the relevant Key Information Document(s)
Settlement cycle	The process of pay-in of funds by investors and pay-out to Issuer will be done on T+1 day, where T is the Issue / Bid Closing Day
Issuance mode of the Debentures	Only in dematerialized form
Trading Mode of the Debentures	Only in dematerialized form
Settlement Mode of the Debentures	Payment of interest and Redemption Amount will be made by way of Cheque / DD / RTGS / NEFT / Electronic mode and any other prevailing mode of payment from time to time.
Depository	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
Business Day Convention	If any of the Coupon Payment Date(s) other than Redemption Date falls on a day which is not a Business Day, the payment due on such date may be made on the immediately succeeding Business Day. However, the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of any earlier coupon payment that has been postponed because of it having fallen on a day which is not a Business Day. It is further clarified that the amount of interest payable on each such Coupon Payment Date will be calculated as if Coupon Payment Date remained as per the schedule originally stipulated at the time of issuing the Debentures. If the Redemption Date falls on a day which is not a Business Day, payment in respect of Redemption Amount (along with interest accrued on the Debentures until but excluding the date of such payment) shall be made one

	Business Day prior to the Redemption Date.
Disclosure of Interest / redemption dates	Please refer to the relevant Key Information Document(s)
Record Date	Please refer to the relevant Key Information Document(s)
All covenants of the Issue (including side letters, accelerated payment clause etc.)	The covenants of the Issue are set out herein and in the Debenture Trust Deed which will be/ has been duly filed with the stock exchange in terms of SEBI guidelines and notifications and may be accessed on their website.
Financial Covenants	Please refer to the relevant Key Information Document(s)
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 Debenture Trust Deed and disclosed in this Key Information Document	Please refer to the relevant Key Information Document(s)
Debenture Redemption Reserve	According to rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, no Debenture Redemption Reserve is required to be created in the case of privately placed debentures by the company which is a NBFC registered with the RBI under Section 45-IA of the RBI (Amendments) Act,1997. The Company maintains a reserve fund under section 45–IC of the Reserve Bank of India Act, 1934 by transferring 20% of its profits as per the provisions of the RBI Act, 1934.
Future Borrowings	Please refer to the relevant Key Information Document(s)
Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in this Key Information Document	Please refer to the relevant Key Information Document(s)
Debenture Trust Deed	Means the debenture trust deed to be entered into between the Issuer and the Debenture Trustee, as amended from time to time.
Debenture Trustee Agreement	Please refer to the relevant Key Information Document(s)
Please refer to the relevant Key Information Document(s)	Please refer to the relevant Key Information Document(s)
Please refer to the relevant Key Information Document(s)	Please refer to the relevant Key Information Document(s)
Conditions Subsequent	Please refer to the relevant Key Information Document(s)
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer to the relevant Key Information Document(s) **"Material Adverse Effect"** means the occurrence of any event or circumstance in relation to the business, operations, property and assets of the Issuer which has/had or is reasonably likely to have a material and adverse effect on (a) the Issuer's ability to make payment of interest and principal towards the Debentures; or (b) performance of its other material obligations towards the Debentures; or (c) the validity or enforceability of the Transaction Documents and security relating to Debentures. **Consequences of Event(s) of Default** In accordance with the SEBI Debenture Trustee Master Circular issued by SEBI which provides framework on "operational framework for transactions in defaulted Non-Convertible Debentures post maturity date/ redemption date, post the occurrence of one or more of the Event(s)

	of Default specified above, the consent of the Debenture Holders for entering into an inter-creditor agreement (the "ICA") / enforcement of security shall be sought by the Debenture Trustee after providing a notice to the Debenture Holders in the manner stipulated under applicable law. Further, the meeting of the Debenture Holders shall be held within the period stipulated under applicable law. In case(s) where majority of Debenture Holders express their dissent to enforce the security, the Debenture Trustee shall not enforce the security on behalf of the Debenture Holders. In case(s) where majority of Debenture Holders express their consent to enter into the ICA, the Debenture Trustee shall enter into the ICA on behalf of the Debenture Holders upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA or enforcement of security, the Debenture Trustee shall take further action, if any, as per the decision taken in the meeting of the Debenture holders. The Debenture Trustee may form a representative committee of the Debenture Holders to participate in the ICA or to enforce the security or as may be decided in the meeting. The dissent for enforcement / consent for joining the ICA of the majority of Debenture Holders shall mean the approval of not less than 75% of the Debenture Holders by value of the outstanding debt and 60% of the Debenture Holders by number at the ISIN level. Thus, in case of an occurrence of a "default", the Debenture Trustee shall abide and comply with the procedures mentioned in the SEBI Debenture Trustee Master Circular. The Debenture Trustee / Debenture Holders shall have such other rights and remedies as may be provided in the Debenture Trust Deed including levy of penal interest, enforcement of security and appointment of nominee Director/observer upon occurrence of event of default(s).
Creation of recovery expense fund	Please refer to the relevant Key Information Document(s)
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Please refer to the relevant Key Information Document(s)
Provisions related to Cross Default Clause	Please refer to the relevant Key Information Document(s)
Debenture Trustee	Please refer to the relevant Key Information Document(s)
Role and Responsibilities of Debenture Trustee	As per Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time and Debenture Trust Deed and as specified in the Transaction Documents. While the Debentures are secured to the tune of 110% of the principal and interest amount as per the terms of this Key Information Document, in favour of Debenture Trustee, and it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.
Risk factors pertaining to the issue	Please refer Annexure 1 and relevant Key Information Document(s)
Governing Law and Jurisdiction	Non-Convertible Debentures are governed by and shall be

	construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the exclusive jurisdiction of the courts at Delhi in India. Over and above the aforesaid terms and conditions, the said Non-Convertible Debentures shall be subject to the terms and conditions of the General Information Document, this Key Information Document and terms and conditions of the Debenture Trust Deed/ Debenture Trustee Appointment Agreement and other Security Documents.

(viii) **Other details**

(a) Undertaking Common Form of Transfer

The Debt Securities shall be transferred subject to and in accordance with the rules and procedures as prescribed by the NSDL / CDSL / Depository Participant of the transferor / transferee and any other Applicable Law and rules notified in respect thereof.

The normal procedure followed for transfer of securities held in the dematerialized form shall be followed for transfer of the Debt Securities, issued in terms of the General Information Document and held in electronic form. The seller should give delivery instructions containing details of the buyer's Beneficiary Account to his Depository Participant.

The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid /redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company.

The Company is issuing the Debt Securities only in the dematerialized form and hence there is no physical holding of the Debt Securities being issued in terms of the General Information Document. The Company undertakes that it shall use a common form / procedure for transfer of the Debt Securities issued under the terms of the General Information Document, if at a later stage there is some holding in the physical form due to the Depository giving re-materialization option to any investor.

(b) Joint-Holders

Where two or more persons are holders of any Debt Securities, they shall be deemed to hold the same as joint tenants with benefits of survivorship in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company, subject to other provisions contained in the Articles of Association of the Company.

(c) Mode of Transfer

The Debt Securities shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company. The provisions relating to transfer and transmission, nomination and other related matters in respect of equity shares of the Company, contained in the Articles of Association of the Company, shall apply mutatis mutandis to the transfer and transmission of the Debt Securities and nomination in this respect.

(d) Succession

In the event of demise of the sole holder of the Debt Securities, the Company will recognize the executor or administrator of the deceased holder of the Debt Securities, or the holder of succession certificate or other legal representative as having title to the Debt Securities. The Company shall not be bound to recognize such executor, administrator or holder of the succession certificate, unless such executor or administrator obtains probate or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the

matter. The Directors of the Company may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debt Securities standing in the name of the deceased holder of Debt Securities on production of sufficient documentary proof or indemnity.

(e) List of holders of Debt Securities / Beneficial Owner(s)

The Company shall request the Registrar / Depository to provide a list of holder(s)/beneficial owner(s) at the close of the Record Date. This shall be the list, which shall be considered for payment of interest or redemption amount, as the case may be.

(f) Deduction of Tax at Source (TDS)

The holders of the Debt Securities should consult their own independent tax advisers to understand their positions. In addition, such holders should be aware that the tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time. Therefore, such holders are advised to consider the tax implications in respect of subscription to the Debt Securities in consultation with their tax advisors.

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source on payment of interest or any other sums payable in respect of the Debt Securities. For seeking TDS exemption/lower rate of TDS, relevant certificate(s)/ order(s) /declaration(s)/ document(s) must be lodged at least 15 days before the Coupon Payment Date (s) with the Registrar or to such other person(s) at such other address(es) as the Company may specify from time to time through suitable communication. Tax exemption certificate/ order/declaration/ document of non-deduction of tax at source on interest on application money, should be submitted along with the Application Form.

Where any deduction of Income Tax is made at source and PAN has been provided by the holder of Debt Securities, the Company shall send to the holder(s) of Debt Securities a certificate of tax deduction at source. Regarding deduction of tax at source and the requisite certificate(s) / order(s) / declaration(s) / document(s) forms to be submitted, prospective investors are advised to consult their own tax consultant(s).

(g) Future Borrowings

The Company shall be entitled to borrow/raise loans or avail of financial assistance in whatever form as also issue debt securities / notes / other securities in any manner with ranking at pari passu basis or otherwise and to change its capital structure including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Company may think appropriate, without the consent of, or intimation to, holders of Debt Securities / Debenture Trustee in this connection.

The Issuer can create security for its future borrowings on pari passu or second / subservient basis without obtaining consent / no objection certificates (NOCs) from the holders of Debt Securities or Debenture Trustee as long as Issuer is maintaining stipulated asset cover ratio and there is no event of default. The Issuer shall produce certificate from chartered accountant confirming asset cover ratio to Debenture Trustee at the time of creation of such pari passu charge in respect of future borrowings / issue of debentures / notes/ other securities.

(h) Purchase/ Sale of Debt Securities

The Issuer may, at any time and from time to time, prior to Redemption Date, purchase Debt Securities in part (on a pro-rata basis or otherwise) or full at discount, at par or at premium in the open market or otherwise as may be determined by the Board of Directors /Operations and Finance Committee of the Issuer.

Such Debt Securities, at the option of the Issuer, may be cancelled, held or resold, as permitted under Applicable Law, at such price and on such terms and conditions, as the

Board of Directors / Operations and Finance Committee of the Issuer may deem fit. Such purchase / sale of Debt Securities shall not require any further consent / approval of the holder(s) of Debt Securities / Debenture Trustee.

The right to purchase Debt Securities is not a call option and should not be construed as such by anyone. The right of purchase and sale can be exercised by the Company multiple times during the tenor of the Debt Securities without applicability of any minimum amount or price of the Debt Securities.

(i) Right of Consolidation and Reissuance

The Board of Directors of the Issuer shall have the power to consolidate and reissue its Debt Securities on such terms and conditions as they may deem fit. Tax Implications to the holders of Debt Securities The holder(s) of the Debt Securities are advised to consider in their own case, the tax implications in respect of subscription to the Debt Securities after consulting their own tax advisor/ counsel.

(j) Sharing of Information

The Company may, at its option, use on its own, as well as exchange, share or part with any financial or other information about the holders of the Debt Securities available with the Company, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Company nor its subsidiaries and affiliates or their agents shall be liable for use of the aforesaid information.

(k) Holder of the Debt Securities not a shareholder

The holders of the Debt Securities will not be entitled to any of the rights and privileges available to the shareholders of the Company.

(l) Modification of Rights

The rights, privileges, terms and conditions attached to the Debt Securities may be varied, modified or abrogated by the Company, with the consent, in writing, of those holders of the Debt Securities who hold at least three fourth of the outstanding amount of the Debt Securities or with the sanction accorded pursuant to a resolution passed at a meeting of the holders of the Debt Securities, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debt Securities, if the same are not acceptable to the Company.

(m) Notice(s)

All notices to the holder(s) of the Debt Securities required to be given by the Company or the Debenture Trustee from time to time, shall be deemed to have been given if sent by registered post / by courier/email to the sole / first holder or the sole / first beneficial owner of the Debt Securities or registered e-mail id of such holder, as the case may be, or if published in one English and one regional language daily newspaper in Delhi.

All notice(s) to be given by the holder(s) of the Debt Securities shall be sent by registered post or by hand delivery or courier to the Company or to such persons at such address as may be notified by the Company from time to time through suitable communication.

(n) Disputes and Governing Law

The Debt Securities are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the exclusive jurisdiction of the courts at Mumbai in India.

(ix) **Application / Bidding process.**

Please refer to the relevant Key Information Document(s)

(x) **Disclosure prescribed under Form PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014**

Please refer to the relevant Key Information Document(s)

(xi) **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

(xii) **If the objects of the issue entail loan to any entity who is a 'Group Company'**

S No.	Name of the Borrower (A)	Amount of Advances /exposures to such borrower (Group)(Rs. Crore) (B)	Percentage of Exposure (C)= B/Total AUM
Not Applicable			

Additional Disclosures:

a.	A portfolio summary with regards to industries/ sectors to which borrowings have been made by NBFCs.	NA
b.	Quantum and percentage of secured vis-à-vis unsecured borrowings made by NBFCs.	NA
c.	Any change in promoter's holdings in NBFCs during the last financial year beyond a particular threshold. At present, Reserve Bank of India has prescribed such a threshold level at 26%. The same threshold shall be applicable or as may be prescribed by Reserve Bank of India from time to time.	NA

(xiii) **Lending and borrowing policy**

Copy of Credit Policy Attached as **Annexure 5**

(xiv) **Details of purchase and sale of securities of the Issuer and its subsidiaries**

Sl. No.	Particulars	Remarks
1.	aggregate number of securities of the Issuer purchased or sold by the promoter group of Issuer within six months immediately preceding the date of this General Information Document	

Name of Promoter Group entity	Purchase/ Sale	number of share	Date	Mode of Purchase/ Sale
Equilibrated Venture Cflow Private Limited	Purchase	150000	18/08/2023	Open Market
Pri Caf Private Limited	Purchase	150000	18/08/2023	Open Market
Pro Fitcch Private Limited	Purchase	150000	18/08/2023	Open Market
Equilibrated Venture Cflow Private Limited	Purchase	500000	07/08/2023	Open Market
Pri Caf Private Limited	Purchase	500000	07/08/2023	Open Market
Pro Fitcch Private Limited	Purchase	500000	07/08/2023	Open Market
Equilibrated Venture Cflow Private Limited	Purchase	20200	02/08/2023	Open Market
Equilibrated Venture Cflow	Purchase	1012100	26/06/2023 27/06/2023	Open Market

		Private Limited
2.	aggregate number of securities of the subsidiaries of Issuer purchased or sold by the promoter group of Issuer within six months immediately preceding the date of this General Information Document	Nil
3.	aggregate number of securities of the Issuer purchased or sold by the directors of the company which is a promoter of Issuer within six months immediately preceding the date of this General Information Document	Nil
4.	aggregate number of securities of the subsidiaries of Issuer purchased or sold by the directors of the company which is a promoter of Issuer within six months immediately preceding the date of this General Information Document	Nil
5.	aggregate number of securities of the Issuer purchased or sold by the directors of the Issuer or their relatives within six months immediately preceding the date of this General Information Document	Name of Director: Mr. Vijuy Ronjan; Purchase/ Sale: Purchase; number of share: 600; Date: 20/06/2023; Mode of Purchase/ Sale: Open Market Name of Director: Mr. Vijuy Ronjan; Purchase/ Sale: Purchase; number of share: 500; Date: 28/03/2023; Mode of Purchase/ Sale: Open Market
6.	aggregate number of securities of the subsidiaries of the Issuer purchased or sold by the directors of the Issuer or their relatives within six months immediately preceding the date of this General Information Document	Nil

(xv)**Material contracts and agreements involving financial Obligations**

Material Contracts - By very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. Copies of these contracts together with the copies of documents referred herein below may be inspected at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on any Working Day until the Issue Closing Date.

a) Memorandum and Articles of Association of the Company.

b) Certificate of Registration issued by Reserve Bank of India under Section 45IA of Reserve Bank of India Act 1934.

c) Tripartite Agreement between the Company, National Securities Depository Limited ("**NSDL**") and the Registrar for the Issue of Debentures in dematerialised form.

d) Tripartite Agreement between the Company, Central Depository Services (India) Limited ("**CDSL**") and the Registrar for the Issue of Debentures in dematerialised form.

e) Annual Reports of the Company for last three years.

f) Any other document as may be required under the relevant Key Information Document(s).

(xvi) **Related Party Transactions**

Details of related party transactions entered during the three financial years immediately preceding the issue of General Information Document are set-out in audited standalone financial statements of the Company as under;
FY 2022-23 start from page no.-52
FY 2021-22 start from page no.-47
FY 2020-21 start from page no.-41

(xvii) **Reservation, qualifications or adverse remarks of the auditors**

The Auditor's Reports on the financial statements for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 do not contain any reservations, qualifications or adverse remarks.

(xviii) **Details of Inquiry, inspection, investigations, prosecutions, fines etc. in the three years immediately preceding the year of issue General Information Document**

Particulars	In the Case of	Remarks
any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law;	Issuer and its subsidiary	None
prosecutions filed, if any (whether pending or not)	Issuer and its subsidiary	None
fines imposed or offences compounded	Issuer	Fine of Rs. 10,000/- paid to BSE for delay submission of disclosure under Section 60 (2) in FY 2022-23
fines imposed or offences compounded	subsidiary	None

(i) **Details of the 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**

None

(ii) **Undertaking By The Issuer**

Investors are advised to read the risk factors carefully before taking an investment decision in respect of issuance of Debt Securities. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this General Information Document. Specific attention of investors is invited to section 'General Risk' on page number 1 and the statement of 'Risk factors' given on **Annexure 1.**

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this General Information Document read with the relevant Key Information Document(s) contains all information with regard to the Issuer and the issuance of Debt Securities, 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.

The Issuer has no side letter with any holder of the Debt Securities. Any covenants later added shall be disclosed on the website of stock exchange where the Debt Securities will get listed.

(iii) **Other Confirmation pertaining to the issue of Debt Securities**

Please refer to the relevant Key Information Document(s).

13. **Issue Details/ Summary of Terms**

    Please refer to the relevant Key Information Document(s)

14. **Disclosures in terms of SEBI Debenture Trustee Master Circular**

    Please refer to the relevant Key Information Document(s)

15. **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.**

Consent of directors	Please refer to Annexure No 7
Consent of Auditors	Please refer to Annexure No 7
Consent of Bankers to issue	Not Applicable
Consent of Bankers to trustees	Please refer to the relevant Key Information Document(s)
Consent of solicitors or advocates to the issue	Please refer to the relevant Key Information Document(s)
Consent of legal advisors to the issue	Please refer to the relevant Key Information Document(s)
Consent of lead managers to the issue	Not Applicable
Consent of Registrar to the Issue	Please refer to the relevant Key Information Document(s)
Consent of lenders (if required, as per the terms of the agreement) and experts	Please refer to the relevant Key Information Document(s)

Annexure-1 RISK FACTORS

The Company believes that the following factors may affect its ability to fulfil its obligations in relation to the Non-Convertible Debt Securities. These risks may include, among others, business aspects, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Eligible Investors should carefully consider all the information in this Information Memorandum, including the risks and uncertainties described below, before making an investment in the Non-Convertible Debt Securities. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Every business carries certain inherent risks and uncertainties that can affect its financial condition, results of operations and prospects. The management of the Company understands that risks can negatively impact the attainment of both short term operational and long term strategic goals.

The following factors have been considered for determining the materiality, of which:
(a) Some events may not be material individually but may be found material collectively.
(b) Some events may have material impact qualitatively instead of quantitatively.
(c) Some events may not be material at present but may have material impact in future.

The following are the risks relating to the Company, the Non-Convertible Debt Securities and the market in general envisaged by the management of the Company. Potential investors should carefully consider all the risk factors in this Information Memorandum for evaluating the Company and its business and Non-Convertible Debt Securities before making any investment decision relating to the Debt Securities. The Company believes that the factors described below represent the principal risks inherent in investing in the Non-Convertible Debt Securities but does not represent that the statements below regarding risks of holding the Non-Convertible Debt Securities are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Investors should also read the detailed information set out elsewhere in the Information Memorandums and reach their own views prior to making any investment decision.

If any one of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and, therefore, the value of the Non-Convertible Debt Securities could decline and/or the Company's ability to meet its obligations in respect of the Debt Securities could be affected. More than one risk factor may have simultaneous effect with regard to the Debentures such that the effect of a particular risk factor may not be predictable.

Please note that unless specified or quantified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below:

A. GENERAL RISK.

Investment in Non-Convertible Debt Securities involves 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 in the Information Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the Non-Convertible Debt Securities or investor's decision to purchase such securities. The Issue has not been recommended or approved by SEBI, BSE or RBI nor does SEBI, BSE or RBI guarantee the accuracy or adequacy of this Placement Memorandum.

B. 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 Non-Convertible Debt Securities 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 Non-Convertible Debt Securities. 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 Debt Securities may not be made or may be substantially reduced or delayed.

C. THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

The Non-Convertible Debt 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 Debt Securities, it is not likely to provide

significant liquidity. Potential investors may have to hold the Non-Convertible Debt Securities until redemption to realize any value.

D. CREDIT RISK & RATING DOWNGRADE RISK.

The Rating Agency has assigned the credit ratings to the Non-Convertible Debt Securities. 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 Non-Convertible Debt Securities. In such cases, potential investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ nonperforming investment as per their usual norms.

E. CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF DEBT SECURITIES.

All securities where a fixed rate of interest is offered, 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 Non-Convertible Debt Securities.

F. 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.

G. 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.

H. 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.

I. LEGALITY OF PURCHASE

Potential investors of the Non-Convertible Debt Securities will be responsible for the lawfulness of the acquisition of the Non-Convertible Debt Securities, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

J. POLITICAL AND 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.

K. RISKS RELATED TO THE BUSINESS OF THE ISSUER.

(i) **As an NBFC, one of the most important risks affecting our profitability is the risk of non-payment by the borrowers and other counterparties.**

Since our Company's borrowers inter alia comprise of individuals and small and medium size companies, our Company's credit risk could be higher due to their potential inability to adapt to changes in the economic and industrial scenario as also changes in the Indian regulatory and political environment. This may lead to an increase in the number and value of our Company's NPAs. Our Company is exposed to the risk that third parties which owe us money, securities or other assets may not perform their obligations. These parties may default on their obligations to us due to various reasons including bankruptcy, lack of liquidity, operational failure, and other reasons. Further, any delay in enforcing the collateral due to delays in enforcement proceedings before Indian courts or otherwise could expose our Company to potential losses. Although our Company regularly reviews credit exposures to clients and

counterparties and to industries and geographical regions that our Company believes may present credit concerns, defaults may arise from events or circumstances that are difficult to detect or foresee.

(ii) **The Company may be exposed to the potential loss of less recovery of value of collaterals due to market conditions or delays in their enforcement on defaults by the Company's borrowers.**
The value of collaterals especially real estate may decline due to adverse market conditions. Delays in bankruptcy and foreclosure proceedings, defects in title, documentation of collateral and the necessity of obtaining regulatory approvals for the enforcement of such collaterals may affect the valuation of the collateral and the Company may not be able to recover the estimated value of the collateral, thus exposing the Company to potential losses.

(iii) **We have and are in the process of venturing into new lines of business and there can be no assurance that our ventures will be profitable in future.**
As a part of our growth strategy, we have or otherwise are in the process of venturing into new areas of business. Although, we have recruited experienced management teams which consist of people who have experience in financial services, there are inherent risks in entering a market for the first time. These businesses consequently are to a larger extent susceptible to competition, economical, political and regulatory conditions than established businesses. This may affect our operations and cash flow positions.

(iv) **System failures, infrastructure bottlenecks and security breaches in computer systems may adversely affect our business**
Our businesses are highly dependent on our ability to process, on a daily basis, a large number of increasingly complex transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communications services. If any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located. Our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code that could compromise data integrity and security.

(v) **The Company's lending activities are vulnerable to interest rate risks, market risks and asset liability mismatch risks which may have great impact on our financial performance.**
Interest income forms a substantial part of the total income of our Company. The Company extends loans at fixed as well as floating interest rates. The Company's borrowings are also a mix of fixed and floating rates. A mismatch between assets and liabilities may cause our gross spreads to decline and adversely affect our profitability. The Company endeavours to match interest rate positions to minimize interest rate risk but may not be able to do so. Interest rates are highly sensitive to many factors which are beyond our control, including the monetary policies of the RBI, de-regulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Sharp increase in interest rates charged on floating rate basis, may also result in extension of loan maturities and higher instalments due from borrowers, which could result in higher degree of defaults from this segment.

(vi) **Asset-Liability mismatches in the short term, which could affect our liquidity position. A portion of our funding requirement is through short-term funding sources and in the event, lenders decide to withdraw the existing or committed credit facilities or do not roll over the existing credit facilities, our business could be adversely affected.**
The difference between the value of assets and liabilities maturing, in any time period category provides the mismatch which may exposed us to the liquidity risk. As is typical for several NBFCs, a portion of our funding requirements is met through short-term funding sources, i.e. bank loans, working capital demand loans, cash credit, short term loans and commercial papers. In the event that the existing and committed credit facilities are withdrawn or are not available to the Company, funding mismatches may be created and it could have an adverse effect on our business and our future financial performance.

(vii) **Our indebtedness and restrictive covenants imposed by our financing agreements could restrict our ability to conduct our business and operations**
Our financing agreements require us to maintain certain security margins. Should we breach any financial or other covenants contained in any of our financing agreements, we may be required to immediately

repay our borrowings either in whole or in part, together with any related costs. Under the terms of some of the loan agreements, our Company is required to obtain the prior written consent of the concerned lender prior to our Company entering into any scheme of expansion, merger, amalgamation, compromise or reconstruction, or making any change in ownership or control or constitution of our Company, or in the shareholding or management or majority of directors, or in the nature of business of our Company; or making amendments in the Company's Memorandum and Articles of Association. This may restrict/ delay some of the actions / initiatives that our Company may like to take from time to time.

(viii) **We are exposed to various operational risks including the risk of fraud and other misconduct by employees or outsiders**

We also run the risk of various operational risks which include the risk of fraud or misconduct by our employees or even an outsider, unauthorized transactions by employees or third parties, misreporting and non-compliance of various statutory and legal requirements and operational errors. It may not be always possible to deter employees from the misconduct or the precautions we take to detect and prevent these activities may not be effective in all cases. Any such instances of employee misconduct or fraud, the improper use or disclosure of confidential information, could result in regulatory and legal proceedings and may harm our reputation and also our operations.

(ix) **We may not be able to attract or retain talented professionals required for our business.**

The complexity of our business operations requires highly skilled and experienced manpower. Such highly skilled personnel give us a competitive edge. Further the successful implementation of our growth plans would largely depend on the availability of such skilled manpower and our ability to attract such qualified manpower. We may lose many business opportunities and our business would suffer if such required manpower is not available on time. Though we have appropriate human resource policies in place, we may face the risk of losing our key management personnel due to reasons beyond our control and we may not be able to replace them in a satisfactory and timely manner which may adversely affect our business and our future financial performance.

(x) **We may not be able to access funds at competitive rates and higher cost of borrowings could have significant impact on the scale of our operations and also profit margins**

Our growing business needs would require us to raise funds through commercial borrowings. Our ability to raise funds at competitive rates would depend on our credit rating, regulatory environment in the country and the liquidity scenario in the economy. The developments in the international markets affect the Indian economy including the financial liquidity position. Our Company is exposed to the risk of liquidity in the financial markets. Changes in economic and financial conditions could make it difficult for the Company to access funds at competitive rates. Being an NBFC, we also face certain restrictions to raise money from international markets which are relatively cheaper sources of money and this further constrains our ability to raise cheaper funds.

(xi) **The Company faces increasing competition from other established banks and NBFCs. The successful implementation of our growth plans depends on our ability to face the competition.**

The Company's main competitors are established commercial banks and NBFCs. Over the past few years, the retail financing area has seen the entry of banks, both nationalized as well as foreign. Banks have access to low cost funds which enables them to enjoy higher margins and / or offer finance at lower rates. NBFCs do not have access to large quantities of low-cost deposits, a factor which can render them less competitive.

(xii) **Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and lending markets and could also affect our interest margins, business, results of operations and financial condition.**

The cost and availability of capital depends in part on our short-term and long-term credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Certain factors that influence our credit ratings may be outside of our control. For example, our credit ratings may depend on the financial performance and business prospects of the Company. Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business and results of operations. In addition, any downgrade in our credit ratings could increase the probability that our lenders impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future.

L. 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.

Please refer to the relevant Key Information Document(s)

M. RISKS RELATING TO THE UTILIZATION OF ISSUE PROCEEDS

Please refer to the relevant Key Information Document(s)

N. External Risk Factors

(i) **We are subject to regulatory and legal risk which may adversely affect our business**

The operations of an NBFC are subject to regulations framed by the RBI and other authorities including regulations relating to foreign investment in India. Compliance with many of the regulations applicable to the Company across jurisdictions including any restrictions on activities currently being carried out by the Company involve a number of risks, particularly in areas where applicable regulations may be subject to varying interpretations. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and the business of the Company could be adversely affected. We are also subject to changes in Indian laws, regulations and accounting principles. There can be no assurance that the laws governing the Indian financial services sector will not change in the future or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not affect our business and future financial performance.

(ii) **Increasing competition from banks, financial institutions and NBFCs**

The successful implementation of Issuers growth plans depends on its ability to face the competition. The main competitors of the Issuer are other NBFCs, financial institutions and banks. The Issuer does not have access to low cost deposits because of which it may become less competitive to those NBFCs or banks which accept deposits. Many of its competitors have significantly greater financial, technical, marketing and other resources.

Many of them also offer a wider range of services and financial products than the Issuer does and have greater brand recognition and a larger client base. As the Issuer ventures into offering newer products, it is likely to face additional competition from those who may be better capitalised, have longer operating history and better management. If the Issuer is unable to manage its business and compete effectively with current or future competitors it might impede its competitive position and profitability.

(iii) **Our growth depends on the sustained growth of the Indian economy. An economic slowdown in India and abroad could have direct impact on our operations and profitability**

Macroeconomic factors that affect the Indian economy and the global economic scenario have an impact on our business. The quantum of our disbursements is driven by the growth in demand for vehicles, loans to corporates, mortgages, etc. A slowdown in the economy as a whole can increase the level of defaults thereby adversely impacting the Company's growth plans and the quality of its portfolio.

(iv) **Civil unrest, terrorist attacks and war would affect our business**

Terrorist attacks and other acts of violence, war or conflicts, particularly those involving India or the major economies of the world may adversely affect Indian and global financial markets. Such acts may negatively impact business sentiment, which could adversely affect our business and profitability. This, in turn, could have a material adverse effect on the market for securities including the Debentures. The consequences of any armed conflicts are unpredictable, and we may not be able to foresee events that could have an adverse effect on our business and the price and yield of our NCDs.

(v) **Our business may be adversely impacted by natural calamities or unfavourable climatic changes**

India and other Asian countries have experienced natural calamities such as earthquakes, floods, droughts and a tsunami in recent years. Some of these countries have also experienced pandemics, including the outbreak of avian flu/ swine flu. The extent and severity of these natural disasters and pandemics determines their impact on these economies and in turn affects the financial services sector of which our Company is a part. Prolonged spells of abnormal rainfall and other natural calamities could have an adverse impact on the economies in which we have operations, which could adversely affect our business and the price of our NCDs.

(vi) **Conditions in the Indian Debt market may affect the coupon on the Debentures.**

Even though the Government securities market is more liquid compared to other debt instruments, on occasions, there could be difficulties in transacting in the market due to extreme volatility or unusual constriction in market volumes or on occasions when an unusually large transaction has to be put through.

The Central and State Governments are the issuers of the local currency debt. The Government raises money to meet its capital and revenue expenditure by issuing debt or discounted securities. Since these securities carry minimal risks, they may command lower yields. The performance may be affected by changes in Government policies, general levels of interest rates and risks associated with trading volumes, liquidity and settlement systems. The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies.

(vii) **Any downgrading of India's sovereign rating by an international rating agency(ies) may affect our business and our liquidity to a great extent**

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our financial performance and our ability to obtain financing to fund our growth on favourable terms, or at all.

Annexure-2: Q1-FY 2023-24 UNAUDITED FINANCIAL RESULTS

Standalone and Consolidated Unaudited Financial Result for the Quarter ended June 30, 2023

ATTACHED SEPARATELY

Annexure-3: AUDITED STANDALONE FINANCIAL STATEMENTS FOR FY 2022-23, 2021-22, 2020-21

Standalone Financial Statement for FY 2022-23, 2021-22 and 2020-21
ATTACHED SEPARATELY

Annexure-4: AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR FY 2022-23, 2021-22, 2020-21

Consolidated Financial Statement for FY 2022-23, 2021-22 and 2020-21
ATTACHED SEPARATELY

Annexure-5: CREDIT POLICY

Credit Policy of the Company
ATTACHED SEPARATELY

Annexure-6: SHAREHOLDING PATTERN OF THE COMPANY AS ON 30.06.2023

Shareholding Pattern in prescribed format for quarter ended 30.06.2023
ATTACHED SEPARATELY

Annexure-7: CONSENT OF DIRECTORS AND AUDITORS

Consents Attached
ATTACHED SEPARATELY

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Financial Statements of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Holding Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited (the Holding Company and its subsidiary together referred to as "the Group") which comprise of the Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss including Statement of Comprehensive Income and the Consolidated Cash Flow Statement for the year then ended and notes to the consolidated 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 Consolidated Financial Statements give the information required by the Companies Act, 2013 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 Company as at 31st March 2023 of consolidated profit and loss including statement of comprehensive income and its 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 Companies Act, 2013. 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 ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 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 Company, as aforesaid.

MANISH GOYAL & CO. Chartered Accountants

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In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the companies 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Company are responsible for overseeing the financial reporting process of the Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 financial statements, including the disclosures, and whether the 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.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

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 of the aforesaid consolidated financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

c. The audit of all the branch offices of the Company has been conducted by us, hence Section 143(8) is not applicable;

d. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement 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;

e. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

f. On the basis of the written representations received from the directors of the Company as on 31st March 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary Company incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

g. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i. With respect to the other matters 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:

i) The Company does not have any pending litigations (other than in the ordinary course of business) 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.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

MANISH GOYAL & CO. Chartered Accountants

iv) **(a)** The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v) As stated in Note 63 to the standalone financial statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Company has not declared and has not paid any interim dividend during the year.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

REPORT ON MATTERS SPECIFIED UNDER COMPANIES (AUDITOR'S REPORT) ORDER, 2020

There has not been any qualification or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the Companies included in the consolidated financial statements.

Place : New Delhi
Date : 11th May 2023

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZO9358

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2022-23)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2023 we have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the of the Company, its subsidiary Company, which are companies incorporated in India, are 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 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 Company's internal financial controls over financial reporting 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") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MANISH GOYAL & CO. Chartered Accountants

PHONE-: (0562) 4032000, 2852560, 2524553
MOBILE-: 91-97600 20853; E-MAIL-: MANISHGOYALFCA@GMAIL.COM
AGRA | LUCKNOW | NOIDA | MORADABAD

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company, its subsidiary Company, which are Companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023 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.

Place : New Delhi
Date : 11th May 2023

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 000066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZO9358

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M/S PAISALO DIGITAL LIMITED

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2023

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	2,563.16	913.56
	(b) Bank Balances other than (a) above	2	347.90	120.62
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	975.11	2,806.67
	(ii) Other Receivables		-	-
	(e) Loans	5	3,14,042.46	2,56,341.97
	(f) Investments	6	2,518.60	2,567.98
	(g) Other Financial Assets	7	6,998.58	5,214.82
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	1,178.57	1,313.88
	(b) Deferred Tax Asset (Net)		50.60	-
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	6,557.00	6,241.61
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		-	10.70
	(i) Other Intangible Assets	9	70.80	109.92
	(j) Other Non-Financial Assets	10	84.67	134.35
	Total Assets		**3,35,387.45**	**2,75,776.08**
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		11.31	7.69
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		141.63	974.47
	(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		1,161.34	528.28
	(c) Debt Securities	13	39,997.88	37,470.89
	(d) Borrowings (Other than Debt Securities)	14	1,62,820.94	1,21,224.66
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	8,900.00	8,900.00
	(g) Other Financial Liabilities	17	443.14	251.49
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	3,744.42	3,460.65
	(c) Deferred Tax Liabilities (Net)	20	-	273.78
	(d) Other non-financial Liabilities	21	1,913.04	337.65
	(3) Equity			
	(a) Equity Share Capital	22	4,490.84	4,391.84
	(b) Other Equity	23	1,11,762.91	97,954.68
	Total Equity & Liabilities		**3,35,387.45**	**2,75,776.08**

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 030066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZO9358

Place : New Delhi
Date : 11th May 2023

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2023

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	47,075.48	39,222.33
	(ii) Dividend Income		0.83	-
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		242.68	-
	(v) Net gain on fair value changes	25	-	-
	(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		-	-
	Total Revenue from Operations (I)		47,318.99	39,222.33
II	Other Income	26	-	-
	Total Income (I+II)		47,318.99	39,222.33
III	**Expenses:**			
	(i) Finance Costs	27	20,867.00	18,410.68
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes		49.38	-
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	5,390.14	5,463.99
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	3,467.12	2,575.45
	(xi) Depreciation, amortization and impairment	30	329.09	323.36
	(x) Others expenses	31	4,139.67	1,733.38
	Total Expenses (III)		34,242.40	28,506.86
IV	Profit before exceptional items and tax **(II-III)**		13,076.59	10,715.47
V	Exceptional items		452.87	3.31
VI	Profit before tax **(IV-V)**		12,623.72	10,712.16
VII	**Tax Expense:**			
	(1) Current Tax		3,586.24	2,682.83
	(2) Deferred Tax		(324.38)	104.26
VIII	Profit for the period from continuing operations **(VI-VII)**		9,361.86	7,925.07
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**		-	-
XII	Profit for the period **(VIII+XI)**		9,361.86	7,925.07

MANSI GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2023

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)			
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)		-	-
	Other Comprehensive Income (A+B)		-	
XIV	Total Comprehensive Income for the period (XII+XIII) (Comprising Profit and other Comprehensive Income for the period)		9,361.86	7,925.07
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	34	2.10	1.87
	Diluted (Rs.)		2.10	1.87
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	34	2.10	1.87
	Diluted (Rs.)		2.10	1.87

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

MANISH GOYAL & CO. Chartered Accountants

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZO9358

Place : New Delhi
Date : 11th May 2023

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

STATEMENT OF CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

(₹ in Lakhs)

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		33,943.60		29,126.15
	Adjustments for				
I	Depreciation	244.00		196.28	
II	Deferred Expense W/O	85.09		127.08	
III	Impairment on financial instruments	5,390.14		5,463.99	
IV	Expenditure on CSR	176.01		161.03	
V	Dividend Income Received	(0.83)		-	
VI	Profit/loss on Sale of Shares	49.38		-	
VII	Profit/loss on Sale of Investments/Assets	(12.85)		(0.50)	
	Operating Profit before working capital changes		**39,874.54**		**35,074.03**
	Adjustments for				
I	Change in Other Financial Assets	(283.77)		(10.11)	
II	Change in Loans & Receivables	(61,215.55)		(52,376.55)	
III	Change in Payable & non financial liabilities	1,379.23		(651.66)	
IV	Misc. Expenses	(24.71)		(45.01)	
	Cash generated from Operations		**(20,270.26)**		**(18,009.30)**
I	Interest paid	(20,867.00)		(18,410.68)	
II	Income Tax paid	(3,450.93)		(3,054.05)	
III	Paid Expenses on CSR	(176.01)		(161.03)	
	Cash flow before Extraordinary Items		**(44,764.20)**		**(39,635.06)**
I	Extraordinary items		452.87		3.31
	Net Cash from Operating Activities		**(45,217.07)**		**(39,638.37)**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(625.67)		(131.24)	
II	Sale of Fixed Assets	118.28		0.50	
III	Purchase/transfer of Investments	-		(177.67)	
IV	Purchase of Security Receipts	-		-	
	Net Cash from Investing activities		**(507.39)**		**(308.41)**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	41,596.27		25,812.27	
II	Proceeds from Debt Service Repayment Account	191.64		(2,525.89)	
III	Proceeds from Debt Securities	2,526.99		9,626.52	
IV	Dividend Paid/(Received)	(448.19)		(422.92)	
V	Purchase of Security Receipts	(1,500.00)		(4,852.65)	
VI	Money received against Share Warrant	5,234.63		8,565.75	
	Net Cash from Financing activities		**47,601.34**		**36,203.08**
	Net Increase/(decrease) in cash & cash equivalents		**1,876.89**		**(3,743.70)**
	Cash & Cash equivalents at beginning of period		**1,034.18**		**4,777.88**
	Cash & Cash equivalent at end of period		**2,911.06**		**1,034.18**

Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006865C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZO9358

Place : New Delhi
Date : 11th May 2023

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited (Formerly known as M/s S. E. Investments Limited), derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2023 and 31st March 2022 and found the same in agreement here with.

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006865C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZO9358

Place : New Delhi
Date : 11th May 2023

M/S PAISALO DIGITAL LIMITED

SIGNIFICANT ACCOUNTING POLICIES

A. PRINCIPLE OF CONSOLIDATION

The Consolidated Financial Statements relate to **M/S PAISALO DIGITAL LIMITED** (the Company) and its subsidiary M/s Nupur Finvest Private Limited. The Consolidated Financial Statements have been prepared on the following basis:

a) The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (AS) 110- "Consolidated Financial Statements". The financials are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra- group transactions.

b) Investment in Associate Companies has been accounted under the equity method as per "Accounting for Investments in Associates in Consolidated Financial Statements".

c) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

B. INVESTMENTS OTHER THAN IN SUBSIDIARIES AND ASSOCIATES

Investments other than in subsidiaries and associates have been accounted as per Accounting Standards "Accounting for Investments".

C. OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Statement of Changes in Equity:

1. Current Reporting Period

(₹ In)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
4,39,24,699	-	4,39,24,699	43,92,46,990* 99,00,000#	- 44,91,46,990
4,39,24,699	-	**4,39,24,699**	-	**44,91,46,990**

1 Total shares includes forfited shares.

* W.e.f. July 1, 2022 the 1 equity share of Rs. 10/- each sub-divided / split into 10 equity shares of Re. 1 each.

equity shres issued on conversion of warrants.

2. Previous Reporting Period

(₹ In)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
4,23,04,699	-	4,23,04,699	16,20,000#	4,39,24,699
4,23,04,699	-	**4,23,04,699**	**16,20,000#**	**4,39,24,699**

1 Total shares includes forfieted shares.

equity shares issued on conversion of warrants.

List of Shareholders holding more than 5% shares of Company:

Sr. No.	Name of the Shareholders	No of Shares	% of shareholding
1	Sunil Agarwal	5,28,51,400	11.77
2	Equilibrated Venture Cflow Pvt Ltd	4,95,42,120	11.03
3	SBI Life Insurance Co. Ltd	3,59,98,031	8.02
4	Antara India Evergreen Fund Ltd	4,03,36,230	8.98

List of Promoter's and Promoter Group Shareholding:

Sr. No.	Promoter Name	Number of Shares held	Percentage of total shares	Percentage change during the year
1	Sunil Agarwal	5,28,51,400	11.77	(0.27)
2	Suneeti Agarwal	35,83,000	0.80	(0.02)
3	Santanu Agarwal	1,68,52,000	3.75	(0.08)
4	Equilibrated Venture Cflow Pvt. Ltd.	4,95,42,120	11.03	0.50
5	Pri Caf Pvt. Ltd.	1,12,69,200	2.51	0.69
6	Pro Fitech Pvt. Ltd.	1,04,05,610	2.32	0.70

MANISH GOYAL & CO. Chartered Accountants

DIGITAL

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 1 Cash & Cash Equivalents (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Cash Balances	79.79	252.16
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	683.30	161.33
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	1,800.07	500.07
	Total	**2,563.16**	**913.56**

Note : 2 Bank Balances other than (a) above (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	347.90	120.62
	Total	**347.90**	**120.62**

- Refer Note No. 40 of Standalone Financial Statement

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 3 Derivative Financial Instruments (Assets)

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+(v)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging	-	-	-	-	-	-
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

Note : 4 Receivables

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	72.81	153.27
	—Overdue Installments : Considered Good - Unsecured	211.86	661.22
	—Overdue Installments : Sub Standard Assets	690.44	1,992.18
2	Other Receivables	-	-
	Total	**975.11**	**2,806.67**

MANISH GOYAL & CO. Chartered Accountants

DIGITAL

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Notes No. : 4 (a) Trade Receivable- Additional Disclosures:

Outstanding for following periods from the due date of payment (FY. 2022-23) (₹ in Lakhs)

Sr. No.	Particulars	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Undisputed Trade Receivables - Considered Good	284.67	-	-	-	-	**284.67**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired	-	690.44	-	-	-	**690.44**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
6	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
	Grand Total	**284.67**	**690.44**	-	-	-	**975.11**

- Trade Receivable includes overdue loan cases financed by Paisalo Digital Limited

Outstanding for following periods from the due date of payment (FY. 2021-22) (₹ in Lakhs)

Sr. No.	Particulars	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Undisputed Trade Receivables - Considered Good	814.50	-	-	-	-	**814.50**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired	-	1,992.18	-	-	-	**1,992.18**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
6	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
							-
	Grand Total	**814.50**	**1,992.18**	-	-	-	**2,806.67**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 5 Loans (₹ in Lakhs)

Particulars	Current Year						Previous Year					
	Amortised cost	Through other Comprehensive Income	Through profit or loss	Designated at fair value Through profit or loss	Sub total	Total	Amortised cost	Through other Comprehensive Income	Through profit or loss	Designated at fair value Through profit or loss	Subtotal	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11=6+9+10)	(12=7+8+11)
Loans												
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Term Loans	3,14,070.05	-	-	-	-	3,14,070.05	2,56,654.04	-	-	-	-	2,56,654.04
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (A) - Gross	3,14,070.05	-	-	-	-	3,14,070.05	2,56,654.04	-	-	-	-	2,56,654.04
Less: Impairment loss allowance	27.58	-	-	-	-	27.58	312.07	-	-	-	-	312.07
Total (A) - Net	3,14,042.46	-	-	-	-	3,14,042.46	2,56,341.97	-	-	-	-	2,56,341.97
(B) (i) Secured by tangible assets	3,04,010.15	-	-	-	-	3,04,010.15	2,51,093.21	-	-	-	-	2,51,093.21
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	10,059.90	-	-	-	-	10,059.90	5,560.82	-	-	-	-	5,560.82
Total (B) - Gross	3,14,070.05	-	-	-	-	3,14,070.05	2,56,654.03	-	-	-	-	2,56,654.03
Less: Impairment loss allowance	27.58	-	-	-	-	27.58	312.07	-	-	-	-	312.07
Total (B) - Net	3,14,042.46	-	-	-	-	3,14,042.46	2,56,341.96	-	-	-	-	2,56,341.96
(C) (I) Loans in India	3,14,070.05	-	-	-	-	3,14,070.05	2,56,654.04	-	-	-	-	2,56,654.04
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) - Gross	3,14,070.05	-	-	-	-	3,14,070.05	2,56,654.04	-	-	-	-	2,56,654.04
Less: Impairment loss allowance	27.58	-	-	-	-	27.58	312.07	-	-	-	-	312.07
Total (C) (I) - Net	3,14,042.46	-	-	-	-	3,14,042.46	2,56,341.97	-	-	-	-	2,56,341.97
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) - Net	-	-	-	-	-	-	-	-	-	-	-	-
Total C (I) and C (II)	3,14,042.46	-	-	-	-	3,14,042.46	2,56,341.97	-	-	-	-	2,56,341.97

M.M.S. GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LTD.

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 6 Investments

(₹ in Lakhs)

Investments	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	(1)	(2)	(3)	(4)	(5) = (2)+(3)+(4)	(6)	(7) = (1)+(5)+(6)	(8)	(9)	(10)	(11)	(12) = (8)+(10)+(11)	(13)	(14) = (9)+(12)+(13)
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	128.29	-	-	-	-	-	128.29	177.67	-	-	-	-	-	177.67
Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	2,390.31	-	-	-	-	-	2,390.31	2,390.31	-	-	-	-	-	2,390.31
Total (A)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	2,518.60	-	-	-	-	-	2,518.60	2,567.98	-	-	-	-	-	2,567.98
Total (B)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total (A) to tally with (B)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Less: Provision for diminution in value (C)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total net value (A)+(B)-(C)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

*Unquoted Shares of M/s Samast Vikas Limited

MANISH GOYAL & CO. Chartered Accountants

PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 7 Others Financial Assets (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	27.35	22.95
	Advances to Staff	2.37	4.02
	Advances for Services	386.29	97.72
	Prepaid Expenses	6.59	4.57
	GST/Service Tax Cenvat	223.33	232.91
	Security Receipts	6,352.65	4,852.65
	Total	6,998.58	5,214.82

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	9,350.32	10,642.73
	Balance with Revenue Authorities	130.00	-
	Provision for Taxation	(8,301.75)	(9,328.85)
	Total	1,178.57	1,313.88

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 9 Property, Plant and Equipment

(₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2022	WDV as on 31.03.2023
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6,428.59	0.12	115.25	6,313.46	469.03	104.66	11.59	562.10	5,751.36	5,959.56
3	Furniture & Fittings	223.59	50.11	-	273.70	143.54	13.23	-	156.77	116.93	80.05
4	Computer Peripheral	241.55	159.00	-	400.55	210.47	36.23	-	246.70	153.85	31.08
5	Vehicles	246.19	353.70	13.07	586.82	114.01	32.45	11.30	135.16	451.66	132.18
6	Equipments, Plant & Machinery	180.00	62.74	-	242.74	141.26	18.28	-	159.54	83.20	38.74
	SUB TOTAL (A)	7,319.91	625.67	128.32	7,817.27	1,078.31	204.86	22.90	1,260.27	6,557.00	6,241.61
II	**Intangible Assets**										
1	Computer Software	531.47	-	-	531.47	421.54	39.13	-	460.67	70.80	109.92
2	Goodwill	10.70	-	10.70	-	-	-	-	-	-	10.70
	SUB TOTAL (B)	542.17	-	-	531.47	421.54	39.13	-	460.67	70.80	120.62
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C+D) (Current Year)	7,862.08	625.67	128.32	8,348.74	1,499.86	243.99	22.90	1,720.94	6,627.80	6,362.23
	Total (Previous Year)	7,740.36	131.24	9.50	7,862.07	1,313.08	196.28	9.50	1,499.86	6,362.23	6,427.29

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

(FORMERLY KNOWN AS M/S S. E. INVESTMENTS LIMITED)

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 10 Other Non Financial Assets

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	-	74.39
2	Unexpired Expenses of Processing Fees	84.67	59.96
	Total	**84.67**	**134.35**

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities)

(₹ in Lakhs)

Particulars	(Current Year)			Previous Year		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+(v)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 12 Payables

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	11.31	7.69
		11.31	**7.69**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
	(a) SBI Assignment Payable	128.64	348.19
	(b) SIB Assignment Payable	3.86	67.57
	(c) CBI Financial Services Payable	1.08	77.94
	(e) Other Sundry Payables	8.04	480.77
		141.62	**974.47**
2	**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		
	(a) Statutory Payables		
	Professional Tax Payable	0.01	0.01
	EPF Contribution Payable	20.27	9.94
	ESI Payable	6.80	3.88
	GST Payable	98.38	5.62
	TDS Payable	237.70	156.98
	LIC GSLI Payable	0.02	0.02
	(b) Expenses Payables	798.16	351.83
		1,161.34	**528.28**
	Total	**1,314.27**	**1,510.44**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 12 (a) Trade Payables Due for Payment 2022-23

(₹ in Lakhs)

Sr. No.	Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	MSME	11.31	-	-	-	**11.31**
2	Others	141.62	-	-	-	**141.62**
3	Disputed Dues-MSME	-	-	-	-	-
4	Disputed Dues-Others	-	-	-	-	-
	Grand Total	152.93	-	-	-	152.93

Trade Payables Due for Payment 2021-22

(₹ in Lakhs)

Sr. No.	Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	MSME	7.69	-	-	-	**7.69**
2	Others	974.47	-	-	-	**974.47**
3	Disputed Dues-MSME	-	-	-	-	-
4	Disputed Dues-Others	-	-	-	-	-
	Grand Total	982.16	-	-	-	982.16

- There are no dues pending more than 45 days

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 13 Debt Securities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Others (Bonds/ Debentures etc.)*	39,997.88	-	-	39,997.88	37,470.89	-	-	37,470.89
Total (A)	**39,997.88**	-	-	**39,997.88**	**37,470.89**	-	-	**37,470.89**
Debt Securities in India	39,997.88	-	-	39,997.88	37,470.89	-	-	37,470.89
Debt Securities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**39,997.88**	-	-	**39,997.88**	**37,470.89**	-	-	**37,470.89**

***Details of Non Convertible Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL1802'	Feb-2018	2,800.00	12.00%	Monthly	Feb-2023	2,800.00	No	Yes
Series-'PDL2020-3'	Feb-2020	900.00	12.00%	Monthly	Feb-2025	900.00	Yes	Yes
Series-'PDL-07-2020'	Jul-2020	5,000.00	10.50%	Quarterly	Apr-2023	5,000.00	Yes	Yes
Series-'PDL-08-2020'	Aug-2020	2,000.00	9.50%	Yearly	Feb-2022	2,000.00	No	Yes
Series-'PDL-11-2020'	Nov-2020	1,600.00	10.50%	Quarterly	May-2022	1,600.00	No	Yes
Series-'PDL-12-2020'	Dec-2020	3,500.00	12.00%	Monthly	Dec-2023	3,500.00	Yes	Yes
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	Yes	Yes
Series-'PDL-07-2021'	July-2021	2,500.00	12.00%	Monthly	July-2026	2,500.00	Yes	Yes
Series-'PDL-09-2021'	Sep-2021	9,400.00	12.00%	Monthly	Sep-2026	9,400.00	Yes	Yes
Series-'PDL-09-02-2021'	Sep-2021	1,500.00	12.00%	Monthly	Sep-2026	1,500.00	Yes	Yes
Series-'PDL-02-2022'	Feb-2022	2,700.00	9.00%	Monthly	Feb-2029	2,700.00	Yes	Yes
Series-'PDL-07-2022'	Jul-2022	1,400.00	9.90%	Monthly	Jul-2032	1,400.00	Yes	No
Series-'PDL-01-2023'	Jan-2023	3,400.00	12.00%	Monthly	Jan-2033	3,400.00	Yes	No
Series-NFPL-10-2021'	Oct-2021	4,300.00	12.00%	Monthly	Oct-2028	4,300.00	Yes	Yes
Series-'NFPL-12-2021'	Dec-2021	600.00	14.00%	Monthly	Dec-2031	600.00	No	Yes
Series-'NFPL-03-2022'	Mar-2022	240.00	12.00%	Monthly	Mar-2027	240.00	Yes	Yes
Series-'NFPL-05-2022'	May-2022	550.00	12.00%	Monthly	May-2027	550.00	Yes	No
Series-'NFPL-06-2022'	Jun-2022	700.00	12.00%	Monthly	Jun-2032	700.00	Yes	No
Series-'NFPL-07-2022'	Jul-2022	1,500.00	12.00%	Monthly	Jul-2032	1,500.00	Yes	No

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 14 Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4)= (1)+(2)+(3)	(1)	(2)	(3)	(4)= (1)+(2)+(3)
(a) Term loans:								
(i) From banks	56,269.76	-	-	56,269.76	18,160.60	-	-	18,160.60
(ii) From other parties	2,283.02	-	-	-	2,285.22	-	-	-
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	-	-	-	-	-	-	-	-
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	84,381.37	-	-	84,381.37	84,650.16	-	-	84,650.16
(ii) from other parties	19,886.79	-	-	19,886.79	16,128.68	-	-	16,128.68
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
Total (A)	1,62,820.94	-	-	1,62,820.94	1,21,224.66	-	-	1,21,224.66
Borrowings in India	1,62,820.94	-	-	1,62,820.94	1,21,224.66	-	-	1,21,224.66
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) To tally with (A)	1,62,820.94	-	-	1,62,820.94	1,21,224.66	-	-	1,21,224.66

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 15 Deposits

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Deposits								
(I) Public Deposits	-	-	-	-	-	-	-	-
(II) From Banks	-	-	-	-	-	-	-	-
(III) From Others	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note : 16 Subordinatd Liabilities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Prepetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Total (A)	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Subordinated Liabilities in India	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00

*** Details of Non-Convertable Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL 1808'	Aug-2018	8,100	14.00%	Monthly	Aug-2024	8,100	Yes	Yes
Series-'PDL2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	Yes	Yes
Series-'PDL2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	Yes	Yes
Series-'PDL2020-12'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Yes	Yes

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 17 Others Financial Liabilities

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Debt Service Repayment Account	443.14	251.49
	Total	443.14	251.49

Note : 18 Current Tax Liabilities (Net)

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in Cash or in Kind or for value to be considered good**		
	Income Tax and TDS	-	-
	Provision for Taxation	-	-
	Total	-	-

Note : 19 Provisions

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Standard Assets	1,287.58	1,057.25
2	Provision for Proposed Dividend on Equity Shares	449.02	439.12
3	Provision for Expected Credit Loss	1,366.98	1,351.04
4	Provision for Sub Standard Assets	640.83	613.24
	Total	3,744.41	3,460.65

Note : 20 Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	273.78	169.51
	Tax on Timing difference on Property, Plant and Equipments	418.68	326.45
	Tax on Timing difference on Deferred Revenue Expenditures	-	19.06
	Tax on Timing difference on Unexpired Processing Fees	20.73	(69.22)
	Tax on Timing difference on Unearned Processing Fees	(490.01)	(2.51)
2	Total Deferred Tax Liability	(50.60)	273.78
	Provision for Deferred Tax required for the year (2-1)	(324.38)	104.27
	Total	(50.60)	273.78

Note : 21 Others Non Financial Liabilities

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Unearned Income of Processing Fees	1,913.04	337.65
	Total	1,913.04	337.65

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 22 Share Capital (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	120,00,00,000 Equity Shares of Re. 1 per share	12,000.00	12,000.00
	(Previous year 12,00,00,000 equity shares of Rs. 10 each		
	50,00,000 Preference Shares of Rs. 10 each	500.00	500.00
		12,500.00	**12,500.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	43,92,46,990 Equity Shares of Rs. 1 per Share fully paid up	4,392.47	4,230.47
	(Previous year 42,30,46,99 Equity Shares of Re. 10 each)		
	Add: 99,00,000 Shares of Re. 1 per Share fully paid up issued during the year	99.00	162.00
	(Previous year 16,20,000 Shares issued @ Rs. 705 each Face value of Rs. 10 each)		
		4,491.47	**4,392.47**
3	**PAID UP CAPITAL**		
	43,91,21,990 Equity Shares of Re. 1 per Share fully paid up	4,391.22	4,229.22
	(Previous year 4,22,92,199 Equity Shares of Re. 10 each)		
	Add: 99,00,000 Share Issued @ Rs. 70.5 each of Face value Re. 1 each	99.00	162.00
	(Previous year 16,20,000 Share Issued @ Rs. 705 each of Face value Rs. 10 each)		
	Add: Share Forfeited a/c	0.63	0.63
	(Amount originally Paid up @ Rs. 0.50 each on 1,25,000 Equity Shares of Re. 1 each)		
	Total	**4,490.84**	**4,391.84**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 23 Other Equity

Current Reporting Period:

(₹ In Lakhs)

Particulars	Share Application Money Pending Allotment	Equity Component of Compound Financial Instruments	Statutory Reserve - RBI Fund u/s 45IC	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through OCI	Money received against share warrants	Debt Instruments through OCI	Effective Portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Other items of Other Comprehensive Income (specify nature)	Total
Balance at the beginning of the reporting period	-	-	15,814.44	2,415.21	31,211.02	45,835.11	339.06	250.00	344.96	-	-	-	-	-	1,744.88	97,954.68
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	15,814.44	2,415.21	31,211.02	45,835.11	339.06	250.00	344.96	-	-	-	-	-	1,744.88	97,954.67
Total Comprehensive Income for the year	-	-	-	-	-	-	9,361.86	-	-	-	-	-	-	-	-	9,361.86
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,234.63	5,234.63
Share warrant converted into Share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(99.00)	(99.00)
Security Premium on conversion of warrants into equity	-	-	-	-	6,880.50	-	-	-	-	-	-	-	-	-	(6,880.50)	-
Proposed Dividends	-	-	-	-	-	-	(458.92)	-	-	-	-	-	-	-	-	(458.92)
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	6,300.00	(6,300.00)	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	1,872.38	-	-	-	(1,872.38)	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(230.33)	-	-	-	-	-	-	-	-	(230.33)
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	-	-	17,686.82	2,415.21	38,091.52	52,135.11	848.38	250.00	335.88	-	-	-	-	-	-	1,11,762.91

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 23 Other Equity

Previous Reporting Period

(₹ in Lakhs)

Particulars	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Total
Balance at the beginning of the reporting period	-	-	14,229.42	2,415.21	19,952.02	40,335.11	137.42	250.00	354.04	-	-	-	-	-	-	4,600.13	82,273.35
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	14,229.42	2,415.21	19,952.02	40,335.11	137.42	250.00	354.04	-	-	-	-	-	-	4,600.13	82,273.35
Total Comprehensive Income for the year	-	-	-	-	-	-	7,925.07	-	-	-	-	-	-	-	-	-	7,925.07
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,565.75	8,565.75
Share warrant converted into Share capital	-	-								-	-	-	-	-	-	(162.00)	(162.00)
Security Premium on conversion of warrants into equity	-	-	-	-	11,259.00	-	-	-	-	-	-	-	-	-	-	(11,259.00)	-
Proposed Dividends	-	-	-	-	-	-	(439.12)	-	-	-	-	-	-	-	-	-	(439.12)
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-		-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	5,500.00	(5,500.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	1,585.02	-	-	-	(1,585.02)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(208.37)	-	-	-	-	-	-	-	-	-	(208.37)
Balance at the end of the reporting period	-	-	15,814.44	2,415.21	31,211.02	45,835.11	339.06	250.00	344.96	-	-	-	-	-	-	1,744.88	97,954.68

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 24 Interest Income

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss
Interest on Loans	-	47,005.80	-	-	39,173.79	-
Interest Income from Investments	-	-	-	-	-	-
Interest on Deposits with Banks	-	14.51	-	-	36.79	-
Other Interest Income	-	55.17	-	-	12	-
Fee and Commssion Income	-	242.68	-	-	-	-
Dividend Income	-	0.83	-	-	-	-
Total	-	**47,318.99**	-	-	**39,222.33**	-

Note : 25 Net Gain/(Loss) on fair value changes

(₹ in Lakhs)

Particulars	Current Year	Previous Year
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(i) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(ii) On Financial Instruments designated at fair value through profit or loss	49.38	-
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on Fair value changes (D) to tally with (C)	**49.38**	**-**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 26 Other Income

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	-	-
	Total	-	-

Note : 27 Finance Cost

(₹ in Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	13,767.58	-	12,426.32
3	Interest on Debt Securities	-	4,478.78	-	3,827.11
4	Interest on Subordinated Liabilities	-	1,230.00	-	1,230.00
5	Other Interest expense/ Bank Charges	-	1,390.64	-	927.25
	Total	-	20,867.00	-	18,410.68

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 28 Impairment on Financial Instruments

(₹ in Lakhs)

Particulars	Current Year		Previous Year	
	On Financial Instruments measured at Fair Value through OCI	On Financial Instruments measured at Amortised Cost	On Financial Instruments measured at Fair Value through OCI	On Financial Instruments measured at Amortised Cost
Bad Debts Written Off on Loans	-	5,346.62	-	5,140.76
Provision for NPA	-	27.58	-	312.07
Provision for Expected Credit Loss				
Provision on Standard Accounts in Default	-	-	-	-
Additional Provision for Expected Credit Loss		15.94		11.16
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
Total		5360.74	-	5,463.99

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 29 Employees Benefit Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	2,626.70	1,925.73
2	Directors Salaries & Allowances	633.82	505.25
3	Contribution to Provident and other funds	148.79	106.94
4	Share Based Payments to employees	-	-
5	Staff welfare expenses	57.81	37.53
	Total	3,467.12	2,575.45

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2022-23 Rs. is 6,33,82,058 (Last year Rs. 5,05,24,800) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	244.00	196.28
2	Deffered Revenue Exp. w/o*	74.39	127.08
3	Goodwill w/o#	10.70	-
	Total	329.09	323.36

- *Deferred Expenses written off over a period of five Years.
- *Goodwill written off during the Years.

Note : 31 Other Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	35.19	27.52
2	Travelling Expenses	577.69	355.44
3	Repair & Maintenance	104.61	37.76
4	Insurance Expenses	12.25	11.18
5	Electricity & Water Expenses	82.44	56.43
6	Rates & Taxes	7.75	2.69
7	Legal Expenses & Professional Fees	915.64	475.63
8	Printing & Stationery Expenses	150.27	56.93
9	Postage & Telephone Expenses	73.77	43.78
10	Auditors Remuneration	7.35	7.03
11	Rent	247.33	164.80
12	Rebate & Remission	190.15	35.46
13	Advertisement & Business Promotion Expenses	1,313.01	111.20
14	Recovery Expenses	(0.08)	6.24
15	Office and General Expenses	245.73	165.12
16	Loss/(Profit) on sale of Assets/Investments	(12.85)	(0.50)
18	Directors Sitting Fees & Expenses	13.41	15.64
19	Corporate Social Responsibility Expenditure*	176.01	161.03
	Total	4,139.67	1,733.38

- *Refer Note 31 of Standalone Financial Statements.

M.I. WISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

32. Remuneration to Auditors:

(₹ In Lakhs)

	2022-23	2021-22
For Statutory Audit	4.98	4.95
For Tax Audit	1.77	1.50
Total	**6.75**	**6.45**

33. Earning per Share:

(₹ In Lakhs)

	2022-23	2021-22 (Re-stated)	2021-22
Net profit for the year (After Tax)	9361.88	7925.07	7925.07
No. of Equity Shares (Weighted)	4447.84	4234.77	423.48
Basic and diluted Earning per share	2.10	1.87	18.71

34. Figures for the previous year have been regrouped/rearranged/reclassified and restated in compliance with the IND AS wherever considered necessary.

35. The company has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs:

(₹ In Lakhs)

Name of Bank / Financial Institution	Facility	Amount o/s
Karnataka Bank Ltd	Cash Credit	2,000.00
Indian Bank	Cash Credit	500.00
State Bank of India	Term Loan	6,919.90
Bank of Baroda	Term Loan	2,430.56
Indian Bank	Term Loan	828.76
Tata Capital Financial Services Limited	Term Loan	956.83
Satin Credit Care Network Limited	Term Loan	305.15
Satin Finserv Limited	Term Loan	61.03
Total		**14,002.23**

For Contingent Assets refer note no. 37 (b) Notes to the Accounts of Standalone Financial Statements of Paisalo Digital Limited.

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

36. Disclosure of Related party transactions:

Refer note no. 37 (A, B & C) of Notes to the Account of Standalone Financial Statement of Paisalo Digital Limited.

D. Disclosures required for Related party transactions

(₹ In Lakhs)

Name of Party	Nature	Amount	Amount Receivable/ (Payable)
Mr. Sunil Agarwal	Remuneration to Director	405.85	(18.80)
Mr. Harish Singh	Remuneration to Director	33.00	(1.60)
Mr. Anoop Krishna	Remuneration to Director	39.60	(2.44)
Mrs. Raj Agarwal	Rent	9.00	(0.68)
Mr. Santanu Agarwal	Salary	164.32	(9.00)
Mr. Manendra Singh	Salary	12.10	(0.98)
Mr. Santanu Agarwal	Loan Received	655.00	—
Mr. Santanu Agarwal	Interest Expenses	40.40	—
Mr. Pranav Chauhan	Interest Payment (on NCD)	24.00	—
Mr. Sunil Agarwal	Dividend Paid	52.85	—
Mr. Santanu Agarwal	Dividend Paid	16.85	—
Ms. Suneeti Agarwal	Dividend Paid	3.58	—
Pro Fitcch Pvt. Ltd.	Dividend Paid	10.41	—
Equilibrated Ventures Cflow Pvt. Ltd.	Dividend Paid	49.54	—
Pri Caf Pvt. Ltd.	Dividend Paid	11.27	—
Pro Fitcch Pvt. Ltd.	Amount received against Share Warrants for conversion into equity (allotment of 33,00,000 equity shares to each allottee)	1,744.87	—
Equilibrated Ventures Cflow Pvt. Ltd.		1,744.87	—
Pri Caf Pvt. Ltd.		1,744.87	—

Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board/Audit Committee considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

(5) Holding Company has extended its guarantee to Banks/ Financial Institutions for credit facilities availed by the wholly owned subsidiary Nupur Finvest Pvt Ltd.

RAKESH GOYAL & CO. Chartered Accountants

37. Term Loan facility:

The Company has taken following Term Loans which are fully secured by first charge on hypothecation of Book debts, personal guarantees of Directors and Corporate guarantee of its Holding Company Paisalo Digital Limited, the details of which are given hereunder.

(₹ In Lakhs)

Name of Financial Institutions	Date of Sanction	Sanctioned Amount	Rate of Interest	Terms of repayment	Maturity Date
State Bank of India	15th July 2017	2,000.00	11.00%	16 quarterly installments	Jun 2022
Bank of Baroda	29th June 2019	2,500.00	12.20%	36 monthly installments	Dec 2022
Satin Creditcare Limited	09th Dec 2020	1,000.00	18.00%	36 monthly installments	Dec 2023
Satin Finserv Limited	09th Dec 2020	200.00	18.00%	36 monthly installments	Dec 2023
State Bank of India	02nd Jun 2021	3,000.00	9.45%	20 quarterly installments	Jun 2026
State Bank of India	31st Jan 2022	1,500.00	9.45%	15 quarterly installments	Mar 2026
Tata Capital Financial Services Ltd	25th Mar 2022	1,500.00	11.00%	30 monthly installments	Jan 2024
Indian Bank	01st Aug 2022	1,000.00	10.70%	36 monthly installments	Aug 2025
State Bank of India	27th Dec 2022	3,500.00	MCLR+2.70 %	15 quarterly Installments	Sep 2026
Bank of Baroda	23rd Jan 2023	2,500.00	10.05%	36 monthly installments	Feb 2026

For other details of facilities and loans refer note no. 38 Notes to the Accounts of Standalone Financial Statements of Paisalo Digital Limited.

a) The Company has taken following Term Loans which are fully secured by first charge on hypothecation of Book debts, the details of which are given hereunder

(₹ In Lakhs)

Name of Financial Institutions	Date of Sanction	Sanctioned Amount	Rate of Interest	Terms of repayment	Maturity Date
Unity Small Finance Bank#	20th Oct 2022	3,000.00	12.75%	Principal to repaid in two installments Rs. 15 Cr each at the end of 15th and 18th month from the date of disbursement.	Mar 2024 June 2024

M/S MISH GOYAL & CO. Chartered Accountants

b) The Company has taken unsecured Term Loans, the details of which is as under

(₹ In Lakhs)

Name of Financial Institutions	Date of Sanction	Sanctioned Amount	Rate of Interest	Terms of repayment	Maturity Date
Satin Creditcare Limited	24th June 2022	1,200.00	18.00%	36 monthly installments	June 2025

38. Working Capital Borrowings:

The Company has availed working capital facility from Karnataka Bank Ltd., This facility is secured by hypothecation of books debts / receivables, equitable mortgage of immovable property belonging to the third party, personal guarantee of Directors and Corporate guarantee of its Holding Company.

(₹ In Lakhs)

S. No.	Name of Bank	Sanctioned Amount	Date of Sanction	Rate of Interest
1	Karnataka Bank Ltd.	2,000.00	28th December, 2015	MCLR+2%
2	Indian Bank	500.00	01st Aug 2022	MCLR+3.15%
	Total	**2,500.00**		

39. Additional information as required in respect of Consolidated Financial Statements:

(₹ In Lakhs)

Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
Total Consolidated	100	1,16,253.75	100	9,361.88
Holding Co. :				
Paisalo Digital Limited	95.30	1,10,795.01	97.94	9,169.25
		(Note 1)		(Note 2)
Subsidiaries-Wholly Owned :				
Nupur Finvest Pvt. Ltd.	4.70	5,458.74	2.06	192.63

Paisalo Digital Limited is not holding any foreign subsidiary company / joint Venture

Note 1. Net of Investment in Subsidiary Company

Note 2. Net of Income from Subsidiary Company

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

FORM NO. AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures:

Part "A" : Subsidiaries

(₹ in Lakhs)

1	Name of Subsidiary	M/s Nupur Finvest Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same i.e. April 1, 2022 to March 31, 2023
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4	Share Capital	536.96
5	Reserves	4,921.78
6	Total Assets	35,894.66
7	Total Liabilities	35,894.66
8	Investments	—
9	Turnover	5,021.81
10	Profit before Taxation	240.72
11	Provision for Taxation	48.09
12	Profit after Taxation	192.63
13	Proposed Dividend (excluding dividend distribution tax)	—
14	% of shareholding	100%

Name of subsidiaries which are yet to commence operation : NA

Names of subsidiaries which have been liquidated or sold during the year : NA

Part "B" : Associates and Joint Venture : NIL

Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZO9358

Place : New Delhi
Date : 11th May 2023

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Financial Statements of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Holding Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited (the Holding Company and its subsidiary together referred to as "the Group") which comprise of the Consolidated Balance Sheet as at 31st March 2022, the Consolidated Statement of Profit and Loss including Statement of Comprehensive Income and the Consolidated Cash Flow Statement for the year then ended and notes to the consolidated 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 Consolidated Financial Statements give the information required by the Companies Act, 2013 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 Company as at 31st March 2022 of consolidated profit and loss including statement of comprehensive income and its 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 Companies Act, 2013. 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 ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 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 Company, as aforesaid.

MANISH GOYAL & CO. Chartered Accountants

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MOBILE-: 91-97600 20853; E-MAIL-: MANISHGOYALFCA@GMAIL.COM
AGRA | LUCKNOW | NOIDA | MORADABAD

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the companies 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Company are responsible for overseeing the financial reporting process of the Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 financial statements, including the disclosures, and whether the 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 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

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 of the aforesaid consolidated financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

c. The audit of all the branch offices of the Company has been conducted by us, hence Section 143(8) is not applicable;

d. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement 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;

e. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

f. On the basis of the written representations received from the directors of the Company as on 31st March 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary Company incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

g. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

h. With respect to the other matters 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:

i) There were no pending litigations which would impact the consolidated financial position of the Group.

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary Company, incorporated in India.

REPORT ON MATTERS SPECIFIED UNDER COMPANIES (AUDITOR'S REPORT) ORDER, 2020

There has not been any qualification or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

Place : New Delhi
Date : 6th May 2022

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMLZ3630

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2021-22)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2022 we have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the of the Company, its subsidiary Company, which are companies incorporated in India, are 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 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 Company's internal financial controls over financial reporting 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") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MANISH GOYAL & CO. Chartered Accountants

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2021-22)

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company, its subsidiary Company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting Issued by the Institute of Chartered Accountants of India.

Place : New Delhi
Date : 6th May 2022

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMLZ3630

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2022

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	913.56	1,418.37
	(b) Bank Balances other than (a) above	2	120.62	3,359.51
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	2,806.67	3,168.94
	(ii) Other Receivables		-	-
	(e) Loans	5	2,56,341.97	2,08,743.89
	(f) Investments	6	2,567.98	2,390.31
	(g) Other Financial Assets	7	5,214.82	352.05
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	1,313.88	942.67
	(b) Deferred Tax Asset (Net)		-	-
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	6,241.61	6,269.45
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		10.70	10.70
	(i) Other Intangible Assets	9	109.92	147.14
	(j) Other Non-Financial Assets	10	134.35	216.42
	Total Assets		2,75,776.08	2,27,019.45
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		7.69	4.62
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		974.47	1,675.80
	(II) Other Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		-	-
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		528.28	351.31
	(c) Debt Securities	13	37,470.89	27,844.37
	(d) Borrowings (Other than Debt Securities)	14	1,21,224.66	95,412.39
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	8,900.00	8,900.00
	(g) Other Financial Liabilities	17	251.49	2,777.38
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	3,460.65	2,912.86
	(c) Deferred Tax Liabilities (Net)	20	273.78	169.51
	(d) Other non-financial Liabilities	21	337.65	468.02
	(3) Equity			
	(a) Equity Share Capital	22	4,391.84	4,229.84
	(b) Other Equity	23	97,954.68	82,273.35
	Total Equity & Liabilities		2,75,776.08	2,27,019.45

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 015755C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMLZ3630

Place : New Delhi
Date : 6th May 2022

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 09039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2022

(₹ In Lakhs)

Sr. No.	Particulars	Note No.	Figures for current reporting period	Figures for previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	39,222.33	34,602.19
	(ii) Dividend Income		-	-
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		-	-
	(v) Net gain on fair value changes	25	-	-
	(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		-	-
	Total Revenue from Operations (I)		39,222.33	34,602.19
II	Other Income	26	-	-
	Total Income (I+II)		39,222.33	34,602.19
III	**Expenses:**			
	(i) Finance Costs	27	18,410.68	16,195.34
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes		-	-
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	5,463.99	5,371.63
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	2,575.45	2,331.83
	(xi) Depreciation, amortization and impairment	30	323.36	374.06
	(x) Others expenses	31	1,733.38	2,594.90
	Total Expenses (III)		28,506.86	26,867.76
IV	Profit before exceptional items and tax **(II-III)**		10,715.47	7,734.43
V	Exceptional items		3.31	(42.32)
VI	Profit before tax **(IV-V)**		10,712.16	7,776.75
VII	**Tax Expense:**			
	(1) Current Tax		2,682.83	1,930.51
	(2) Deferred Tax		104.26	48.23
VIII	Profit for the period from continuing operations **(VI-VII)**		7,925.07	5,798.01
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**		-	-
XII	Profit for the period **(VIII+XI)**		7,925.07	5,798.01

MANISH GOYAL & CO. Chartered Accountants

PAISALO

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2022

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures for current reporting period	Figures for previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)		-	-
	Other Comprehensive Income (A+B)		-	-
XIV	Total Comprehensive Income for the period (XII+XIII) (Comprising Profit and other Comprehensive Income for the period)		7,925.07	5,798.01
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	34	18.71	13.71
	Diluted (Rs.)		18.71	13.71
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	34	18.71	13.71
	Diluted (Rs.)		18.71	13.71

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 000660C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMLZ3630

Place : New Delhi
Date : 6th May 2022

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

STATEMENT OF CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs)

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		29,126.15		23,929.76
	Adjustments for				
I	Depreciation	196.28		206.60	
II	Deferred Expense W/O	127.08		167.46	
III	Impairment on financial instruments	5,463.99		5,371.63	
IV	Expenditure on CSR	161.03		328.08	
V	Profit/loss on Sale of Investments/Assets	(0.50)		-	
	Operating Profit before working capital changes		**35,074.03**		**30,003.53**
	Adjustments for				
I	Change in Other Financial Assets	(10.11)		13.82	
II	Change in Loans & Receivables	(52,376.55)		(22,677.94)	
III	Change in Payable & non financial liabilities	(651.66)		1,055.09	
IV	Misc. Expenses	(45.01)		(1.57)	
	Cash generated from Operations		**(18,009.30)**		**8,392.93**
I	Interest paid	(18,410.68)		(16,195.34)	
II	Income Tax paid	(3,054.05)		(1,700.52)	
III	Paid Expenses on CSR	(161.03)		(328.08)	
	Cash flow before Extraordinary Items		**(39,635.06)**		**(9,831.01)**
I	Extraordinary items		3.31		(42.32)
	Net Cash from Operating Activities		**(39,638.37)**		**(9,788.69)**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(131.24)		(7.16)	
II	Sale of Fixed Assets	0.50		-	
III	Purchase/transfer of Investments	(177.67)		-	
	Net Cash from Investing activities		**(308.41)**		**(7.16)**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	25,812.27		(6,296.34)	
II	Proceeds from Debt Service Repayment Account	(2,525.89)		(1,550.95)	
III	Proceeds from Debt Securities	9,626.52		14,644.37	
IV	Proceeds from Subordinated Liability	-		100.00	
V	Dividend Paid	(422.92)		(422.92)	
VI	Purchase of Security Receipts	(4,852.65)		-	
VII	Money received against Share Warrant (allotment of equity shares upon conversion of 16,20,000 warrents)	8,565.75		4,600.13	
	Net Cash from Financing activities		**36,203.08**		**11,074.29**
	Net Increase/(decrease) in cash & cash equivalents		**(3,743.70)**		**1,278.44**
	Cash & Cash equivalents at beginning of period		**4,777.88**		**3,499.44**
	Cash & Cash equivalent at end of period		**1,034.18**		**4,777.88**

Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMLZ3630

Place : New Delhi
Date : 6th May 2022

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited & Nupur Finvest Private Limited derived from Audited Financial Statements and the books and records maintained by the Company for the year ended 31st March 2022 and 31st March 2021 and found the same in agreement there with.

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMLZ3630

Place : New Delhi
Date : 6th May 2022

M/S PAISALO DIGITAL LIMITED
SIGNIFICANT ACCOUNTING POLICIES

A. PRINCIPLE OF CONSOLIDATION

The Consolidated Financial Statements relate to **M/S PAISALO DIGITAL LIMITED** (the Company) and its subsidiary M/s Nupur Finvest Private Limited. The Consolidated Financial Statements have been prepared on the following basis:

a) The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (AS) 110- "Consolidated Financial Statements". The financials are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra- group transactions.

b) Investment in Associate Companies has been accounted under the equity method as per "Accounting for Investments in Associates in Consolidated Financial Statements".

c) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

B. INVESTMENTS OTHER THAN IN SUBSIDIARIES AND ASSOCIATES

Investments other than in subsidiaries and associates have been accounted as per Accounting Standards "Accounting for Investments".

C. OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Statement of Changes in Equity:

1. Current Reporting Period (Amount in ₹)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
42,29,84,490	-	42,29,84,490	1,62,00,000	43,91,84,490
42,29,84,490	**-**	**42,29,84,490**	**1,62,00,000**	**43,91,84,490**

2. Previous Reporting Period (Amount in ₹)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
42,29,84,490	-	42,29,84,490	-	42,29,84,490
42,29,84,490	**-**	**42,29,84,490**	**-**	**42,29,84,490**

List of Shareholders holding more than 5% shares of Company:

Sr. No.	Name of the Shareholder	No of Shares	% of shareholding
1	Mr. Sunil Agarwal	52,85,140	12.04
2	Equilibrated Venture Cflow Pvt. Ltd.	46,24,212	10.53
3	SBI Life Insurance Co. Ltd.	39,93,672	9.10
4	Antara India Evergreen Fund Ltd.	32,65,800	7.44

List of Promoter's and Promoter Group Shareholding:

Sr. No.	Promoter Name	Number of Shares held	Percentage of total shares	Percentage change during the year
1	Mr. Sunil Agarwal	52,85,140	12.04	(0.46)
2	Ms. Suneeti Agarwal	3,58,300	0.82	(0.03)
3	Mr. Santanu Agarwal	16,85,200	3.84	(0.15)
4	Equilibrated Venture Cflow Pvt. Ltd.	46,24,212	10.53	0.87
5	Pri Caf Pvt. Ltd.	7,96,920	1.81	1.21
6	Pro Fitcch Pvt. Ltd.	7,10,561	1.62	1.47

KAMISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 1 Cash & Cash Equivalents **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	Cash Balances	252.16	229.81
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	161.33	1,188.49
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	500.07	0.07
	Total	913.56	1,418.37

Note : 2 Bank Balances other than (a) above **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	120.62	3,359.51
	Total	120.62	3,359.51

- Refer Note No. 41 of Standalone Financial Statement

M/s WISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 3 Derivative Financial Instruments (Assets) (₹ in Lakhs)

Particulars	Current Year			Previous Year		
	Notional Amounts	Fair Value Assets	Fair Value Liabilities	Notional Amounts	Fair Value Assets	Fair Value Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+(v)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging	-	-	-	-	-	-
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

Note : 4 Receivables (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	153.27	884.91
	—Overdue Installments : Considered Good - Unsecured	661.22	912.53
	—Overdue Installments : Sub Standard Assets	1,992.18	1,371.50
2	Other Receivables	-	-
	Total	2,806.67	3,168.94

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 4 (a) Trade Receivable- Additional Disclosures:

Outstanding for following periods from the due date of payment (FY. 2021-22) **(₹ in Lakhs)**

S. No.	Particulars	less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	Undisputed Trade Receivables - Considered Good	814.50		-	-	-	**814.50**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired		1,992.18	-	-	-	**1,992.18**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
	Grand Total	**814.50**	**1,992.18**	-	-	-	**2,806.67**

Outstanding for following periods from the due date of payment (FY. 2020-21) **(₹ in Lakhs)**

S. No.	Particulars	less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	Undisputed Trade Receivables - Considered Good	1,797.44		-	-	-	**1,797.44**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired	-	1,371.50	-	-	-	**1,371.50**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
	Grand Total	**1,797.44**	**1,371.50**	-	-	-	**3,168.94**

- Trade Receivable includes overdue loan installments

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 5 Loans

(₹ In Lakhs)

Particulars	Current Year						Previous Year					
	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
	(1)	(2)	(3)	(4)	(5)	(6)=(1)+(2)+(3)+(4)+(5)	(7)	(8)	(9)	(10)	(11)=(7)+(8)+(9)+(10)	(12)=(6)+(11)
Loans												
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Term Loans	2,56,654.04	-	-	-	-	2,56,654.04	2,08,877.69	-	-	-	-	2,08,877.69
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (A) Gross	2,56,654.04	-	-	-	-	2,56,654.04	2,08,877.69	-	-	-	-	2,08,877.69
Less: Impairment loss allowance	312.07	-	-	-	-	312.07	133.80	-	-	-	-	133.80
Total (A) - Net	2,56,341.97	-	-	-	-	2,56,341.97	2,08,743.89	-	-	-	-	2,08,743.89
(B) (i) Secured by tangible assets	2,51,093.21	-	-	-	-	2,51,093.21	2,06,123.96	-	-	-	-	2,06,123.96
(ii) Secure d by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	5,560.82	-	-	-	-	5,560.82	2,753.73	-	-	-	-	2,753.73
Total (B) Gross	2,56,654.04	-	-	-	-	2,56,654.04	2,08,877.69	-	-	-	-	2,08,877.69
Less: Impairment loss allowance	312.07	-	-	-	-	312.07	133.80	-	-	-	-	133.80
Total (B) Net	2,56,341.97	-	-	-	-	2,56,341.97	2,08,743.89	-	-	-	-	2,08,743.89
(C) (I) Loans in India	2,56,654.04	-	-	-	-	2,56,654.04	2,08,877.69	-	-	-	-	2,08,877.69
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) Gross	2,56,654.04	-	-	-	-	2,56,654.04	2,08,877.69	-	-	-	-	2,08,877.69
Less: Impairment loss allowance	312.07	-	-	-	-	312.07	133.80	-	-	-	-	133.80
Total (C) (I) Net	2,56,341.97	-	-	-	-	2,56,341.97	2,08,743.89	-	-	-	-	2,08,743.89
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) Net	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (I) and (C) (II)	2,56,341.97	-	-	-	-	2,56,341.97	2,08,743.89	-	-	-	-	2,08,743.89

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 6 Investments

(₹ in Lakhs)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	177.67	-	-	-	-	-	177.67	-	-	-	-	-	-	-	-
Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	2,390.31	-	-	-	-	-	2,390.31	2,390.31	-	-	-	-	-	-	2,390.31
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	2,567.98	-	-	-	-	-	2,567.98	2,390.31	-	-	-	-	-	-	2,390.31
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

*Unquoted Shares of M/s Spring Infradev Limited

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 7 Others Financial Assets

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	22.95	20.60
	Advances to Staff	4.02	3.46
	Income Receivables	-	1.00
	Advances for Services	97.72	97.93
	Prepaid Expenses	4.57	2.44
	GST/Service Tax Cenvat	232.91	226.62
	Security Receipts	4,852.65	-
	Total	5,214.82	352.05

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net)

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	10,642.73	7,612.09
	Provision for Taxation	(9,328.85)	(6,669.42)
	Total	1,313.88	942.67

MINISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 9 Property, Plant and Equipment (₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2022	WDV as on 31.03.2021
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6,425.12	3.47	-	6,428.59	363.15	105.88	-	469.03	5,959.56	6,061.97
3	Furniture & Fittings	217.98	5.61	-	223.59	132.50	11.04	-	143.54	80.05	85.48
4	Computer Peripheral	218.99	22.56	-	241.55	200.15	10.32	-	210.47	31.08	18.84
6	Vehicles	165.62	90.07	9.50	246.19	104.87	18.64	9.50	114.01	132.18	60.75
7	Equipments, Plant & Machinery	172.17	7.83	-	180.00	129.76	11.50	-	141.26	38.74	42.41
	SUB TOTAL (A)	7,199.88	129.54	9.50	7,318.91	930.43	157.38	9.50	1,078.33	6,241.61	6,269.45
II	**Intangible Assets**										
1	Computer Software	529.77	1.70	-	531.47	382.65	38.90	-	421.54	109.92	147.14
2	Goodwill	10.70	-	-	10.70	-	-	-	-	10.70	10.70
	SUB TOTAL (B)	540.47	1.70	-	542.17	382.65	38.90	-	421.54	120.62	157.84
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-
	TOTAL [A+B+C+D] (Current Year)	7,740.36	131.24	9.50	7,861.07	1,313.08	196.28	9.50	1,499.86	6,362.23	6,427.29
	Total (Previous Year)	7,733.19	7.16	-	7,740.35	1,106.47	206.61	-	1,313.08	6,427.29	6,626.72

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PAISALO DIGITAL LIMITED

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Note : 10 Other Non Financial Assets (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	74.39	201.47
2	Deferred Expenditure on Processing Fees charged by Bank	59.96	14.95
	Total	134.35	216.42

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities) (₹ In Lakhs)

Particulars	Current Year			Previous Year		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)						
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)						
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+(v)						
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)						
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)						
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)						

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 12 Payables (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	7.69	4.62
		7.69	**4.62**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
	(a) SBI Assignment Payable	348.19	554.90
	(b) SIB Assignment Payable	67.57	141.47
	(c) CBI Assignment Payable	77.94	88.58
	(d) BOB Assignment Payable	-	693.04
	(e) Other Sundry Payables	480.77	197.81
		974.47	**1,675.80**
2	**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		
	(a) Statutory Payables		
	Professional Tax Payable	0.01	0.02
	EPF Contribution Payable	9.94	5.86
	ESI Payable	3.88	0.70
	GST Payable	5.62	9.97
	TDS Payable	156.98	75.13
	LIC GSLI Payable	0.02	0.02
	(b) Expenses Payables	351.83	259.61
		528.28	**351.31**
	Total	**1,510.44**	**2,031.73**

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Note : 12 (a) Trade Payables Due for Payment 2021-22 (₹ in Lakhs)

Sr. No.	Particulars	less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	MSME	7.69	-	-	-	7.69
2	Others	974.47	-	-	-	974.47
3	Disputed Dues-MSME	-	-	-	-	-
4	Disputed Dues-Others	-	-	-	-	-
	Grand Total	982.16	-	-	-	982.16

Trade Payables Due for Payment 2020-21 (₹ in Lakhs)

Sr. No.	Particulars	less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	MSME	4.62	-	-	-	4.62
2	Others	1,675.80	-	-	-	1,675.80
3	Disputed Dues-MSME	-	-	-	-	-
4	Disputed Dues-Others	-	-	-	-	-
	Grand Total	1,680.42	-	-	-	1,680.42

- There are no dues pending for more than 45 days.

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 13 Debt Securities (₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Others (Bonds/ Debentures etc.)*	37,470.89	-	-	37,470.89	27,844.37	-	-	27,844.37
Total (A)	37,470.89			37,470.89	27,844.37			27,844.37
Debt Securities in India	37,470.89	-	-	37,470.89	27,844.37	-	-	27,844.37
Debt Securities outside India	-	-	-	-	-	-	-	-
Total (B) (total of within India and outside India)	37,470.89			37,470.89	27,844.37			27,844.37

***Details of Non Convertible Debentures** (₹ in Lakhs)

Debentures Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Nature of Amount	Current Year	Previous Year
Series-'PDL1802'	Feb-2018	2,800.00	12.00%	Monthly	Feb-2023	2,800.00	Nil	Nil
Series-'PDL2020-3'	Feb-2020	900.00	12.00%	Monthly	Feb-2025	900.00	Nil	Nil
Series-'PDL-07-2020'	Jul-2020	5,000.00	10.50%	Quarterly	Apr-2023	5,000.00	Nil	Yes
Series-'PDL-08-2020'	Aug-2020	2,000.00	9.50%	Yearly	Feb-2022	2,000.00	Nil	Yes
Series-'PDL-11-2020'	Nov-2020	1,600.00	10.50%	Quarterly	May-2022	1,600.00	Nil	Yes
Series-'PDL-12-2020'	Dec-2020	3,500.00	12.00%	Monthly	Dec-2023	3,500.00	Nil	Yes
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	Nil	Yes
Series-'PDL-07-2021'	July-2021	2,500.00	12.00%	Monthly	July-2026	2,500.00	Yes	Nil
Series-'PDL-09-2021'	Sep-2021	10,900.00	12.00%	Monthly	Sep-2026	10,900.00	Yes	Nil
Series-'NFPL-10-2021'	Oct 2021	4,300.00	12.00%	Monthly	Oct 2028	4,300.00	Yes	Nil
Series-'NFPL-12-2021'	Dec 2021	600.00	14.00%	Monthly	Dec 2031	600.00	Yes	Nil
Series-'PDL-02-2022'	Feb-2022	2,700.00	9.00%	Monthly	Feb-2029	2,700.00	Yes	Nil
Series-'NFPL-03-2022'	Mar 2022	240.00	12.00%	Monthly	Mar 2027	240.00	Yes	Nil

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 14 Borrowings (Other than Debt Securities) **(₹ in Lakhs)**

Particulars	As at 31st March 2022				As at 31st March 2021			
	At Amortised Cost	At Fair Value through Profit or Loss (FVTPL)	Designated at Fair Value through Profit or Loss (FVTOCI)	Total	At Amortised Cost	At Fair Value through Profit or Loss (FVTPL)	Designated at Fair Value through Profit or Loss (FVTOCI)	Total
	(1)	(2)	(3)	(1)+(2)+(3)	(1)	(2)	(3)	(1)+(2)+(3)
(a) Term loans:								
(i) From banks	18,160.60	-	-	18,160.60	6,377.06	-	-	6,377.06
(ii) From other parties	2,285.22	-	-	-	3,309.44	-	-	-
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	-	-	-	-	2,221.63	-	-	2,221.63
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	84,650.16	-	-	84,650.16	73,645.12	-	-	73,645.12
(ii) from other parties	16,128.68	-	-	16,128.68	9,859.14	-	-	9,859.14
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
Total (A)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Borrowings in India	1,21,224.66	-	-	1,21,224.66	95,412.39	-	-	95,412.39
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) (Note (1))	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 15 Deposits (₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Deposits								
(i) Public Deposits	-	-	-	-	-	-	-	-
(ii) Form Banks	-	-	-	-	-	-	-	-
(iii) From Others	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note : 16 Subordinatd Liabilities (₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Prepetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Total (A)	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Subordinated Liabilities in India	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B) Totally with (A)	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00

*** Details of Non-Convertable Debentures** (₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Amount Amount	Current Year	Previous Year
Series-'PDL 1808'	Aug-2018	8,100	14.00%	Monthly	Aug-2024	8,100	Nil	Nil
Series-'PDL2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	Nil	Nil
Series-'PDL2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	Nil	Nil
Series-'PDL2020-12'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Nil	Yes

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 17 Others Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Debt Service Repayment Account	251.49	2,777.38
	Total	251.49	2,777.38

Note : 18 Current Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in Cash or in kind or for value to be considered good**		
	Income Tax and TDS	-	-
	Provision for Taxation	-	-
	Total	-	-

Note : 19 Provisions (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Standard Assets	1,057.25	848.88
2	Provision for Proposed Dividend on Equity Shares	439.12	422.92
3	Provision for Expected Credit Loss	1,351.04	1,339.87
4	Provision for Sub Standard Assets	613.24	301.17
	Total	3,460.65	2,912.86

Note : 20 Deferred Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	169.51	121.28
	Tax on Timing difference on Property, Plant and Equipments	326.45	234.15
	Tax on Timing difference on Deferred Revenue Expenditures	19.06	51.63
	Tax on Timming difference on Unearned Income	-2.51	3.66
	Tax on Timing difference on Unearned Processing Fees	(69.22)	(119.93)
2	Total Deferred Tax Liability	273.78	169.51
	Provision for Deferred Tax required for the year (2-1)	104.27	48.23
	Total	273.78	169.51

Note : 21 Others Non Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Unearned Income of Processing Fees	337.65	468.02
	Total	337.65	468.02

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 22 Share Capital

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	12,00,00,000 Equity Shares of Rs. 10 per share	12,000.00	12,000.00
	50,00,000 Preference Shares of Rs. 10 each	500.00	500.00
		12,500.00	**12,500.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	439,24,699 Equity Shares of Rs. 10 per Share fully paid up	4,230.47	4,230.47
	Add: 16,20,000 Shares of Rs. 10 per Share fully paid up issued during the year	162.00	-
		4,392.47	**4,230.47**
3	**PAID UP CAPITAL**		
	4,22,92,199 Equity Shares of Rs. 10 per Share fully paid up	4,229.22	4,229.22
	Add: 16,20,000 Shares of Rs. 10 per Share fully paid up allotted during the year	162.00	-
	Add: Share Forfeited a/c	0.63	0.63
	(Amount originally Paid up @ Rs 5 each on 12,500 Equity Shares of Rs. 10 each)		
	TOTAL	**4,391.84**	**4,229.84**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 22 Share Capital (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	12,00,00,000 Equity Shares of Rs. 10 per share	12,000.00	12,000.00
	50,00,000 Preference Shares of Rs. 10 each	500.00	500.00
		12,500.00	**12,500.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	439,24,699 Equity Shares of Rs. 10 per Share fully paid up	4,230.47	4,230.47
	Add: 16,20,000 Shares of Rs. 10 per Share fully paid up issued during the year	162.00	-
		4,392.47	**4,230.47**
3	**PAID UP CAPITAL**		
	4,22,92,199 Equity Shares of Rs. 10 per Share fully paid up	4,229.22	4,229.22
	Add: 16,20,000 Shares of Rs. 10 per Share fully paid up allotted during the year	162.00	-
	Add: Share Forfeited a/c	0.63	0.63
	(Amount originally Paid up @ Rs 5 each on 12,500 Equity Shares of Rs. 10 each)		
	Total	**4,391.84**	**4,229.84**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 23 Other Equity

Current Reporting Period:

(₹ in Lakhs)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Balance at the beginning of the reporting period	-	-	14,229.42	2,415.21	19,952.02	40,335.11	137.42	250.00	354.04	-	-	-	-	-	-	4,600.13	82,273.35
Add: Any change due to IND AS	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	14,229.42	2,415.21	19,952.02	40,335.11	137.42	250.00	354.04	-	-	-	-	-	-	4,600.13	82,273.35
Total Comprehensive Income for the year	-	-	-	-	-	-	7,925.07	-	-	-	-	-	-	-	-	-	7,925.07
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,565.75	8,565.75
Share warrant converted into Share capital										-	-	-	-	-	-	(162.00)	(162.00)
Security Premium on conversion of warrants into equity	-	-	-	-	11,259.00	-	-	-	-	-	-	-	-	-	-	(11,259.00)	-
Proposed Dividends	-	-	-	-	-	-	(439.12)	-	-	-	-	-	-	-	-	-	(439.12)
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-		-
Transfer to General Reserve	-	-	-	-	-	5,500.00	(5,500.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	1,585.02	-	-	-	(1,585.02)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(208.37)	-	-	-	-	-	-	-	-	-	(208.37)
Balance at the end of the reporting period	-	-	15,814.44	2,415.21	31,211.02	45,835.11	339.06	250.00	344.96	-	-	-	-	-	-	1,744.88	97,954.68

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 23 Other Equity

Previous Reporting Period:

(₹ in Lakhs)

Balance at the beginning of the reporting period	-	-	13,004.20	2,415.21	19,952.02	36,335.11	48.75	250.00	363.12	-	-	-	-	-	-	-	72,368.41
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	13,004.20	2,415.21	19,952.02	36,335.11	48.75	250.00	363.12	-	-	-	-	-	-	-	72,368.41
Total Comprehensive Income for the year	-	-	-	-	-	-	5,798.01	-	-	-	-	-	-	-	-	-	5,798.01
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,600.13	4,600.13
Proposed Dividends	-	-	-	-	-	-	(422.92)	-	-	-	-	-	-	-	-	-	(422.92)
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	4,000.00	(4,000.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	1,225.22	-	-	-	(1,225.22)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(70.28)	-	-	-	-	-	-	-	-	-	(70.28)
Balance at the end of the reporting period	-	-	14,229.42	2,415.21	19,952.02	40,335.11	137.42	250.00	354.04	-	-	-	-	-	-	4,600.13	82,273.35

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 24 Interest Income (₹ In Lakhs)

Particulars	Current Year				Previous Year	
	On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair Value through profit or loss	On Financial Assets measured at Fair Value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair Value through profit or loss
Interest on Loans	-	39,173.79	-	-	34,527.57	-
Income from Investments	-	-	-	-	-	-
Interest on Deposits with Banks	-	36.79	-	-	27.42	-
Other Interest Income	-	11.75	-	-	47	-
Total		39,222.33		-	34,601.99	

Note : 25 Net Gain/(Loss) on fair value changes (₹ In Lakhs)

Particulars	Current Year	Previous Year
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(i) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(ii) On Financial Instruments designated at fair value through profit or loss	-	-
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on Fair value changes (D) to tally with (C)	-	-

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 26 Other Income

(₹ In Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	-	-
	Total	[illegible]	[illegible]

Note : 27 Finance Cost

(₹ In Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		On Financial Liabilities measured at fair value through profit or loss	On Financial Liabilities measured at Amortised Cost	On Financial Liabilities measured at fair value through profit or loss	On Financial Liabilities measured at Amortised Cost
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	12,426.32	-	11,877.81
3	Interest on Debt Securities	-	3,827.11	-	2,488.70
4	Interest on Subordinated Liabilities	-	1,230.00	-	1,220.96
5	Other Interest expense/ Bank Charges	-	927.25	-	607.87
	Total	[illegible]	[illegible]	[illegible]	[illegible]

M.MUSH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 28 Impairment on Financial Instruments

(₹ in Lakhs)

Particulars	[illegible]	[illegible]	[illegible]	[illegible]
Bad Debts Written Off on Loans	-	5,140.76	-	4,819.52
Provision for NPA	-	312.07	-	133.80
Provision for Expected Credit Loss	-	11.16	-	418.31
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 29 Employees Benefit Expenses

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	1,925.73	1,769.46
2	Directors Salaries & Allowances	505.25	433.28
3	Contribution to Provident and other funds	106.94	107.44
4	Share Based Payments to employees	-	-
5	Staff welfare expenses	37.53	21.65
	Total	2,575.45	2,331.83

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2021-22 Rs. 5,05,24,800 (Last year Rs. 4,33,14,900) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	196.28	206.60
2	Deffered Revenue Exp. w/o*	127.08	167.46
	Total	323.36	374.06

- *Deferred Expenses written off over a period of five years

Note : 31 Other Expenses

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	27.52	56.75
2	Travelling Expenses	355.44	452.11
3	Repair & Maintenance	37.76	19.15
4	Insurance Expenses	11.18	11.48
5	Electricity & Water Expenses	56.43	49.98
6	Rates & Taxes	2.69	3.15
7	Legal Expenses & Professional Fees	475.63	321.80
8	Printing & Stationery Expenses	56.93	90.79
9	Postage & Telephone Expenses	43.78	52.62
10	Auditors Remuneration	7.03	4.86
11	Rent	164.80	156.86
12	Rebate & Remission	35.46	17.69
13	Advertisement & Business Promotion Expenses	111.20	758.97
14	Recovery Expenses	6.24	40.17
15	Office and General Expenses	165.12	215.72
16	Loss/(Profit on sale of Assets/Investments)	(0.50)	-
17	Directors Sitting Fees & Expenses	15.64	14.72
18	Corporate Social Responsibility Expenditure	161.03	328.08
	Total	1,723.28	2,596.90

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 32 Ratios

S. No.	Ratio	Formula	Numerator	Ratio
1	Current Ratio	Current Assets/Current Liabilities	-	3.70
2	Debt-Equity Ratio	Debt/Equity	total Debts (Long term + Short term)	1.64
3	Debt Service Coverage Ratio	Net Operating Income/Total Debt Service	(PBT + Dep. + Int. on T.L.) / (int. on T.L.+ Principal repaid)	1.01
4	Return on Equity Ratio	Net Income/Shareholder's Equity	PAT/Shareholder's Equity	7.75%
5	Inventory turnover ratio	Disbursement/Average Inventory	-	0.79
6	Trade Receivables turnover ratio	Trade Receivable/Disbursement	-	0.02
7	Trade payables turnover ratio	Trade Payable/Disbursement	-	0.01
8	Net capital turnover ratio	Disbursement/Shareholder's Equity	-	1.82
9	Net profit ratio	Net Profit/Revenue	-	20.21%
10	Return on Capital employed	EBIT/capital employed	C.E.= Sahreholder's Equity + Long Term Liabilities)	14.73%
11	Return on investment	Income generated form Investments / weighted average investments	-	0.59%

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

33. Remuneration to Auditors:

(₹ In Lakhs)

[illegible]	2021-22	2020-21
For Statutory Audit	4.95	3.30
For Tax Audit	1.50	1.20
Total	**6.45**	**4.50**

34. Earning per Share:

(₹ In Lakhs)

[illegible]	2021-22	2020-21
Net profit for the year (After Tax)	7,925.07	5,798.01
No. of Equity Shares (Weighted)	423.48	422.91
Basic and diluted Earning per share	18.71	13.71

35. Figures for the previous year have been regrouped/rearranged/reclassified and restated in compliance with the IND AS wherever considered necessary.

36. The company has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs:

(₹ In Lakhs)

Name of the Financial Institution	[illegible]	Amount
State Bank of India	Term Loan	4,395.90
Karnataka Bank Ltd	Cash Credit	2,000.00
Bank of Baroda	Term Loan	624.66
Tata Capital Financial Services Limited	Term Loan	1,501.22
Satin Credit Care Network Limited	Term Loan	653.33
Satin Finserv Limited	Term Loan	130.67
Total		**9,305.78**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

37. Disclosure of Related party transactions:

Refer note no. 38 (A, B & C) of Notes to the Account of Standalone Financial Statement of Paisalo Digital Limited

D. Disclosures required for Related party transactions

(₹ In Lakhs)

Name of Party	Nature	Amount	Amount Receivable/ (Payable)
Mr. Sunil Agarwal	Remuneration to Director	435.60	(20.80)
Mr. Harish Singh	Remuneration to Director	33.00	(1.60)
Mr. Anoop Krishnan	Remuneration to Director	39.60	(1.66)
Mr. Sunil Agarwal	Loan Repaid	233.00	—
Mrs. Raj Agarwal	Rent	9.00	(0.68)
Mr. Santanu Agarwal	Salary	18.00	(1.05)
Mr. Atul Agarwal	Salary	12.00	—
Mr. Manendra Singh	Salary	11.16	(0.80)
Mr. Santanu Agarwal	Loan Repaid	2,156.63	—
Mr. Santanu Agarwal	Interest Expenses	149.00	—
Mr. Harish Singh	Interest Payment (on NCD)	6.71	—
Mr. Pranav Chauhan	Interest Payment (on NCD)	19.60	—
Mr. Sunil Agarwal	Dividend Paid	52.85	—
Mr. Santanu Agarwal	Dividend Paid	16.85	—
Ms. Suneeti Agarwal	Dividend Paid	3.58	—
Pro Fitcch Pvt. Ltd.	Dividend Paid	6.08	—
Equilibrated Ventures Cflow Pvt. Ltd.	Dividend Paid	40.84	—
Pri Caf Pvt. Ltd.	Dividend Paid	2.57	—
Pro Fitcch Pvt. Ltd.	Amount received against Share Warrants for conversion into equity (allotment of 5,40,000 equity shares to each allottee)	2,855.25	—
Equilibrated Ventures Cflow Pvt. Ltd.		2,855.25	—
Pri Caf Pvt. Ltd.		2,855.25	—

Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board/Audit Committee considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

(5) Holding Company has extended its guarantee to Banks/ Financial Institutions for credit facilities availed by the wholly owned subsidiary Nupur Finvest Pvt Ltd.

MANISH GOYAL & CO. Chartered Accountants

38. Term Loan facility:

The Company has taken following Term Loans which are fully secured by first charge on hypothecation of Book debts, personal guarantees of Directors and Corporate guarantee of its Holding Company Paisalo Digital Limited, the details of which are given hereunder.

(₹ In Lakhs)

Name of Financial Institutions	Date of Sanction	Sanctioned Amount	Rate of Interest	Terms of repayment	Maturity Date
State Bank of India	15th July 2017	2,000.00	11.00%	16 Quarterly installments	Jun 2022
Tourism Finance Corporation of India	28th Sep 2017	2,385.00	12.00%	17 Quarterly installments	Mar 2022
Nabsamruddhi Finance Ltd.	31st Dec 2018	1,000.00	13.50%	12 Quarterly installments	Mar 2022
Bank of Baroda	29th June 2019	2,500.00	12.20%	36 monthly installment	Dec 2022
Satin Creditcare Limited	09th Dec 2020	1,000.00	18.00%	36 monthly installments	Dec 2023
Satin Finserv Limited	09th Dec 2020	200.00	18.00%	36 monthly installments	Dec 2023
State Bank of India *	02nd Jun 2021	3,000.00	9.45%	20 Quarterly installments	Jun 2026
State Bank of India	31st Jan 2022	1,500.00	9.45%	15 Quarterly installments	Mar 2026
Tata Capital Financial Services Ltd	25th Mar 2022	1,500.00	11.00%	30 Monthly installments	Jan 2024

For other details of facilities and loans refer note no. 39 Notes to the Accounts of Standalone Financial Statements of Paisalo Digital Limited.

39. Working Capital Borrowings:

The Company has availed working capital facility from Karnataka Bank Ltd. Delhi. This facility is secured by hypothecation of books debts / receivables, equitable mortgage of immovable property belonging to the third party, personal guarantee of Directors and Corporate guarantee of its Holding Company.

(₹ In Lakhs)

Sl. No.	Name of Bank	Sanctioned Amount	Date of Sanction	Rate of Interest
1	Karnataka Bank Ltd.	2,000.00	28th December, 2015	MCLR+2%
	Total	**2,000.00**		

For other details of facilities and loans refer note no. 39 Notes to the Accounts of Standalone Financial Statements of Paisalo Digital Limited.

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

40. Additional information as required in respect of Consolidated Financial Statements:

(₹ In Lakhs)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total Consolidated	100	1,02,346.52	100	7,925.07
Holding Co. :				
Paisalo Digital Limited	94.81	97,037.19	99.32	7,871.44
		(Note 1)		(Note 2)
Subsidiaries-Wholly Owned :				
Nupur Finvest Pvt. Ltd.	5.19	5,309.33	0.68	53.63

Paisalo Digital Limited is not holding any foreign subsidiary company / joint Venture

Note 1. Net of Investment in Subsidiary Company

Note 2. Net of Income from Subsidiary Company

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

FORM NO. AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures:

Part "A" : Subsidiaries

(₹In Lakhs)

1	Name of Subsidiary	M/s Nupur Finvest Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same i.e. April 1, 2021 toMarch 31, 2022
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4	Share Capital	536.96
5	Reserves	4,772.38
6	Total Assets	25,073.70
7	Total Liabilities	25,073.70
8	Investments	—
9	Turnover	3,591.36
10	Profit before Taxation	73.08
11	Provision for Taxation	19.45
12	Profit after Taxation	53.63
13	Proposed Dividend (excluding dividend distribution tax)	—
14	% of shareholding	100%

Name of subsidiaries which are yet to commence operation : NA

Names of subsidiaries which have been liquidated or sold during the year : NA

Part "B" : Associates and Joint Venture : NIL

Signed in terms of our Report of even date

For and on behalf of the Board

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMLZ3630

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

Place : New Delhi
Date : 6th May 2022

D. Tayal & Jain, Chartered Accountants
G-3, Ganpati Royale Building, 30, Surya Nagar, Agra-282002
Phone : +91 562 4060087, +91 9897070087 E-mail : catayaldeep@gmail.com

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE AUDIT OF CONSOLIDATED IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Ind AS financial statements of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Holding Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited (the Holding Company and its subsidiary together referred to as "the Group") which comprise of the Consolidated Balance Sheet as at 31st March 2021, the Consolidated Statement of Profit and Loss including Statement of Comprehensive Income and the Consolidated Cash Flow Statement for the year then ended and notes to the consolidated Ind AS 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 consolidated Ind AS financial statements give the information required by the Companies Act, 2013 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 Company as at 31st March 2021of consolidated profit and loss including statement of comprehensive income and its 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 Companies Act, 2013. 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 ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THECONSOLIDATED INDAS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 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 Company, as aforesaid.

D. TAYAL & JAIN Chartered Accountants FRN 016102

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the companies 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Company are responsible for overseeing the financial reporting process of the Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED INDAS 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 financial statements, including the disclosures, and whether the 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 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.

D. TAYAL & JAIN Chartered Accountants AGRA M No. 075102

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 of the aforesaid consolidated financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

c. The audit of all the branch offices of the Company has been conducted by us, hence section 143(8) is not applicable;

d. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement 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;

e. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

f. On the basis of the written representations received from the directors of the Company as on 31st March 2021taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March 2021from being appointed as a director in terms of Section 164 (2) of the Act;

g. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

h. With respect to the other matters 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:

i) There were no pending litigations which would impact the consolidated financial position of the Group.

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary company, incorporated in India.

Place : New Delhi
Date : 4th June 2021

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102
UDIN : 21073102AAAADM1271

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2020-21)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March 2021 we have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the of the company, its subsidiary company, which are companies incorporated in India, are 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 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 Company's internal financial controls over financial reporting 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") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

D. TAYAL & JAIN Chartered Accountants AGRA M No 073702

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2020-21)

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company, its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021based 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.

Place : New Delhi
Date : 4th June 2021

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102
UDIN : 21073102AAAADM1271

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2021

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	1,418.37	3,396.61
	(b) Bank Balances other than (a) above	2	3,359.51	102.82
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	3,168.94	1,188.85
	(ii) Other Receivables		-	-
	(e) Loans	5	2,08,743.89	1,92,865.58
	(f) Investments	6	2,390.31	2,390.31
	(g) Other Financial Assets	7	17,616.84	16,796.55
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	942.67	1,172.65
	(b) Deferred Tax Asset (Net)		-	-
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	6,269.45	6,429.75
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		10.70	10.70
	(i) Other Intangible Assets	9	147.14	186.27
	(j) Other Non-Financial Assets	10	216.42	382.32
	Total Assets		2,44,284.24	2,24,922.41
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		4.62	114.16
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		1,675.80	391.76
	(II) Other Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		-	-
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		351.31	529.06
	(c) Debt Securities	13	27,844.37	13,200.00
	(d) Borrowings (Other than Debt Securities)	14	95,412.39	1,01,708.73
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	8,900.00	8,800.00
	(g) Other Financial Liabilities	17	20,042.17	20,759.01
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	2,912.86	2,290.49
	(c) Deferred Tax Liabilities (Net)	20	169.51	121.28
	(d) Other non-financial Liabilities	21	468.02	409.67
	(3) Equity			
	(a) Equity Share Capital	22	4,229.84	4,229.84
	(b) Other Equity	23	82,273.35	72,368.41
	Total Equity & Liabilities		2,44,284.24	2,24,922.41

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For and on behalf of the Board

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102

Place : New Delhi
Date : 4th June 2021

(ATUL KUMAR AGRAWAL)
Chief Financial Officer
PAN : ADOPA4603N

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

(HARISH SINGH)
Executive Director
DIN : 00039501

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2021

(₹ in Lakhs)

S. No.	Particulars	Note No.	Figures for current reporting period	Figures for previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	34,602.19	37,476.94
	(ii) Dividend Income		-	-
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		-	-
	(v) Net gain on fair value changes	25	-	-
	(vi) Net gain on derecognition of financial instruments under amortised		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		-	-
	Total Revenue from Operations (I)		34,602.19	37,476.94
II	Other Income	26	-	-
	Total Income (I+II)		34,602.19	37,476.94
III	**Expenses:**			
	(i) Finance Costs	27	16,195.34	15,654.57
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes		-	-
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	5,371.63	8,496.18
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	2,331.83	2,546.16
	(xi) Depreciation, amortization and impairment	30	374.06	402.94
	(x) Others expenses	31	2,266.82	2,960.68
	Total Expenses (III)		26,539.68	30,060.53
IV	Profit before exceptional items and tax **(II-III)**		8,062.51	7,416.41
V	Exceptional Items		(42.32)	-
VI	Profit before tax **(IV-V)**		8,104.83	7,416.41
VII	**Tax Expense:**			
	(1) Current Tax		1,930.51	1,963.36
	(2) Deferred Tax		48.23	39.81
VIII	Profit for the period from continuing operations **(VI-VII)**		6,126.09	5,413.24
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**		-	-
XII	Profit for the period **(VIII+XI)**		6,126.09	5,413.24

D. TAYAL & JAIN Chartered Accountants AGRA M No 69102

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2021

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures for current reporting period	Figures for previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)			
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)			
	Other Comprehensive Income (A+B)			
XIV	Total Comprehensive Income for the period (XII+XIII) (Comprising Profit and other Comprehensive Income for the period)		[illegible]	[illegible]
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	34	14.49	12.80
	Diluted (Rs.)		14.49	12.80
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	34	14.49	12.80
	Diluted (Rs.)		14.49	12.80

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For and on behalf of the Board

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102

Place : New Delhi
Date : 4th June 2021

(ATUL KUMAR AGRAWAL)
Chief Financial Officer
PAN : ADOPA4603N

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

(HARISH SINGH)
Executive Director
DIN : 00039501

M/S PAISALO DIGITAL LIMITED

STATEMENT OF CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in Lakhs)

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		24,257.84		23,070.97
	Adjustments for				
I	Depreciation	206.60		189.65	
II	Deferred Expense W/O	167.46		213.29	
III	Impairment on financial instruments	5,371.63		8,496.18	
	Operating Profit before working capital changes		**30,003.53**		**31,970.09**
	Adjustments for				
I	Change in Other Financial Assets	13.82		(2.55)	
II	Change in Loans & Receivables	(22,677.94)		(6,747.30)	
III	Change in Payable & non financial liabilities	1,055.09		(3,637.11)	
IV	Deferred Expenditure	(1.57)		22.26	
	Cash generated from Operations		**8,392.93**		**21,605.39**
I	Interest paid	(16,195.34)		(15,654.57)	
II	Income Tax paid	(1,700.52)		(2,336.30)	
III	Paid Expenses on CSR	(328.08)		(97.91)	
	Cash flow before Extraordinary Items		**(9,831.01)**		**3,516.61**
I	Extraordinary items		(42.32)		-
	Net Cash from Operating Activities		**(9,788.69)**		**3,516.61**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(7.16)		(29.98)	
	Net Cash from Investing activities		**(7.16)**		**(29.98)**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	(6,296.34)		6,440.08	
II	Proceeds from Debt Service Repayment Account	(1,550.95)		(8,943.77)	
III	Proceeds from Debt Securities	14,644.37		900.00	
IV	Proceeds from Subordinated Liability	100.00		700.00	
V	Dividend Paid	(422.92)		(488.97)	
VI	Money received against Share Warrant	4,600.13			
	Net Cash from Financing activities		**11,074.29**		**(1,392.66)**
	Net Increase/(decrease) in cash & cash equivalents		**1,278.44**		**2,093.98**
	Cash & Cash equivalents at beginning of period		**3,499.44**		**1,405.46**
	Cash & Cash equivalent at end of period		**4,777.88**		**3,499.44**

Signed in terms of our Report of even date

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102

Place : New Delhi
Date : 4th June 2021

For and on behalf of the Board

(ATUL KUMAR AGRAWAL)
Chief Financial Officer
PAN : ADOPA4603N

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

(HARISH SINGH)
Executive Director
DIN : 00039501

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited (Formerly known as M/s S. E. Investments Limited), derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2021 and 31st March 2020 and found the same in agreement here with.

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102

Place : New Delhi
Date : 4th June 2021

M/S PAISALO DIGITAL LIMITED

SIGNIFICANT ACCOUNTING POLICIES

A. PRINCIPLE OF CONSOLIDATION

The Consolidated Financial Statements relate to **M/S PAISALO DIGITAL LIMITED** (the Company) and its subsidiary M/s Nupur Finvest Private Limited. The Consolidated Financial Statements have been prepared on the following basis:

a) The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (AS) 110- "Consolidated Financial Statements". The financials are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra- group transactions.

b) Investment in Associate Companies has been accounted under the equity method as per Ind AS "Accounting for Investments in Associates in Consolidated Financial Statements".

c) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

B. INVESTMENTS OTHER THAN IN SUBSIDIARIES AND ASSOCIATES

Investments other than in subsidiaries and associates have been accounted as per Accounting Standards "Accounting for Investments".

C. OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

D. TAYAL & JAIN
AGRA
M No
Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 1 Cash & Cash Equivalents

(₹ in Lakhs)

Sl. No.	Particulars	Current Year	Previous Year
1	Cash Balances	229.81	138.86
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	1,188.49	3,257.68
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	0.07	0.07
	Total	1,418.37	3,396.61

Note : 2 Bank Balances other than (a) above

(₹ in Lakhs)

Sl. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	3,359.51	102.82
	Total	3,359.51	102.82

D. TAYAL & JAIN * Chartered Accountants * AGRA M No. 082102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 3 Derivative Financial Instruments (Assets) **(₹ in Lakhs)**

Particulars	Current Year			Previous Year		
	Notional Amounts	Fair Value Assets	Fair Value Liabilities	Notional Amounts	Fair Value Assets	Fair Value Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)						
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)						
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+(v)						
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging	-	-	-	-	-	-
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)						
(ii) Cash flow hedging	-	-	-	-	-	-
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)						
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)						

Note : 4 Receivables **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	2,256.41	892.49
	—Overdue Installments : Considered Good - Unsecured	912.53	296.36
2	Other Receivables	-	-
	Total	[illegible]	[illegible]

TAYAL & JA... Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 5 Loans (₹ in Lakhs)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Loans					-	-					-	-
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Term Loans	2,08,877.69	-	-	-	-	2,08,877.69	1,92,954.69	-	-	-	-	1,92,954.69
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (A) - Gross	[illegible]					[illegible]	[illegible]					[illegible]
Less: Impairment loss allowance	133.80	-	-	-	-	133.80	89.11	-	-	-	-	89.11
Total (A) - Net	[illegible]					[illegible]	[illegible]					[illegible]
(B) (i) Secured by tangible assets	2,06,123.96	-	-	-	-	2,06,123.96	1,87,131.53	-	-	-	-	1,87,131.53
(ii) Secure d by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	2,753.73	-	-	-	-	2,753.73	5,823.16	-	-	-	-	5,823.16
Total (B) - Gross	[illegible]					[illegible]	[illegible]					[illegible]
Less: Impairment loss allowance	133.80	-	-	-	-	133.80	89.11	-	-	-	-	89.11
Total (B) - Net	[illegible]					[illegible]	[illegible]					[illegible]
(C) (I) Loans in India	2,08,877.69	-	-	-	-	2,08,877.69	1,92,954.69	-	-	-	-	1,92,954.69
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (I) - Gross	[illegible]					[illegible]	[illegible]					[illegible]
Less: Impairment loss allowance	133.80	-	-	-	-	133.80	89.11				-	89.11
Total (C) (I) - Net	[illegible]					[illegible]	[illegible]					[illegible]
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) - Gross												
Total (C) (II) - Net	[illegible]					[illegible]	[illegible]					[illegible]

AGRA
Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 6 Investments (₹ in Lakhs)

Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	2,390.31	-	-	-	-	-	2,390.31	2,390.31	-	-	-	-	-	2,390.31
(I) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(II) Investments in India	2,390.31	-	-	-	-	-	2,390.31	2,390.31	-	-	-	-	-	2,390.31

*Unquoted Shares of M/s Spring Infradev Limited

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 7 Others Financial Assets **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	20.60	21.63
	Advances to Staff	3.46	69.68
	Income Receivables	1.00	0.11
	Advances for Services	97.93	91.88
	Prepaid Expenses	2.44	4.08
	GST/Service Tax Cenvat	226.62	178.50
2	Arbitration Awards/ Decree Reclevable	17,264.79	16,430.67
	Total	17,616.84	16,796.55

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net) **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	7612.09	9204.58
	Provision for Taxation	-6669.42	-8031.93
	Total	942.67	1172.65

D. TAYAL & JAIN Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 9 Property, Plant and Equipment

(₹ In Lakhs)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6425.12	0.00	-	6425.12	257.27	105.88	-	363.15	6061.97	6167.86
3	Furniture & Fittings	215.15	2.83	-	217.98	121.09	11.41	-	132.50	85.48	94.06
4	Computer Peripheral	217.56	1.43	-	218.99	180.98	19.17	-	200.15	18.84	36.58
5	Vehicles	165.62	0.00	-	165.62	89.54	15.33	-	104.87	60.75	76.07
6	Equipments, Plant & Machinery	169.27	2.90	-	172.17	114.09	15.67	-	129.76	42.41	55.18
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
II	**Intangible Assets**										
1	Computer Software	529.77	-	-	529.77	343.50	39.15	-	382.65	147.14	186.27
2	Goodwill	10.70	-	-	10.70	-	0.00	-	-	10.70	10.7
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

D. TAYAL & [illegible] Chartered Accountants AGRA M No. [illegible]102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 10 Other Non Financial Assets **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	201.47	368.94
2	Unexpired Expenses on Procesing Fees charged by Bank	14.95	13.38
	Total	216.42	382.32

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities) **(₹ in Lakhs)**

Particulars	Current Year			Previous Year		
	Notional Amount	Fair Value Assets	Fair Value Liabilities	Notional Amount	Fair Value Assets	Fair Value Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)						
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)						
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative financial Instruments (i+ii+iii+iv+v)						
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)						
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)						
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative financial Instruments (i+ii+iii+iv)						

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 12 Payables (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	4.62	114.16
		4.62	**114.16**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small		
	(a) SBI Assignment Payable	554.90	83.44
	(b) SIB Assignment Payable	141.47	30.58
	(c) DJT Financial Services Payable	-	43.55
	(d) CBI Financial Services Payable	88.58	-
	(e) BOB Financial Services Payable	693.04	-
	(g) Other Sundry Payables	197.82	234.19
		1,675.81	**391.76**
2	**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		
	(a) Statutory Payables		
	Professional Tax Payable	0.02	0.02
	EPF Contribution Payable	5.86	6.61
	ESI Payable	0.70	0.77
	GST Payable	9.97	16.89
	TDS Payable	75.13	129.50
	LIC GSLI Payable	0.02	0.03
	(b) Expenses Payables	259.60	375.25
		351.30	**529.07**
	Total	**2,031.73**	**1,034.99**

D. TAYAL & JAIN Chartered Accountants AGRA M No 87102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 13 Debt Securities **(₹ in Lakhs)**

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	(2)	(3)	(4) = (2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Others (Bonds/ Debentures etc.)*	27,844.37	-	-	27,844.37	13,200.00	-	-	13,200.00
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Debt Securities in India	27,844.37	-	-	27,844.37	13,200.00	-	-	13,200.00
Debt Securities outside India	-	-	-	-	-	-	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

***Details of Non Convertible Debentures** **(Amount in ₹)**

Debenture Series	Issue Date	Issued Amount	Interest Rate	Interest Periodicity	Redemption Date	Outstanding Amount	Convertible	Exchange/ NSE
Series-'1609 SEIL'	Sept-2016	9,500.00	14.50%	Monthly	Sept-2021	9,500.00	Nil	Nil
Series-'PDL 1802'	Feb-2018	2,800.00	12.00%	Monthly	Feb-2023	2,800.00	Nil	Nil
Series-'PDL 2020-3'	Feb-2020	900.00	12.00%	Monthly	Feb-2025	900.00	Yes	Nil
Series-'PDL-07-2020'	Jul-2020	5,000.00	10.50%	Quarterly	Apr-2023	5,000.00	Yes	Nil
Series-'PDL-08-2020'	Aug-2020	2,000.00	9.50%	Yearly	Feb-2022	2,000.00	Yes	Nil
Series-'PDL-11-2020'	Nov-2020	1,600.00	10.50%	Quarterly	May-2022	1,600.00	Yes	Nil
Series-'PDL-12-2020'	Dec-2020	3,500.00	12.00%	Monthly	Dec-2023	3,500.00	Yes	Nil
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	Yes	Nil

D. TAYAL & JAIN * Chartered Accountants * AGRA M No 071102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 14 Borrowings (Other than Debt Securities) **(₹ In Lakhs)**

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	(a)	(b)	(c)	(d) = (a)+(b)+(c)	(e)	(f)	(g)	(h) = (e)+(f)+(g)
(a) Term loans:								
(i) From banks	6,377.06	-	-	6,377.06	9,696.00	-	-	9,696.00
(ii) From other parties	3,309.44	-	-	3,309.44	3,227.75	-	-	3,227.75
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	2,221.63	-	-	2,221.63	1,870.26	-	-	1,870.26
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	73,645.12	-	-	73,645.12	78,925.67	-	-	78,925.67
(ii) from other parties	9,859.14	-	-	9,859.14	7,989.05	-	-	7,989.05
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Borrowings in India	95,412.39	-	-	95,412.39	1,01,708.73	-	-	1,01,708.73
Borrowings outside India	-	-	-	-	-	-	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

D. TAYAL & CO. Chartered Accountants AGRA M No. 073402

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 15 Deposits

(₹ in Lakhs)

Deposits								
(i) Public Deposits	-	-	-	-	-	-	-	-
(ii) Form Banks	-	-	-	-	-	-	-	-
(iii) From Others	-	-	-	-	-	-	-	-

Note : 16 Subordinatd Liabilities

(₹ in Lakhs)

Prepetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	8,900.00	-	-	8,900.00	8,800.00	-	-	8,800.00
Subordinated Liabilities in India	8,900.00	-	-	8,900.00	8,800.00	-	-	8,800.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-

* Details of Non-Convertable Debentures

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL 1808'	Aug-2018	8,100	14.00%	Monthly	Aug-2024	8,100	Nil	Nil
Series-'PDL 2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	Yes	Nil
Series-'PDL 2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	Yes	Nil
Series-'PDL-12-2020'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Yes	Nil

D. TAYAL & ASSOCIATES Chartered Accountants AGRA M No. 071182

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 17 Others Financial Liabilities (₹ in Lakhs)

		Current Year	Previous Year
1	Debt Service Repayment Account	2777.38	4328.34
2	Arbitration Awards/ Decree Recievables	17264.79	16430.67
		20042.17	20759.01

Note : 18 Current Tax Liabilities (Net) (₹ in Lakhs)

		Current Year	Previous Year
1	**Advance Recoverable in Cash or in kind or for value to be considered good**		
	Income Tax and TDS		-
	Provision for Taxation		-

Note : 19 Provisions (₹ in Lakhs)

		Current Year	Previous Year
1	Provision for Standard Assets	848.88	778.62
2	Provision for Proposed Dividend on Equity Shares	422.92	422.92
3	General Provision on Standard Accounts in Default	0.00	652.47
4	Provision for Expected Credit Loss	1339.87	269.10
5	Provision for Sub Standard Assets	301.17	167.38
		2912.84	[illegible]

Note : 20 Deferred Tax Liabilities (Net) (₹ in Lakhs)

		Current Year	Previous Year
1	Opening Balance	121.28	70.93
	Add: Addition from Merger of Agarwal Meadows	0.00	10.54
	Tax on Timing difference on Property, Plant and Equipments	234.15	128.44
	Tax on Timing difference on Deferred Revenue Expenditures	51.63	94.54
	Tax on Timing difference on Unearned Processing Fees	(119.93)	(104.98)
	Tax on Timing difference on Unearned Expenses	3.66	3.28
2	Total Deferred Tax Liability	169.51	121.28
	Provision for Deferred Tax required for the year (2-1)	48.23	39.81
		169.51	[illegible]

Note : 21 Others Non Financial Liabilities (₹ in Lakhs)

		Current Year	Previous Year
1	Unearned Income of Processing Fees	468.02	409.67
		[illegible]	[illegible]

D. TAYAL & JAIN Chartered Accountants AGRA M No. 523102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 22 Share Capital

(₹ in Lakhs)

S.No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	1200,00,000 Equity Shares of Rs. 10 per share	12,000.00	12,000.00
	50,00,000 Preference Shares of Rs. 10 each	500.00	500.00
		12,500.00	**12,500.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	423,04,699 Equity Shares of Rs. 10 per Share fully paid up	4,230.47	4,230.47
		4,230.47	**4,230.47**
3	**PAID UP CAPITAL**		
	4,22,92,199 Equity Shares of Rs. 10 per Share fully paid up	4,229.22	4,229.22
	Add: Share Forfeited a/c	0.63	0.63
	(Amount originally Paid up @ Rs 5 each on 12,500 Equity Shares of Rs. 10 each)		
	Total	4,229.84	4,229.84

- **More than 5% shares:**

  Mr. Sunil Agarwal holds 5285140 equity shares (12.50%) [Previous year 3269940 equity shares (8.06%)]

  M/s Equilibrated Venture Cflow Pvt Ltd holds 4084212 equity shares (9.65%) [Previous year 2914223 equity shares (7.19%)]

  SBI Life Insurance Co. Ltd holds 3800000 equity shares (8.98%)

Statement of Changes in Equity for the period ending on 31-03-2021

(in ₹)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
422984490	-	42,29,84,490

D. TAYAL & JAIN * Chartered Accountants * AGRA M No. 071182

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 23 Other Equity

(₹ in Lakhs)

Balance at the beginning of the reporting period	-	-	13,004.20	2,415.21	19,952.02	36,335.11	48.75	250.00	363.12	-	-	-	-	-	-	72,368.41
Add: Addition due to merger of AMPL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	13,004.20	2,415.21	19,952.02	36,335.11	48.75	250.00	363.12	-	-	-	-	-	-	72,368.41
Total Comprehensive Income for the year	-	-	-	-	-	-	6,126.09	-	-	-	-	-	-	-	-	6,126.09
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,600.13	4,600.13
Proposed Dividends	-	-	-	-	-	-	(422.92)	-	-	-	-	-	-	-	-	(422.92)
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	4,000.00	(4,000.00)	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	1,225.22	-	-	-	(1,225.22)	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(70.28)	-	-	-	-	-	-	-	-	(70.28)
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	(328.08)	-	-	-	-	-	-	-	-	(328.08)
Balance at the end of the reporting period	-	-	14,229.42	2,415.21	19,952.02	40,335.11	137.42	250.00	354.04	-	-	-	-	-	4,600.13	82,273.35

D. TAYAL & CO. Chartered Accountants AGRA M No. 078102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 24 Interest Income (₹ in Lakhs)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Interest on Loans	-	34,527.57	-	-	37,470.37	-
Interest Income from Investments	-	-	-	-	-	-
Interest on Deposits with Banks	-	27.42	-	-	6.57	-
Other Interest Income	-	47.20	-	-	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Note : 25 Net Gain/(Loss) on fair value changes (₹ in Lakhs)

[illegible]	[illegible]	[illegible]
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(I) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(II) On Financial Instruments designated at fair value through profit or loss	-	-
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on Fair value changes (D) to tally with (C)	-	-

D. TAYAL & JAIN Chartered Accountants AGRA M No. [illegible]

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 26 Other Income

(₹ in Lakhs)

	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	-	-

Note : 27 Finance Cost

(₹ in Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		[illegible]	[illegible]	[illegible]	[illegible]
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	11,877.81	-	12,282.44
3	Interest on Debt Securities	-	2,488.70	-	2,022.07
4	Interest on Subordinated Liabilities	-	1,220.96	-	857.87
5	Other Interest expense/ Bank Charges	-	607.87	-	492.18
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

D. TAYAL & JAIN Chartered Accountants AGRA M No. 073402

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 28 Impairment on Financial Instruments **(₹ In Lakhs)**

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bad Debts Written Off on Loans	-	4,819.52	-	7,485.50
Provision for NPA	-	133.80	-	89.11
Provision for Expected Credit Loss				
Provision on Standard Accounts in Default		-		652.47
Additional Provision for Expected Credit Loss		418.31		269.10
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

D. TAYAL & JAIN Chartered Accountants AGRA M No. 073102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 29 Employees Benefit Expenses (₹ in Lakhs)

S. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	1,769.46	1,947.02
2	Directors Salaries & Allowances	433.28	463.47
3	Contribution to Provident and other funds	107.44	103.82
4	Share Based Payments to employees	-	-
5	Staff welfare expenses	21.65	31.85
	Total	2,331.83	2,546.16

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2020-21 is Rs. 4,33,14,900 (last year Rs 4,63,24,800) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost (₹ in Lakhs)

S. No.	Particulars	Current Year	Previous Year
1	Depreciation	206.60	189.65
2	Deffered Revenue Exp. w/o*	167.46	213.29
	Total	374.06	402.94

- *Deferred Expenses written off over a period of five years

Note : 31 Other Expenses (₹ in Lakhs)

S. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	56.75	130.40
2	Travelling Expenses	452.11	528.23
3	Repair & Maintenance	19.15	48.67
4	Insurance Expenses	11.48	12.62
5	Electricity & Water Expenses	49.98	60.24
6	Rates & Taxes	3.15	6.28
7	Legal Expenses & Professional Fees	278.60	476.89
8	Printing & Stationery Expenses	90.79	382.63
9	Postage & Telephone Expenses	52.62	88.69
10	Auditors Remuneration	48.06	57.91
11	Rent	156.86	203.13
12	Rebate & Remission	17.69	12.57
13	Advertisement & Business Promotion Expenses	758.97	617.84
14	Recovery Expenses	40.17	54.39
15	Office and General Expenses	215.72	265.20
16	Directors Sitting Fees & Expenses	14.72	14.99
	Total	2,266.82	2,960.00

D. TAYAL & JAIN Chartered Accountants AGRA M No 073102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

32. Remuneration to Auditors:

(₹ In Lakhs)

	2020-21	2019-20
For Statutory Audit	3.30	3.30
For Tax Audit	1.20	1.20
For Certification work/other services	44.57	53.41
Total	**49.07**	**57.91**

33. Earning per Share:

(₹ In Lakhs)

	2020-21	2019-20
Net profit for the year (After Tax)	6126.09	5413.24
No. of Equity Shares (Weighted)	422.92	422.92
Basic and diluted Earning per share	14.49	12.80

34. Figures for the previous year have been regrouped/rearranged/reclassified and restated in compliance with the IND AS wherever considered necessary.

35. The company has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs:

(₹ In Lakhs)

Name of Bank / Financial Institution	Amount
State Bank of India Term Loan	977.78
State Bank of India Cash Credit Limit	3000.00
Karnataka Bank Ltd Cash Credit Limit	2000.00
Bank of Baroda Term Loan	1458.33
Tourism Finance Corporation of India Ltd Term Loan	587.88
Nabsamruddhi Finance Limited Term Loan	333.33
Satin Creditcare Network Limited Term Loan	944.55
Satin Finserv Limited Term Loan	188.91
Total	**9490.78**

D. TAYAL & JAIN Chartered Accountants AGRA M No. 072102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

36. Disclosure of Related party transactions:

Refer note no. 36 (A, B & C) of Paisalo Digital Limited Notes on Accounts

D. Disclosures required for Related party transactions

(₹ In Lakhs)

Name of Party	Nature	Amount	Amount Receivable/ (Payable)
Mr. Sunil Agarwal	Remuneration to Director	376.56	(3.24)
Mr. Harish Singh	Remuneration to Director	26.72	(1.05)
Mr. Anoop Krishnan	Remuneration to Director	32.18	(2.34)
Mr. Sunil Agarwal	Loan	—	(33.00)
Mrs. Raj Agarwal	Rent	9.00	(0.69)
Mr. Santanu Agarwal	Salary	18.00	(3.15)
Mr. Atul Agarwal	Salary	14.63	(1.23)
Mr. Manendra Singh	Salary	9.99	(0.87)
Mr. Santanu Agarwal	Loan Received	291.90	(1768.16)
Mr. Santanu Agarwal	Loan Repaid	361.00	—
Mr. Santanu Agarwal	Interest Expenses	238.35	(220.48)
Mr. Harish Singh	Interest Payment (on NCD)	14.50	—
Mr. Pranav Chauhan	Interest Payment (on NCD)	14.50	—

Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

D. TAYAL & JAIN Chartered Accountants AGRA M No. 073102

37. Term Loan facility:

The Company has taken following Term Loans which are fully secured by first charge on hypothecation of Book debts, personal guarantees of Directors and Corporate guarantee of its Holding Company, the details are as under.

(₹ In Lakhs)

Name of Financial Institutions	Date of Sanction	Sanctioned Amount	Rate of Interest	Terms of repayment	Maturity Date
State Bank of India	15th July 2017	2000.00	11.00%	16 Quarterly installments	Jan 2022
Tourism Finance Corporation of India	28th September 2017	2385.00	12.00%	17 Quarterly installments	Mar 2022
Nabsamruddhi Finance Ltd.	30th November 2017	1500.00	12.50%	12 Quarterly installments	Dec 2020
Tata Capital Financial Services Ltd	11th September 2018	1500.00	11.75%	8 Quarterly installments	Sep 2020
Nabsamruddhi Finance Ltd.	31st December 2018	1000.00	13.50%	12 Quarterly installments	Dec 2021
Bank of Baroda	29th June 2019	2500.00	12.20%	36 monthly installment	Dec 2022
Satin Creditcare Limited	05th June 2019	700.00	13.00%	12 monthly installments	July 2020
Satin Finserv Limited	05th June 2019	300.00	13.00%	12 monthly installments	July 2020
Satin Creditcare Limited	09th Dec 2020	1000.00	18.00%	36 monthly installments	Dec 2023
Satin Finserv Limited	09th Dec 2020	200.00	18.00%	36 monthly installments	Dec 2023

For other details of facilities and loans refer note no. 37 & 38 of Paisalo Digital Ltd. notes on accounts.

38. Working Capital Borrowings:

The Company has availed working capital facility from Karnataka Bank Ltd. and State Bank of India, Delhi. This facility is secured by hypothecation of books debts / receivables, equitable mortgage on office premises & Residential building belonging to the guarantors, personal guarantee of Directors and Corporate guarantee of its Holding Company and one other company who have stood as guarantor.

(₹ In Lakhs)

S. No.	Name of Bank	Sanctioned Amount	Date of Sanction	Rate of Interest
1	Karnataka Bank Ltd.	2000.00	28th December, 2015	MCLR+2%
2	State Bank of India	3000.00	15th July 2017	MCLR+2.15%
	Total	**5000.00**		

For other details of facilities and loans refer note no. 37 of Paisalo Digital Ltd. notes on accounts.

D. TAYAL & ASSOCIATES Chartered Accountants AGRA M No. 073102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

39. Additional information as required in respect of Consolidated Financial Statements:

(₹ In Lakhs)

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
Total Consolidated	100	86503.19	100	6126.09
Holding Co. :				
Paisalo Digital Limited	93.90	81224.03	99.44	6091.90
		(Note 1)		(Note 2)
Subsidiaries-Wholly Owned :				
Nupur Finvest Pvt. Ltd.	6.10	5279.16	0.56	34.19

Paisalo Digital Limited is not holding any foreign subsidiary company / joint Venture

Note 1. Net of Investment in Subsidiary Company

Note 2. Net of Income from Subsidiary Company

D. TAYAL & JAIN * Chartered Accountants * AGRA M No. 073102

M/S PAISALO DIGITAL LIMITED

FORM NO. AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures:

Part "A" : Subsidiaries

(₹in Lakhs)

1	Name of Subsidiary	M/s Nupur Finvest Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same i.e. April 1, 2020 toMarch 31, 2021
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4	Share Capital	536.96
5	Reserves	4742.21
6	Total Assets	19,068.71
7	Total Liabilities	19,068.71
8	Investments	—
9	Turnover	3,462.60
10	Profit before Taxation	51.86
11	Provision for Taxation	17.67
12	Profit after Taxation	34.19
13	Proposed Dividend (excluding dividend distribution tax)	—
14	% of shareholding	100%

Name of subsidiaries which are yet to commence operation : NA

Names of subsidiaries which have been liquidated or sold during the year : NA

Part "B" : Associates and Joint Venture : NIL

Signed in terms of our Report of even date

For and on behalf of the Board

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

D. TAYAL & JAIN AGRA Chartered Accountants

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102

Place : New Delhi
Date : 4th June 2021

(ATUL KUMAR AGRAWAL)
Chief Financial Officer
PAN : ADOPA4603N

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

(HARISH SINGH)
Executive Director
DIN : 00039501

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

AUDITOR'S REPORT

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone Financial Statements of **M/S PAISALO DIGITAL LIMITED** ("the Company") which comprises the Balance Sheet as at 31st March 2023 the Statement of Profit and Loss (including Statement of Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year ended on that date, 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 Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023 and profit (including Statement of Other Comprehensive Income), Statement of changes in Equity and its Cash Flows 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) 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 no. 37(b) for Contingent Assets.

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters below to be the key audit matters to be communicated in our report.

MANISH GOYAL & CO. Chartered Accountants

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Key Audit Matters	How our audit addresses the Key Audit Matters
Impairment of financial Instruments (Expected Credit Loss) (refer Note No. 28 of the Standalone Financial Statements) Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets using the expected Credit Loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including: ▪ unbiased, probability weighted outcome under the various scenarios; ▪ time value of money; ▪ impact arising from forward looking macro-economic factors and; ▪ availability of reasonable and supportable information without undue costs. Applying these principles involves significant estimation in various aspects, such as; ▪ grouping of borrowers based on homogeneity by using appropriate statistical techniques; ▪ staging of loans and estimation of behavior life; ▪ estimation of losses for loan products/ corporate guarantee with historical defaults. ▪ Determining macro-economic factors impacting credit quality of financial assets, Considering the significance of such allowance to the overall Financial Statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.	▪ We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. ▪ We tested the criteria for staging of loans/ corporate guarantee based on their past-due status to check compliance with the requirement of Ind AS 109. ▪ Tested samples of performing loans (Stage 1) to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. ▪ Tested the ECL model, including assumptions and underlying computation.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, 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.

MANISH GOYAL & CO. Chartered Accountants

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 during the course of our 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.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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, 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 implementation and maintenance of 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 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.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

MANISH GOYAL & CO. Chartered Accountants

- 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 Financial Statements, including the disclosures, and whether the 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 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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 audit of all the branch offices of the Company has been conducted by us, hence Section 143(8) is not applicable;

d. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

e. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

MANISH GOYAL & CO. Chartered Accountants

f. On the basis of the written representations received from the Directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

i. 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:

i) The Company does not have any pending litigations (other than in the ordinary course of business) 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.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv) **(a)** The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

MANISH GOYAL & CO. Chartered Accountants

v) As stated in Note 61 to the Standalone Financial Statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Company has not declared and has not paid any interim dividend during the year.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

Place : New Delhi
Date : 11th May 2023

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZN8411

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2022-23)

i. **(a)** **(A)** The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.

(B) The Company has maintained proper records to show full particulars of intangible assets.

(b) As explained to us, the Property, Plant and Equipments have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us, the title deeds of immovable properties of the company are held in the name of the Company.

(d) According to the information and explanations given to us, Company has not revalued its Property, Plant and Equipment or Intangible assets.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1998).

ii. **(a)** The Company is a Non-Banking Financial Company (NBFC) and has not dealt with any goods and the Company does not hold any inventory of goods during the period under audit. Accordingly, the reporting requirement under clause (ii) (a) of para no 3 of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, Company is availing working capital limits of more than Rupees five crore on the basis of security of current assets during the financial year. The monthly returns or statements filed by the Company with banks or financial institutions are in agreement with the books of accounts of the Company.

iii. **(a)** The Company has made investments in or granted loans, secured or unsecured to individuals, companies, firms, limited liability partnership or other entities in ordinary course of business.

The Company has provided corporate guarantee to Bank / Financial Institution for the loans taken by its wholly owned subsidiary M/s Nupur Finvest Pvt. Ltd.

The Company is a Non-Banking Financial Company and principal business of the Company is providing loans and advance to other concerns, therefore Para (iii) (a) and (e) of the Order are not applicable to the Company.

(b) The terms & conditions of grant of such loans are not prejudicial to the interest of the Company.

(c) The repayment/receipt of the principal and interest of loan granted is regular as per the schedule of repayment and there is no amount which is overdue more than ninety days in respect of standard Assets.

MANISH GOYAL & CO. Chartered Accountants

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AGRA | LUCKNOW | NOIDA | MORADABAD

(d) As explained to us, as per RBI Prudential norms, the Company has made the required / specified provision for overdues of more than ninety days. However, the Company has taken reasonable steps for recovery of principal and interest for those cases.

(e) The Company has not given any loans or advances in the nature of loans which are repayable on demand or without specification of any terms or period of repayment. No loan has been granted to Promoters and/or related parties as defined under Section 2(76) of the Companies Act, 2013.

iv. According to the information and explanations given to us, the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security have been complied with.

v. The Company is a Non-Banking Financial Non-Deposit Taking or Holding Systemically Important (ND-SI) Company, and in our opinion, the Company has not accepted any public deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016. Accordingly, the provisions of para 3(v) of the Order are not applicable to the Company.

vi. Maintenance of cost records as required under sub-section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company.

vii. **(a)** According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues and there are no undisputed amounts of Income Tax, Goods & Service Tax, Cess, Employees State Insurance, Customs Duty, Provident Fund and Professional Tax etc. outstanding as at the last day of financial year concerned for a period of more than six months from the date they became payable.

(b) There are no dues of Goods & Service Tax and Custom Duty on account of any dispute except following matters under Income Tax:

Sr. No.	Forum	Period	Remark
1	Assessment Proceeding u/s 147	F.Y. 2012-13	Order Pending
2	Assessment Proceeding u/s 147	F.Y. 2014-15	Order Pending
3	Assessment Proceeding u/s 147	F.Y. 2015-16	Order Pending
4	Income Tax Department u/s 154	F.Y. 2016-17	Order Pending
5	Appeal to Commissioner of Income Tax	F.Y. 2017-18	Appeal Pending
6	Appeal to Commissioner of Income Tax	F.Y. 2019-20	Appeal Pending
7	Penalty Proceedings u/s 271(1)(c)	F.Y. 2017-18	Order Pending
8	Penalty Proceedings u/s 271(1)(c)	F.Y. 2019-20	Order Pending
9	Goods & Service Tax Proceedings u/s 61	F.Y. 2019-20	Order Pending
10	Survey Proceedings u/s 133(A)	F.Y. 2022-23	Order Pending

viii. There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. **(a)** The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or other lender

(c) The term loans were applied for the purpose for which the loans were sanctioned

(d) Funds raised on short term basis have not been utilized for long term purposes

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. **(a)** According to the information and explanations given to us, the Company had not raised money by way of initial public offer or further public offer during the year.

(b) According to the information and explanations given to us, during the year, the Company has allotted equity shares upon conversion of convertible warrants allotted on preferential basis to promotor group entities pursuant to the provision of the Companies Act, 2013, read with regulation made thereunder and the SEBI (ICDR) Regulations, 2018.

xi. **(a)** Based on the records examined by us and according to the information, explanations given to us, no fraud has been committed by the Company or any fraud committed on the Company by its officers or employees has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

(c) According to the information and explanation given to us, No whistle-blower complaints received during the year.

xii. The Company is not the Nidhi Company, therefore provisions of Para 3 (xii) (a) to (c) of the Order is not applicable to the Company.

xiii. Based on the records examined by us and according to the information & explanation given to us, the provisions of Section 177 and 188 of the Companies Act, 2013 regarding transaction with related parties have been complied with and details of the transaction as per applicable accounting standard have been disclosed in the notes to accounts of the Standalone Financial Statements.

xiv. **(a)** According to the information & explanation given to us, The Company has an Internal Audit System commensurate with the size and nature of its business.

(b) We have considered the internal audit report for the period under audit and there are no major issues raised by the internal auditor.

MANISH GOYAL & CO. Chartered Accountants

xv. Based on the records examined by us and according to the information & explanation given to us, no non-cash transactions with Directors or persons connected with him, have been taken place during the year, hence the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. **(a)** According to the information & explanation given to us, the Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-Deposit Accepting or Holding Non-Banking Financial Company.

(b) According to the information & explanation given to us, the Company is Non-Banking Financial Company and having a valid Certificate of Registration (CoR) from Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) According to the information & explanation given to us, the Company is not a Core Investment Company (CIC), therefore CIC regulation of RBI are not applicable on the Company.

(d) According to the information & explanation given to us, there are no CIC in the group.

xvii. According to the information & explanation given to us, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the Statutory Auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the Auditor's knowledge of the Board of Directors and management plans, the Auditor is of the opinion that there is no material uncertainty exists as on the date of the audit report and that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. According to the information and explanations given to us, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred to the special account as on the date of our audit report. Accordingly, the provisions of paragraph 3(xx)(a) to (b) of the Order are not applicable to the Company.

Place : New Delhi
Date : 11th May 2023

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZN8411

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2022-23)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

We have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** as of 31st March 2023 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 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 over financial reporting 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls , both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MANISH GOYAL & CO. Chartered Accountants

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AGRA | LUCKNOW | NOIDA | MORADABAD

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023 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.

Place : New Delhi
Date : 11th May 2023

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZN8411

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M/S PAISALO DIGITAL LIMITED

BALANCE SHEET AS ON 31ST MARCH 2023

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	2,558.68	910.56
	(b) Bank Balances other than (a) above	2	265.95	45.14
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	938.14	2,788.24
	(ii) Other Receivables		-	-
	(e) Loans	5	2,78,949.73	2,32,038.87
	(f) Investments	6	6,742.51	6,791.89
	(g) Other Financial Assets	7	6,873.83	5,159.36
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	710.46	756.41
	(b) Deferred Tax Asset (Net)		66.06	-
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	6,555.97	6,240.82
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		-	10.70
	(i) Other Intangible Assets	9	70.80	109.92
	(j) Other Non-Financial Assets	10	-	74.39
	Total Assets		**3,03,732.13**	**2,54,926.30**
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		11.31	7.69
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		141.63	974.47
	(II) Other Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		-	-
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		952.48	452.67
	(c) Debt Securities	13	32,707.88	32,330.89
	(d) Borrowings (Other than Debt Securities)	14	1,40,172.57	1,06,904.37
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	8,900.00	8,900.00
	(g) Other Financial Liabilities	17	443.14	251.49
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	3,489.93	3,253.76
	(c) Deferred Tax Liabilities (Net)	20		262.46
	(d) Other non-financial Liabilities	21	1,894.25	327.41
	(3) Equity			
	(a) Equity Share Capital	22	4,490.84	4,391.84
	(b) Other Equity	23	1,10,528.10	96,869.25
	Total Equity & Liabilities		**3,03,732.13**	**2,54,926.30**

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZN8411

Place : New Delhi
Date : 11th May 2023

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2023

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	42,053.68	35,639.82
	(ii) Dividend Income		0.83	-
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		242.68	-
	(v) Net gain on fair value changes	25	-	-
	(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		-	-
	Total Revenue from Operations (I)		**42,297.19**	**35,639.82**
II	Other Income	26	-	-
	Total Income (I+II)		**42,297.19**	**35,639.82**
III	**Expenses:**			
	(i) Finance Costs	27	18,035.46	16,679.32
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes	25	49.38	-
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	4,454.08	3,953.69
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	3,271.10	2,378.08
	(xi) Depreciation, amortization and impairment	30	328.68	322.90
	(x) Others expenses	31	3,316.62	1,666.58
	Total Expenses (III)		**29,455.32**	**25,000.57**
IV	Profit before exceptional items and tax **(II-III)**		**12,841.87**	**10,639.25**
V	Exceptional items		458.85	0.17
VI	Profit before tax **(IV-V)**		**12,383.02**	**10,639.08**
VII	**Tax Expense:**			
	(1) Current Tax		3,542.29	2,671.98
	(2) Deferred Tax		(328.52)	95.66
VIII	Profit for the period from continuing operations **(VI-VII)**		**9,169.25**	**7,871.44**
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**		-	-
XII	Profit for the period **(VIII+XI)**		**9,169.25**	**7,871.44**

M.MISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2023

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)		-	-
	Other Comprehensive Income (A+B)		-	-
XIV	Total Comprehensive Income for the period (XII+XIII) (Comprising Profit and other Comprehensive Income for the period)		9,169.25	7,871.44
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	34	2.06	1.86
	Diluted (Rs.)		2.06	1.86
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	34	2.06	1.86
	Diluted (Rs.)		2.06	1.86

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZN8411

Place : New Delhi
Date : 11th May 2023

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

STATEMENT OF STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

(₹ in Lakhs)

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		30,877.33		27,318.57
	Adjustments for				
I	Depreciation	243.59		195.82	
II	Deferred Expense W/O	85.09		127.08	
III	Impairment on financial instruments	4,454.08		3,953.69	
IV	Expenditure on CSR	176.01		161.03	
V	Dividend Income Received	(0.83)		-	
VI	Profit/loss on Sale of Shares	49.38		-	
VII	Profit/loss on Sale of Investments/Assets	(12.85)		(0.50)	
	Operating Profit before working capital changes		**35,871.80**		**31,755.69**
	Adjustments for				
I	Change in Other Financial Assets	(214.48)		(3.29)	
II	Change in Loans & Receivables	(49,475.69)		(45,007.50)	
III	Change in Payable & non financial liabilities	1,237.43		(688.83)	
	Cash generated from Operations		**(12,580.94)**		**(13,943.93)**
I	Interest paid	(18,035.46)		(16,679.32)	
II	Income Tax paid	(3,496.33)		(2,936.81)	
III	Paid Expenses on CSR	(176.01)		(161.03)	
	Cash flow before Extraordinary Items		**(34,288.74)**		**(33,721.09)**
I	Extraordinary items		458.85		0.17
	Net Cash from Operating Activities		**(34,747.59)**		**(33,721.26)**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(625.03)		(131.04)	
II	Sale of Fixed Assets	118.28		0.50	
III	Purchase/transfer of Investments	(0.00)		(177.67)	
	Net Cash from Investing activities		**(506.75)**		**(308.21)**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	33,268.20		25,052.27	
II	Proceeds from Debt Service Repayment Account	191.64		(2,525.89)	
III	Proceeds from Debt Securities	376.99		4,486.52	
IV	Dividend Paid/(Received)	(448.19)		(422.92)	
V	Purchase of Security Receipts	(1,500.00)		(4,852.65)	
VI	Money received against Share Warrant	5,234.63		8,565.75	
	Net Cash from Financing activities		**37,123.27**		**30,303.08**
	Net Increase/(decrease) in cash & cash equivalents		**1,868.92**		**(3,726.39)**
	Cash & Cash equivalents at beginning of period		**955.70**		**4,682.09**
	Cash & Cash equivalent at end of period		**2,824.63**		**955.70**

Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN :23074778BGUSZN8411

Place : New Delhi
Date : 11th May 2023

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited, derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2023 and 31st March 2022 and found the same in agreement here with.

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN :23074778BGUSZN8411

Place : New Delhi
Date : 11th May 2023

M/S PAISALO DIGITAL LIMITED
ACCOUNTING POLICIES

1. CORPORATE INFORMATION

M/S PAISALO DIGITAL LIMITED is a Middle Layer, as per RBI scale-based Regulation, Systemically Important Non-Deposit Taking Non-Banking Financial Company engaged in providing loans.

Paisalo Digital Limited is a 30 years old company primarily focusing on financing self-employed borrowers, a segment which is still untapped / unserved, driven by rising affluence, aspirations and favorable demographics.

The Company's successful digital mode of financing self – employed underserved / unserved, using state of art technology, has enabled to register significant growth. The Company is able to scale up its business operations through its intranet model of financing from more than 200 branches as on date and still growing. The Company has cumulatively served more than 1 million satisfied customers. While remaining focused on growth, Company consistently maintains high asset quality level and continues to build the institution on the strong pillars of ethics, values and corporate governance.

The equity of the company is listed on BSE since 2007 and on NSE since 2009. The registered office of the Company is situated at CSC, Pocket 52, Chitranjan Park, Delhi 110019 and the head office at Paisalo House, 74, Gandhi Nagar, NH-2, Agra 282003.

2. FUNCTIONAL AND PRESENTATION CURRENCY

These Financial Statements are presented in Indian rupees (value in Lakhs up to two decimal), which is the functional currency of the Company. All financial information is presented in Indian rupees.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historic cost convention on an accrual basis, except where the same is considered at fair market value as required by Ind AS, the provisions of the Companies Act , 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Financial statements have been presented in accordance with format prescribed for Non-Banking Financial Companies under Companies (Indian Accounting Standards) Rules, 2015 in Division III as per the notification No. G.S.R. 1022(E) dated 11.10.2018 as amended vide notification dated 24th March, 2021.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the Financial Statements have been disclosed in further notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

M/S PAISALO DIGITAL LIMITED
ACCOUNTING POLICIES

4.1 REVENUE RECOGNITION

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. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis.

4.2 INCOME TAXES

The Company's major tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates items recognized directly in equity or in OCI.

4.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment represent a small proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Useful lives of PPE and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

4.4 PROVISION

Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

4.5 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flow from operating, investing and financing activities are segregated.

5. ACCOUNTING POLICIES

5.1 CASH & CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED
ACCOUNTING POLICIES

5.2 FINANCIAL INSTRUMENTS

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

Company has a business model of 'Hold to collect' with sole purpose of collecting principal and interest from loans, thus as per Ind AS 109- 'Financial Instruments' Loans are measured at amortized cost.

Other financial assets or liabilities maturing within one year from the balance sheet date are measured at the carrying value as the same approximate the fair value due to the short maturity of these instruments.

5.3 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss of the financial assets on the basis of their credit risk exposure.

For the same, ECL is measured as per the management policy after performing due diligence of Company's historical data in regards to the respective asset. Also, since company is a RBI registered ND-SI- NBFC and as per RBI guidelines, a 0.4% provision for Standard Assets is created against Company's credit exposures.

The Company shows overdue installment amount of customers under trade receivables.

Expected Credit Loss model:

Company's Credit loss system is based on its credit risk function and the risk perceives. Under Ind AS, credit loss provisioning is mainly based on past trends and judgment of the entity. Implementation of expected credit losses not only consider historical data but also incorporates consideration to forward looking information.

ECL model is divided into three stages as follows:

Particulars Also Referred As	**Stage 1** Performing	**Stage 2** Under Performing	**Stage 3** Non Performing
Credit quality of assets Days Past Due	Not deteriorated significantly since its initial recognition 0 Days to 30 Days	Deteriorated significantly since its initial recognition 31 Days to 90 Days	Objective evidence of impairment More than 90 Days
Credit risk Recognize	Low 12 month ECL	Moderate to high Life time ECL	Very High Life time ECL
ECL	Represents financial asset's life time ECL that are expected to arise from default events that are possible within 12 months	ECL that results from all possible default events over the expected life of an instrument.	

Both 12 months ECL and life time ECL are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instrument.

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Determining significant increase in credit risk

It is very judgmental to determine the significant increase in credit risk, which enable entity to move from stage 1 to stage 2. i.e. to move from 12 month expected losses to life time expected losses. Entity need to assess significant increase in credit risk as compared to its initial recognition level by considering significant changes in financial position of a borrower, expected or current delay in payment, historical trend of the repeat borrowers etc.

Company also has a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.

Forward looking information

ECL is based on history of financial asset and includes forward-looking statement; however, it is a forecast about future conditions over the entire expected life of a financial instrument. The forward-looking information is based on:

- Internal historical credit loss experience, and the period of time over which its historical data has been captured and the corresponding economic conditions represented in the past
- Effects that were not present in the past or to remove the effects that are not relevant for the future
- Macroeconomic factors such as interest rates

The Calculations of ECL

Company calculates ECL on the basis of probability-weighted average scenarios on the basis of historical data.

The calculation of ECL has following key elements of Company's internal estimates:

Probability of default (PD):

It is an estimate of the likelihood of default over a given time horizon.

Exposure at default:

Estimate of an exposure at a future default date –expected changes in exposure after the reporting date.

Loss Given Default:

Estimate of the loss arising on default. It is based on the difference between contractual cash flows that are due and expected to receive including from collateral. It is generally referred as a percentage of exposure at default.

Discount rate:

Used to discount an expected loss to a present value at the reporting date using the effective interest rate.

ECL system:

Stage 1: At stage one 12 months ECL is recognized which is calculated as the portion of total outstanding advances, that are overdue till 30 days, that result from a default event on the financial instrument that are possible within 12 months after the reporting date. Company calculates the 12 months ECL provision based on the expectation of default occurring in 12 months following the reporting date. These expected 12 month default probabilities are applied to an EAD and multiplied by the expected LGD.

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Stage 2: When a loan has shown a significant increase in the credit risk, i.e., where the same is overdue till 90 days, PDL records a provision for life time ECL. PDs and LGDs in this case are estimated over life span of the financial instrument.

Stage 3: When a loan is considered credit-impaired, i.e., where the same is overdue for past 90 days, Company recognize the lifetime expected credit losses. In this scenario PD is estimated at 100%. For Company, stage 3 incorporates the loans which are due past 90 days but, in certain cases where the internal assessment of the individual borrowers reflects that the overdue amount can be recovered in the near future then the same is subjected to 100% provisioning.

Conclusion:

ECL concept is to recognize the expected loss on the defaulted advances on timely basis so as to present a true and fair view of financial position of the Company. Also, Ind AS states that entity can adopt any ECL model to present its historical trends adjusted for its forward-looking information. However, as per Company's internal policy, the Company follows a policy of writing off 100% of Sub-Standard Assets which does incorporate the requirements of Ind AS of better presentation of financial position.

Company ECL model is subjected to review every year.

5.4 DERECOGNITION OF FINANCIAL INSTRUMENTS

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

5.5 INVESTMENTS

Investments are carried at cost in the separate financial statements. Investments in subsidiary is measured at the previous GAAP carrying amount as per the provisions of Ind AS 27 – 'Separate Financial Statements'.

5.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any or at fair market value if the same present a better presentation of Company's financial position.

Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

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The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	Useful Life
Building	42 Year
Furniture & Fittings	10 Year
Computer Peripheral	3 Year
Vehicles	5 Year
Equipments, Plant & Machinery	10 Year
Intangible Assets (Software)	3 Year

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Company has restated the useful life of Building as per the report of an independent valuer.

Advances, if any, paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital Work-in-Progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

5.7 IMPAIRMENT OF TANGIBLE ASSETS

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If such assets are considered to be impaired, the impairment is to be recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

5.8 INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortization and impairment or fair market value if the same present a better presentation of Company's financial position. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances). Amortization methods and useful lives are reviewed periodically including at each financial year end.

Software product development costs are also expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable. The cost during the development phase shall be capitalized as the cost of the app. The costs which can be capitalized include the cost of material, direct labor and overhead costs that are directly attributable to preparing the asset for its intended use. Over the period of time the Company has developed its own ERP software which is a core strength of the Company, the revaluation of which shall be taken up at later stage.

5.9 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities are disclosed for:

a. possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

b. present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

c. Contingent assets are disclosed wherein an inflow of economic benefits is probable.

d. The Company has not recognized the Assets & Liability in respect of Arbitration Decree.

5.10 SHARE CAPITAL

Ordinary shares are classified as equity, incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

5.11 SEGMENT REPORTING POLICY

The Chief Executive Officer reviews the operation at the Company level. Therefore, the operations of the Company fall under "Financing activities" business only, which is considered to be the only segment in accordance with the provisions of Ind AS 108- Operating segment.

5.12 BUSINESS MODEL

During the year the company entered into bilateral assignment transactions against outstanding loans. But the value of these loans are trivial in light of the Company's AUM, thus Company's business model continue to be 'Hold to collect' as per Ind AS 109- Financial Instruments.

5.13 EMPLOYEE RETIREMENT BENEFITS

Contributions to Provident Fund and Super Annuation Fund made during the year, are charged to Statement of Profit and Loss.

Employees Gratuity liabilities has been calculated on the basis of Projected Unit Credit method adopted by LIC of India at the time of renewal of gratuity policy. Accordingly, Company has made contribution in line of that which is charged to Statement of Profit & Loss Account in the year of contribution.

5.14 BORROWING COST

Borrowing costs, which are directly attributable to the acquisition /construction of fixed assets, till the time such assets are ready for intended use, are capitalized as a part of the cost of assets.

All borrowing costs other than mentioned above are expensed in the period they are incurred. In case of unamortized identified borrowing cost is outstanding at the year end, it is classified under loans and advances as unamortized cost of borrowings.

In case any loan is prepaid/ cancelled then the unamortized borrowing cost, if any, is fully expensed off on the date of prepayment/cancellation.

5.15 RELATED PARTY

A related party is a person or an entity that is related to the reporting entity. A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

A person or a close family member is related if he:

- Has control/joint control;
- Has significant influence;
- Is a member of the key management personnel (KMP);

of the reporting entity or its parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- that person's children, spouse or domestic partner, brother, sister, father and mother;
- children of that person's spouse or domestic partner; and
- dependants of that person or that person's spouse or domestic partner.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Company has duly complied with all the disclosure requirements of Ind AS 24 "Related Party Disclosures"

5.16 REVENUE RECOGNITION

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. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis.

Processing fees received from customer was recognized as income in the year of receipt under India GAAP. But, as per Ind AS, the same is now amortized over the period of relevant loan.

5.17 EARNINGS PER SHARE

The Earning per Share (Basic as well as Diluted) is calculated based on the net profit or loss for the period attributable to equity shareholders i.e. the net profit or loss for the period.

For the purpose of calculating (Basic and Diluted EPS), the number of equity shares taken are the weighted average number of equity shares outstanding during the period.

6. RISK MANAGEMENT FRAMEWORK

A wide range of risks may affect the company's business and operational or financial performance. The risks that could have significant influence on the Company are Credit Risk, Liquidity & Funding Risk, Market Risk and Operational Risk. The management has a process to identify and analyze the risks faced by the Company, to set appropriate risk limits and to control and to monitor risks and adherence to these limits. The risk management framework aims to:

i) create a stable business planning environment by reducing the impact of interest rate fluctuations on the company's business plan.

ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

A) CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the trade and other receivables, cash and cash equivalents and other bank balances.

It is measured as the amount at risk due to repayment default by customers or counterparties to the company. Various metrics such as instalment default rate, overdue position, instalment moratorium, restructuring, one-time resolution plan, debt management efficiency, credit bureau information etc. are used as leading indicators to assess credit risk.

It is monitored using level of credit exposures, portfolio monitoring, contribution of repeat customers, bureau data, concentration risk of geography, customer and portfolio; and assessment of any major change in the business environment including economic, political as well as natural calamity/pandemic.

It is managed by a robust control framework by the risk and debt management unit. This is achieved by continuously aligning credit and debt management policies and resourcing, obtaining external data from credit bureaus and reviews of portfolios and delinquencies by senior and middle management team comprising of risk, analytics, debt management and risk containment along with business.

(a) LOANS, TRADE & OTHER RECEIVABLES

Credit risk from loans, trade & other receivables is managed by establishing credit limits, credit approvals and monitoring creditworthiness of the customers. Outstanding customer receivables are regularly monitored.

(b) CASH & CASH EQUIVALENTS & OTHER BANK BALANCES

The company holds cash and cash equivalents and other bank balances. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

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All borrowing costs other than mentioned above are expensed in the period they are incurred. In case of unamortized identified borrowing cost is outstanding at the year end, it is classified under loans and advances as unamortized cost of borrowings.

In case any loan is prepaid/ cancelled then the unamortized borrowing cost, if any, is fully expensed off on the date of prepayment/cancellation.

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A related party is a person or an entity that is related to the reporting entity. A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

A person or a close family member is related if he:

- Has control/joint control;
- Has significant influence;
- Is a member of the Key Managerial Personnel (KMP);

of the reporting entity or its parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- that person's children, spouse or domestic partner, brother, sister, father and mother;
- children of that person's spouse or domestic partner; and
- dependants of that person or that person's spouse or domestic partner.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Company has duly complied with all the disclosure requirements of Ind AS 24 "Related Party Disclosures"

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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. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis.

Processing fees received from customer was recognized as income in the year of receipt under India GAAP. But, as per Ind AS, the same is now amortized over the period of relevant loan.

5.17 EARNINGS PER SHARE

The Earning per Share (Basic as well as Diluted) is calculated based on the net profit or loss for the period attributable to equity shareholders i.e. the net profit or loss for the period.

For the purpose of calculating (Basic and Diluted EPS), the number of equity shares taken are the weighted average number of equity shares outstanding during the period.

It is monitored by assessments of fluctuation in the equity price, interest rate sensitivities under simulated stress test scenarios given range of probable interest rate movements on both fixed and floating assets and liabilities.

It is managed by the Company's various committees under the guidance of Board.

(a) CURRENCY RISK

The Company's operations are only in India which results in no foreign currency risk exposure.

(b) INTEREST RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

(c) PRICE RISK

The company is exposed to equity price risk arising from Investments held by the Company. To manage its price risk arising from investment in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

D) OPERATIONAL RISK

Operational risk is the risk arising from inadequate or failed internal processes, people or systems, or from external events. The Company manages operational risks through comprehensive internal control systems and procedures laid down around various key activities in the Company viz. loan acquisition, customer service, IT operations, finance function etc. Internal Audit also conducts a detailed review of all the functions at least once a year, this helps to identify process gaps on timely basis. Further IT and Operations have a dedicated compliance and control units within the function who on continuous basis review internal processes. This enables the Management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The Company has put in place a robust Disaster Recovery (DR) plan and Business Continuity Plan (BCP) to ensure continuity of operations including services to customers, if any eventuality is to happen such as natural disasters, technological outage etc. Robust periodic testing is carried, and results are analyzed to address gaps in the framework, if any.

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Statement of Changes in Equity:

1. Current Reporting Period (₹ in)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
4,39,24,699	-	4,39,24,699	43,92,46,990* 99,00,000#	- 44,91,46,990
4,39,24,699	-	**4,39,24,699**	-	**44,91,46,990**

1 Total shares includes forfited shares.

* W.e.f. July 1, 2022 the 1 equity share of Rs. 10/- each sub-divided / split into 10 equity shares of Re. 1 each.

Equity Shares issued on conversion of warrants.

2. Previous Reporting Period (₹ in)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
4,23,04,699	-	4,23,04,699	16,20,000#	4,39,24,699
4,23,04,699	-	**4,23,04,699**	**16,20,000#**	**4,23,04,699**

1 Total shares includes forfieted shares.

Equity Shares issued on conversion of warrants.

List of Shareholders holding more than 5% shares of Company:

Sr. No.	Name of the Shareholders	No of Shares	% of shareholding
1	Sunil Agarwal	5,28,51,400	11.77
2	Equilibrated Venture Cflow Pvt Ltd	4,95,42,120	11.03
3	SBI Life Insurance Co. Ltd	3,59,98,031	8.02
4	Antara India Evergreen Fund Ltd	4,03,36,230	8.98

List of Promoter's and Promoter Group Shareholding:

Sr. No.	Promoter Name	Number of Shares held	Percentage of total shares	Percentage change during the year
1	Sunil Agarwal	5,28,51,400	11.77	(0.27)
2	Suneeti Agarwal	35,83,000	0.80	(0.02)
3	Santanu Agarwal	1,68,52,000	3.75	(0.08)
4	Equilibrated Venture Cflow Pvt. Ltd.	4,95,42,120	11.03	0.50
5	Pri Caf Pvt. Ltd.	1,12,69,200	2.51	0.69
6	Pro Fitcch Pvt. Ltd.	1,04,05,610	2.32	0.70

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 1 Cash & Cash Equivalents (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Cash Balances	77.44	249.16
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	681.17	161.33
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	1,800.07	500.07
	Total	**2,558.68**	**910.56**

Note : 2 Bank Balances other than (a) above (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	265.95	45.14
	Total	**265.95**	**45.14**

- Refer Note No. 40

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 3 Derivative Financial Instruments (Assets)

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+(v)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(I) Fair value hedging	-	-	-	-	-	-
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (I)	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

Note : 4 Receivables

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	58.69	137.28
	—Overdue Installments : Considered Good - Unsecured	189.01	658.78
	—Overdue Installments : Sub Standard Assets	690.44	1,992.18
2	Other Receivables	-	-
	Total	**938.14**	**2,788.24**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Notes No. : 4 (a) Trade Receivable- Additional Disclosures:

Outstanding for following periods from the due date of payment (FY. 2022-23)

(₹ in Lakhs)

Sr. No.	Particulars	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Undisputed Trade Receivables - Considered Good	247.70		-	-	-	**247.70**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired	-	690.44	-	-	-	**690.44**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
6	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
	Grand Total	**247.70**	**690.44**	-	-	-	**938.14**

- Trade Receivable includes overdue loan cases financed by Paisalo Digital Limited

Outstanding for following periods from the due date of payment (FY. 2021-22)

(₹ in Lakhs)

Sr. No.	Particulars	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Undisputed Trade Receivables - Considered Good	796.07	-	-	-	-	**796.07**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired	-	1,992.18	-	-	-	-
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
6	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
	Grand Total	**796.07**	**1,992.18**	-	-	-	**2,788.24**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 5 Loans

(₹ In Lakhs)

Particulars	Current Year						Previous Year					
	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Sub total	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11=8+9+10)	(12 =) (7)+(11)
Loans												
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Term Loans	2,78,977.31	-	-	-	-	2,78,977.31	2,32,350.94	-	-	-	-	2,32,350.94
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (A) - Gross	**2,78,977.31**	-	-	-		**2,78,977.31**	**2,32,350.94**	-	-	-	-	**2,32,350.94**
Less: Impairment loss allowance	27.58	-	-	-	-	27.58	312.07	-	-	-	-	312.07
Total (A) - Net	**2,78,949.73**	-	-	-	-	**2,78,949.73**	**2,32,038.87**	-	-	-	-	**2,32,038.87**
(B) (i) Secured by tangible assets	2,71,425.63	-	-	-	-	2,71,425.63	2,27,700.97	-	-	-	-	2,27,700.97
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	7,551.68	-	-	-	-	7,551.68	4,649.97	-	-	-	-	4,649.97
Total (B) - Gross	**2,78,977.31**	-	-	-	-	**2,78,977.31**	**2,32,350.94**	-	-	-	-	**2,32,350.94**
Less: Impairment loss allowance	27.58	-	-	-	-	27.58	312.07	-	-	-	-	312.07
Total (B) - Net	**2,78,949.73**	-	-	-	-	**2,78,949.73**	**2,32,038.87**	-	-	-	-	**2,32,038.87**
(C) (I) Loans in India	2,78,977.31	-	-	-	-	2,78,977.31	2,32,350.94	-	-	-	-	2,32,350.94
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) - Gross	**2,78,977.31**	-	-	-	-	**2,78,977.31**	**2,32,350.94**	-	-	-	-	**2,32,350.94**
Less: Impairment loss allowance	27.58	-	-	-	-	27.58	312.07	-	-	-	-	312.07
Total (C) (I) - Net	**2,78,949.73**	-	-	-	-	**2,78,949.73**	**2,32,038.87**	-	-	-	-	**2,32,038.87**
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) - Net	-	-	-	-	-	-	-	-	-	-	-	-
Total C (I) and C (II)	**2,78,949.73**				-	**2,78,949.73**	**2,32,038.87**	-	-	-	-	**2,32,038.87**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 6 Investments (₹ in Lakhs)

Investments	Current Year							Previous Year						
				At Fair Value							At Fair Value			
	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total
	(1)	(2)	(3)	(4)	(5) = (2)+(3)+(4)	(6)	(7) = (1)+(5)+(6)	(8)	(9)	(10)	(11)	(12) = (9)+(10)+(11)	(13)	(14) = (8)+(12)+(13)
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	128.29	-	-	-	-	-	128.29	177.67	-	-	-	-	-	178
Subsidiaries	4,223.91	-	-	-	-	-	4,223.91	4,223.91	-	-	-	-	-	4,223.91
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	2,390.31	-	-	-	-	-	2,390.31	2,390.31	-	-	-	-	-	2,390.31
Total (A)	**6,742.51**	-	-	-	-	-	**6,742.51**	**6,791.89**	-	-	-	-	-	**6,791.89**
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	6,742.51	-	-	-	-	-	6,742.51	6,791.89	-	-	-	-	-	6,791.89
Total (B)	**6,742.51**	-	-	-	-	-	**6,742.51**	**6,791.89**	-	-	-	-	-	**6,791.89**
Total (A) to tally with (B)	**6,742.51**	-	-	-	-	-	**6,742.51**	**6,791.89**	-	-	-	-	-	**6,791.89**
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Net (D) = (A) - (C)	**6,742.51**	-	-	-	-	-	**6,742.51**	**6,791.89**	-	-	-	-	-	**6,791.89**

*Unquoted Shares of M/s Samast Vikas Limited

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 7 Others Financial Assets (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	27.24	22.85
	Advances to Staff	2.37	4.02
	Advances for Services	381.80	42.36
	Prepaid Expenses	6.59	4.57
	GST/Service Tax Cenvat	103.18	232.91
	Security Receipts	6,352.65	4,852.65
	Total	**6,873.83**	**5,159.36**

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	8,838.27	10,057.06
	Balance with Revenue Authorities	130.00	-
	Provision for Taxation	(8,257.81)	(9,300.65)
	Total	**710.46**	**756.41**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 9 Property, Plant and Equipment (₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2023	WDV as on 31.03.2022
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6428.59	0.12	115.25	6313.46	469.03	104.66	11.59	562.10	5751.36	5959.56
3	Furniture & Fittings	210.94	50.11	-	261.05	130.95	13.20	-	144.15	116.90	79.99
4	Computer Peripheral	225.87	158.37	-	384.24	195.23	35.98	-	231.21	153.03	30.64
6	Vehicles	246.19	353.70	13.07	586.82	114.01	32.45	11.30	135.16	451.66	132.18
7	Equipments, Plant & Machinery	177.68	62.74	-	240.42	139.23	18.17	-	157.40	83.02	38.45
	SUB TOTAL (A)	**7289.27**	**625.03**	**128.32**	**7785.99**	**1048.45**	**204.46**	**22.90**	**1230.02**	**6555.97**	**6240.82**
II	**Intangible Assets**										
1	Computer Software	531.47	0.00	-	531.47	421.54	39.13	-	460.67	70.80	109.92
2	Goodwill	10.70	0.00	10.70	0.00	-	0.00	-	-	0.00	10.70
	SUB TOTAL (B)	**542.17**	**0.00**	**-**	**531.47**	**421.54**	**39.13**	**-**	**460.67**	**70.80**	**120.62**
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (D)	**-**	**-**	**-**		**-**	**-**	**-**	**-**	**-**	**-**
	Total [A+B+C+D] (Current Year)	**7831.44**	**625.03**	**128.32**	**8317.46**	**1470.00**	**243.59**	**22.90**	**1690.69**	**6626.77**	**6361.44**
	Total (Previous Year)	**7709.91**	**131.03**	**9.50**	**7831.44**	**1283.68**	**195.82**	**9.50**	**1470.00**	**6361.44**	**6426.23**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

(FORMERLY KNOWN AS M/S S. E. INVESTMENTS LIMITED)

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 10 Other Non Financial Assets **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	-	74.39
	Total	-	74.39

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities) **(₹ in Lakhs)**

Particulars	(Current Year)			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+(V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 12 Payables (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	11.31	7.69
		11.31	**7.69**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
	(a) SBI Assignment Payable	128.64	348.19
	(b) SIB Assignment Payable	3.86	67.57
	(c) CBI Financial Services Payable	1.08	77.94
	(e) Other Sundry Payables	8.04	480.77
		141.62	**974.47**
2	**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		
	(a) Statutory Payables		
	Professional Tax Payable	0.01	0.01
	EPF Contribution Payable	20.25	9.90
	ESI Payable	6.80	3.88
	GST Payable	98.38	5.60
	TDS Payable	165.40	111.24
	LIC GSLI Payable	0.02	0.02
	(b) Expenses Payables	661.61	322.02
		952.47	**452.67**
	Total	**1,105.40**	**1,434.83**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 12 (a) Trade Payables Due for Payment 2022-23 (₹ in Lakhs)

Sr. No.	Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	MSME	11.31	-	-	-	**11.31**
2	Others	141.62	-	-	-	**141.62**
3	Disputed Dues-MSME	-	-	-	-	-
4	Disputed Dues-Others	-	-	-	-	-
	Grand Total	**152.93**		-	-	**152.93**

Trade Payables Due for Payment 2021-22 (₹ In Lakhs)

Sr. No.	Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	MSME	7.69	-	-	-	**7.69**
2	Others	974.47	-	-	-	**974.47**
3	Disputed Dues-MSME	-	-	-	-	-
4	Disputed Dues-Others	-	-	-	-	-
	Grand Total	**982.16**			-	**982.16**

- There are no due pending more than 45 days

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 13 Debt Securities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Others (Bonds/ Debentures etc.)*	32,707.88	-	-	32,707.88	32,330.89	-	-	32,330.89
Total (A)	**32,707.88**	-	-	**32,707.88**	**32,330.89**	-	-	**32,330.89**
Debt Securities in India	32,707.88	-	-	32,707.88	32,330.89	-	-	32,330.89
Debt Securities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**32,707.88**	-	-	**32,707.88**	**32,330.89**	-	-	**32,330.89**

***Details of Non Convertible Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL1802'	Feb-2018	2,800.00	12.00%	Monthly	Feb-2023	2,800.00	No	Yes
Series-'PDL2020-3'	Feb-2020	900.00	12.00%	Monthly	Feb-2025	900.00	Yes	Yes
Series-'PDL-07-2020'	Jul-2020	5,000.00	10.50%	Quarterly	Apr-2023	5,000.00	Yes	Yes
Series-'PDL-08-2020'	Aug-2020	2,000.00	9.50%	Yearly	Feb-2022	2,000.00	No	Yes
Series-'PDL-11-2020'	Nov-2020	1,600.00	10.50%	Quarterly	May-2022	1,600.00	No	Yes
Series-'PDL-12-2020'	Dec-2020	3,500.00	12.00%	Monthly	Dec-2023	3,500.00	Yes	Yes
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	Yes	Yes
Series-'PDL-07-2021'	July-2021	2,500.00	12.00%	Monthly	July-2026	2,500.00	Yes	Yes
Series-'PDL-09-2021'	Sep-2021	9,400.00	12.00%	Monthly	Sep-2026	9,400.00	Yes	Yes
Series-'PDL-09-02-2021'	Sep-2021	1,500.00	12.00%	Monthly	Sep-2026	1,500.00	Yes	Yes
Series-'PDL-02-2022'	Feb-2022	2,700.00	9.00%	Monthly	Feb-2029	2,700.00	Yes	Yes
Series-'PDL-07-2022'	Jul-2022	1,400.00	9.90%	Monthly	Jul-2032	1,400.00	Yes	No
Series-'PDL-01-2023'	Jan-2023	3,400.00	12.00%	Monthly	Jan-2033	3,400.00	Yes	No

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 14 Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(1)	(2)	(3)	(4) = (1)+(2)+(3)
(a) Term loans:								
(i) From banks	43,090.54	-	-	43,090.54	13,140.04	-	-	13,140.04
(ii) From other parties	-	-	-	-	-	-	-	-
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	-	-	-	-	-	-	-	-
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	81,976.73	-	-	81,976.73	82,740.06	-	-	82,740.06
(ii) from other parties	15,105.30	-	-	15,105.30	11,024.27	-	-	11,024.27
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
Total (A)	**1,40,172.57**	-	-	**1,40,172.57**	**1,06,904.37**	-	-	**1,06,904.37**
Borrowings in India	1,40,172.57	-	-	1,40,172.57	1,06,904.37	-	-	1,06,904.37
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**1,40,172.57**	-	-	**1,40,172.57**	**1,06,904.37**	-	-	**1,06,904.37**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 15 Deposits

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) (5)+(6)+(7)
Deposits								
(i) Public Deposits	-	-	-	-	-	-	-	-
(ii) Form Banks	-	-	-	-	-	-	-	-
(iii) From Others	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note : 16 Subordinatd Liabilities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) (5)+(6)+(7)
Prepetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Total (A)	**8,900.00**	-	-	**8,900.00**	**8,900.00**	-	-	**8,900.00**
Subordinated Liabilities in India	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**8,900.00**	-	-	**8,900.00**	**8,900.00**	-	-	**8,900.00**

*** Details of Non-Convertable Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL 1808'	Aug-2018	8,100	14.00%	Monthly	Aug-2024	8,100	Yes	Yes
Series-'PDL2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	Yes	Yes
Series-'PDL2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	Yes	Yes
Series-'PDL2020-12'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Yes	Yes

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 17 Others Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Debt Service Repayment Account	443.14	251.49
	Total	443.14	251.49

Note : 18 Current Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in Cash or in kind or for value to be considered good**		
	Income Tax and TDS	-	-
	Provision for Taxation	-	-
	Total	-	-

Note : 19 Provisions (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Standard Assets	1,147.05	959.95
2	Provision for Proposed Dividend on Equity Shares	449.02	439.12
3	Provision for Expected Credit Loss	1,253.02	1,241.45
4	Provision for Sub Standard Assets	640.83	613.24
	Total	3,489.92	3,253.76

Note : 20 Deferred Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	262.46	166.80
	Tax on Timing difference on Property, Plant and Equipments	419.35	327.30
	Tax on Timing difference on Deferred Revenue Expenditures	-	19.06
	Tax on Timing difference on Unearned Processing Fees	(485.41)	(83.90)
2	Total Deferred Tax Liability	(66.06)	262.46
	Provision for Deferred Tax required for the year (2-1)	(328.52)	95.66
	Total	(66.06)	262.46

Note : 21 Others Non Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Unearned Income of Processing Fees	1,894.25	327.41
	Total	1,894.25	327.41

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 22 Share Capital (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	120,00,00,000 Equity Shares of Re. 1 per share	12,000.00	12,000.00
	(Previous year 12,00,00,000 equity shares of Re. 10 each)		
	50,00,000 Preference Shares of Re. 10 each	500.00	500.00
		12,500.00	**12,500.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	43,92,46,990 Equity Shares of Re. 1 per Share fully paid up	4,392.47	4,230.47
	(Previous year 42,30,46,99 Equity Shares of Re. 10 each)		
	Add: 99,00,000 Shares of Re. 1 per Share fully paid up issued during the year	99.00	162.00
	(Previous year 16,20,000 Shares issued @ Rs. 705 each Face value of Re. 10 each)		
		4,491.47	**4,392.47**
3	**PAID UP CAPITAL**		
	43,91,21,990 Equity Shares of Re. 1 per Share fully paid up	4,391.22	4,229.22
	(Previous year 4,22,92,199 Equity Shares of Re. 10 each)		
	Add: 99,00,000 Share Issued @70.5 each of Face value Re. 1 each	99.00	162.00
	(Previous year 16,20,000 Share Issued @705 each of Face value Rs. 10 each)		
	Add: Share Forfeited a/c	0.63	0.63
	(Amount originally Paid up @ Rs. 0.50 each on 1,25,000 Equity Shares of Re. 1 each)		
	Total	**4,490.84**	**4,391.84**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 23 Other Equity

Current Reporting Period:

(₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound financial Instruments	Equity Instruments through other Comprehensive Income	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	15,532.08	2,415.21	31,211.02	45,055.44	315.66	250.00	344.96	-	-	-	-	-	-	1,744.88	**96,869.25**
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	15,532.08	2,415.21	31,211.02	45,055.44	315.66	250.00	344.96	-		-	-	-	-	1,744.88	**96,869.25**
Total Comprehensive Income for the year	-	-	-	-	-	-	9,169.25	-	-	-	-	-	-	-	-	-	**9,169.25**
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,234.63	**5,234.63**
Share warrant converted into Share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(99.00)	**(99.00)**
Security Premium on conversion of warrants into equity	-	-	-	-	6,880.50	-	-	-	-	-	-	-	-	-	-	(6,880.50)	-
Proposed Dividends	-	-	-	-	-	-	(458.92)	-	-	-	-	-	-	-	-	-	**(458.92)**
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	6,300.00	(6,300.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	1,833.85	-	-	-	(1,833.85)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(187.10)	-	-	-	-	-	-	-	-	-	**(187.10)**
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	-	-	17,365.93	2,415.21	38,091.52	51,355.44	714.12	250.00	335.88	-	-	-	-	-	-	-	**1,10,528.10**

MAHESH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 23 Other Equity

Previous Reporting Period:

(₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity Component of Compound Financial Instruments	Retained Earnings (Surplus in P&L)	Capital Reserve	Securities Premium	General Reserve	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	13,957.79	2,415.21	19,952.02	39,555.44	133.46	250.00	354.04	-	-	-	-	-	-	4,600.13	**81,218.09**
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	13,957.79	2,415.21	19,952.02	39,555.44	133.46	250.00	354.04	-	-	-	-	-	-	4,600.13	**81,218.09**
Total Comprehensive Income for the year	-	-	-	-	-	-	7,871.44	-	-	-	-	-	-	-	-	-	**7,871.44**
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,565.75	**8,565.75**
Share warrant converted into Share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(162.00)	**(162.00)**
Security Premium on conversion of warrants into equity	-	-	-	-	11,259.00	-	-	-	-	-	-	-	-	-	-	(11,259.00)	**-**
Proposed Dividends	-	-	-	-	-	-	(439.12)	-	-	-	-	-	-	-	-	-	**(439.12)**
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	**-**
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfer to General Reserve	-	-	-	-	-	5,500.00	(5,500.00)	-	-	-	-	-	-	-	-	-	**-**
Transfer to Statutory Reserve Fund	-	-	1,574.29	-	-	-	(1,574.29)	-	-	-	-	-	-	-	-	-	**0.00**
Provision on Standard Assets	-	-	-	-	-	-	(184.91)	-	-	-	-	-	-	-	-	-	**(184.91)**
Balance at the end of the reporting period	-	-	15,532.08	2,415.21	31,211.02	45,055.44	315.67	250.00	344.96	-	-	-	-	-	-	1,744.88	**96,869.25**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 24 Interest Income

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit or loss	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit or loss
Interest on Loans	-	42,018.77	-	-	35,606.67	-
Interest Income from Investments	-	-	-	-	-	-
Interest on Deposits with Banks	-	10.66	-	-	33.15	-
Other Interest Income	-	24.25	-	-	-	-
Fee and Commission Income		242.68	-			
Dividend Income	-	0.83	-	-	-	-
Total	-	**42,297.19**	-	-	**35,639.82**	-

Note : 25 Net Gain/(Loss) on fair value changes

(₹ in Lakhs)

Particulars	Current Year	Previous Year
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(i) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(ii) On Financial Instruments designated at fair value through profit or loss	49.38	-
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on Fair value changes (D) to tally with (C)	**49.38**	-

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M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 26 Other Income (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	-	-
	Total	-	-

Note : 27 Finance Cost (₹ in Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair valoue through profit or loss	On Financial liabilities measured at Amortised Cost
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	11,867.88	-	10,969.90
3	Interest on Debt Securities	-	3,608.81	-	3,578.54
4	Interest on Subordinated Liabilities	-	1,230.00	-	1,230.00
5	Other Interest expense/ Bank Charges	-	1,328.77	-	900.88
	Total	-	18,035.46	-	16,679.32

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M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 28 Impairment on Financial Instruments

(₹ in Lakhs)

Particulars	Current Year		Previous Year	
	On Financial Instruments measured at Fair value through OCI	On Financial Instruments measured at Amortised Cost	On Financial Instruments measured at Fair value through OCI	On Financial Instruments measured at Amortised Cost
Bad Debts Written Off on Loans	-	4,414.93	-	3,636.02
Provision for NPA	-	27.58	-	312.07
Provision for Expected Credit Loss				
Provision on Standard Accounts in Default	-	-	-	-
Additional Provision for Expected Credit Loss		11.57		5.60
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
Total		**4,454.08**		**3,953.69**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

Note : 29 Employees Benefit Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	2,430.89	1,728.61
2	Directors Salaries & Allowances	633.82	505.25
3	Contribution to Provident and other funds	148.58	106.69
4	Share Based Payments to employees	-	-
5	Staff welfare expenses	57.81	37.53
	Total	3,271.10	2,378.08

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2022-23 Rs. 6,33,82,058 (Last year Rs. 5,05,24,800) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	243.59	195.82
2	Deffered Revenue Exp. w/o*	74.39	127.08
3	Goodwill w/o#	10.70	-
	Total	328.68	322.90

- *Deferred Expenses written off over a period of five years
- #Goodwill written off during the years

Note : 31 Other Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	34.50	26.22
2	Travelling Expenses	577.59	354.70
3	Repair & Maintenance	104.61	37.43
4	Insurance Expenses	12.25	11.18
5	Electricity & Water Expenses	82.44	56.43
6	Rates & Taxes	7.75	2.69
7	Legal Expenses & Professional Fees	832.82	417.35
8	Printing & Stationery Expenses	150.27	56.58
9	Postage & Telephone Expenses	73.71	43.66
10	Auditors Remuneration	6.54	6.27
11	Rent	247.33	164.80
12	Rebate & Remission	190.09	35.46
13	Advertisement & Business Promotion Expenses	577.26	109.98
14	Recovery Expenses	(0.08)	6.24
15	Office and General Expenses	242.97	161.42
16	Loss/(Profit) on sale of Assets/Investments	(12.85)	(0.50)
18	Directors Sitting Fees & Expenses	13.41	15.64
19	Corporate Social Responsibility Expenditure*	176.01	161.03
	Total	3,316.62	1,666.58

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

*** Corporate Social Responsibility Expenses:**

(The Company's expenses towards Corporate Social Responsibility (CSR) activities as follows) **(₹ in Lakhs)**

Sr. No.	Particulars	2022-2023	2021-2022
1	Amount required to be spent during the year	174.54	159.00
2	Amount of expenditure incurred	176.01	159.6
3	Shortfall/(excess) at the end of the year	(1.47)	(0.60)
4	Total of previous years shortfall	Nil	Nil
5	Reason for shortfall	NA	NA
6	Nature of CSR activities	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation. Promoting education, including special education and employment enhancing vocation skills.	Promoting education and Animal welfare. Promoting health care including preventive health care. Measures for reducing inequalities faced by socially and economically backward groups
7	Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
8	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

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M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

32. Remuneration to Auditors:

(₹ In Lakhs)

Particulars	2022-23	2021-22
For Statutory Audit	4.50	4.50
For Tax Audit	1.50	1.25
Total	**6.00**	**5.75**

33. Earning per Share:

(₹ In Lakhs)

Particulars	2022-23	2021-22 (Re-stated)	2021-22
Net profit for the year (After Tax)	9,169.25	7871.44	7,871.44
No. of Equity Shares (Weighted)	4447.84	4234.77	423.48
Basic and diluted Earning per share	**2.06**	**1.86**	**18.59**

34. Figures for the previous year have been regrouped/rearranged/reclassified and restated wherever considered necessary.

35. The company has paid all its dues to Small Scale Industrial Undertakings within the due time limit. There are no outstanding due pending more than 45 days under the Micro, Small and Medium Enterprises Act, 2006

36. a) Contingent Liabilities:

The company has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs

(₹ In Lakhs)

Name of Bank / Financial Institution	Facility	Amount o/s
Karnataka Bank Ltd	Cash Credit	2,000.00
Indian Bank	Cash Credit	500.00
State Bank of India	Term Loan	6,919.90
Bank of Baroda	Term Loan	2,430.56
Indian Bank	Term Loan	828.76
Tata Capital Financial Services Limited	Term Loan	956.83
Satin Credit Care Network Limited	Term Loan	305.15
Satin Finserv Limited	Term Loan	61.03
Total		**14,002.23**

b) Contingent Assets:

The Company assigned book-debts, consisting of loans to 'Bottom of Pyramid' customers, amounting to Rs. 23.29 Crores to Central Bank of India in March 2020, on 10:90 sharing of risk and rewards. This transaction was based on the concept of true sales as per the RBI guidelines. The Covid 19 Pandemic struck the country immediately thereafter resulting in immense hardships to this segment of society. A moratorium was also accorded by RBI on recovery for six months. In spite of the best efforts a few of these loans became NPAs in the books of Paisalo Digital Limited and Central Bank of India. The Central Bank of India has most arbitrarily and contrary to the agreed terms & very spirit of the transaction of shared Risks and Rewards (10:90), debited our Cash Credit account by Rs. 5.38 Crores towards the outstanding amount along with the accrued interest and penalty thereon, of the subject pool of book-debts on 31st March, 2023. This debit is unauthorised and bad in law. The Company has taken up the matter with the higher authorities of the Bank for reversal of the unlawful debit. The Company has charged this amount to the profit and loss statement as an exceptional item. Considering the merits of the matter in favour of the Company, the amount has been treated as Contingent Assets.

37. Disclosure of Related party transactions:

A. Wholly owned Subsidiary — Nupur Finvest Pvt. Ltd.

B. List of related parties and relationship

Related Party	**(Relation)**
Key Managerial Personnel	
Mr. Sunil Agarwal	(Managing Director & Chief Executive Officer)
Mr. Harish Singh	(Executive Director & Chief Finance Officer)
Mr. Anoop Krishna	(Executive Director)
Mr. Santanu Agarwal	(Deputy Managing Director)
Mr. Manendra Singh	(Company Secretary)
Relatives of K M P	
Mr. Purushottam Agrawal	(Father of Mr. Sunil Agarwal)
Mrs. Raj Agarwal	(Mother of Mr. Sunil Agarwal)
Mrs. Neetu Agarwal	(Spouse of Mr. Sunil Agarwal)
Mrs. Priti Chauhan	(Spouse of Mr. Harish Singh)
Mrs. Sushila Devi Chauhan	(Mother of Mr. Harish Singh)
Ms. Suneeti Agarwal	(Daughter of Mr. Sunil Agarwal)
Mr. Pranav Chauhan	(Son of Mr. Harish Singh)
Mrs. Mamta Krishna	(Spouse of Mr. Anoop Krishna)

C. Enterprises over which significant influence exercised by Key Managerial Personnel/Relatives of Key Managerial Personnel

1. Aanjneya Motor Pvt. Ltd.
2. Equilibrated Venture Cflow Pvt. Ltd.
3. Harish Singh HUF
4. R N R Automate Pvt. Ltd.
5. Repartee Infrastructures Pvt. Ltd.
6. Radiance Techno Powers Company Pvt. Ltd.
7. Raj Shiksha Foundation
8. SCS Educational Foundation
9. Pri Caf Private Limited
10. Pro Fitcch Private Limited

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2023

D. Disclosures required for Related party transactions

(₹ In Lakhs)

Name of Party	Nature	Amount	Amount Receivable/ (Payable)
Mr. Sunil Agarwal	Remuneration to Director	405.85	(18.80)
Mr. Harish Singh	Remuneration to Director	33.00	(1.60)
Mr. Anoop Krishna	Remuneration to Director	39.60	(2.44)
Mrs. Raj Agarwal	Rent	9.00	(0.68)
Mr. Santanu Agarwal	Salary	164.32	(9.00)
Mr. Manendra Singh	Salary	12.10	(0.98)
Mr. Santanu Agarwal	Loan Received	655.00	—
Mr. Santanu Agarwal	Interest Expenses	40.40	—
Mr. Pranav Chauhan	Interest Payment (on NCD)	24.00	—
Nupur Finvest Pvt. Ltd.	Sale of Portfolio	7,119.00	—
Nupur Finvest Pvt. Ltd.	Interest Expenses	548.79	—
Nupur Finvest Pvt. Ltd.	Loan given	477.00	—
Nupur Finvest Pvt. Ltd.	Interest received on ICD	4.00	—
Mr. Sunil Agarwal	Dividend Paid	52.85	—
Mr. Santanu Agarwal	Dividend Paid	16.85	—
Ms. Suneeti Agarwal	Dividend Paid	3.58	—
Pro Fitcch Pvt. Ltd.	Dividend Paid	10.41	—
Equilibrated Ventures Cflow Pvt. Ltd.	Dividend Paid	49.54	—
Pri Caf Pvt. Ltd.	Dividend Paid	11.27	—
Pro Fitcch Pvt. Ltd.	Amount received against Share Warrants for conversion into equity (allotment of 33,00,000 equity shares to each allottee)	1,744.87	—
Equilibrated Ventures Cflow Pvt. Ltd.		1,744.87	—
Pri Caf Pvt. Ltd.		1,744.87	—

Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board/Audit Committee considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

(5) Company has extended its guarantee to Banks/ Financial Institutions for credit facilities availed by the wholly owned subsidiary Nupur Finvest Pvt Ltd.

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL

38. Working Capital, Working Capital Demand Loan and Term Loan Borrowings:

The Company has an arrangement with a consortium of fourteen banks under the leadership of Bank of Baroda for its working capital requirements. The facility is primarily secured by the hypothecation of book-debts / receivables of the Company and collaterally by mortgage of immovable properties including office premises, a flat owned by the Company and five commercial properties by third parties as well as personal and corporate guarantees. The outstanding details of the member banks in the consortium is as under:

(₹ In Lakhs)

Sr. No.	Name of Bank	Facility	Out-standing	ROI	Sanctioned Amount	Share in Consortium (%)
1	Bank of Baroda	CC+WCDL	9,418.98	MCLR + 1.80%	10,000.00	8.28%
2	Bank of Baroda TL	Term Loan	7,500.00	MCLR + 1.80%	8,125.00	6.72%
3	Punjab National Bank	CC+WCL	9,456.40	MCLR + 1.70%	12,000.00	9.93%
4	Punjab National Bank	Term Loan	4,499.65	MCLR + 1.70%	6,000.00	4.97%
5	Bank of India	CC+WCDL	4,451.56	MCLR + 3.50%	4,550.00	3.77%
6	Union Bank of India	CC+WCDL	16,464.74	MCLR + 1.75%	16,500.00	13.66%
7	Central Bank of India	CC+WCDL	12,471.51	MCLR + 1.80%	12,500.00	10.35%
8	UCO Bank	CC	3,683.08	MCLR + 1.70%	3,700.00	3.06%
9	UCO Bank TL	Term Loan	4,166.67	MCLR + 1.70%	5,000.00	4.14%
10	IDBI Bank	CC+WCDL	2,495.46	MCLR + 2.65%	2,500.00	2.07%
11	Bank of Maharashtra	CC+WCDL	3,708.55	MCLR + 1.50%	5,000.00	4.14%
12	Bank of Maharashtra	Term Loan	2,098.33	MCLR + 1.50%	2,500.00	2.07%
13	State Bank of India TL	Term Loan	4,497.99	MCLR + 2.25%	4,950.00	4.10%
14	Karnataka Bank	CC	4,918.76	MCLR + 0.10%	5,000.00	4.14%
15	Dhanlaxmi Bank	CC+WCDL	2,492.93	MCLR + 1.10%	2,500.00	2.07%
16	Dhanlaxmi Bank TL	Term Loan	1,250.00	MCLR + 1.20%	2,500.00	2.07%
17	CSB Bank	CC+WCDL	7,465.79	MCLR + 0.10%	7,500.00	6.21%
18	Indian Bank	CC+WCDL	4,948.97	MCLR + 1.80%	5,000.00	4.14%
19	Indian Bank	Term Loan	4,415.75	MCLR + 1.80%	5,000.00	4.14%
	Total		**1,10,405.12**		**1,20,825.00**	**100.00**

Term Loans sanctioned under Multiple Banking Arrangement

(₹ In Lakhs)

Sr. No.	Name of Bank	Out- standing	ROI	Sanctioned Amount
1	South Indian Bank	1,500.00	MCLR + 1.10%	1,500.00
2	State Bank of India	5,400.00	MCLR + 2.25%	45,000.00
3	Canara Bank	7,500.00	MCLR + 1.00%	7,500.00
	Total	**14,400.00**		**54,000.00**

Term loan sanctioned for vehicle

(₹ In Lakhs)

Sr. No.	Name of Bank	Out- standing	ROI	Sanctioned Amount
1	Bank of Baroda	134.26	MCLR + 1.80%	139.50
2	Bank of Baroda	32.69	MCLR + 1.80%	33.68
3	Bank of Baroda	95.20	MCLR + 1.80%	98.00
	Total	**262.15**		**271.18**

39. In financial year 2021-22, Warrant holder applied to exercise their right to convert the 16,20,000 warrants (out of total warrants issued) into equal number of equity shares and paid Rs. 85,65,75,000 (75% of issue price for 16,20,000 shares). Accordingly, Company has allotted 16,20,000 equity shares of Rs. 10 each at a premium of Rs. 695.00 per Share on conversion of warrants.

Equity shares of the Company are listed and are being traded on Bombay Stock Exchange (BSE Limited) and National Stock Exchange of India Limited. In order to improve the liquidity of the Company's shares and to make it more affordable for small investors as also to broad base the small investors, the Board of Directors of the Company, in their meeting held on May 6, 2022 has recommended to sub-divide (split) the nominal value of each Equity Share having a present face value Rs. 10/- (Rupees Ten Only) each into 10 (Ten) Equity Shares of Re. 1/- (Rupee One Only) each, subject to the approval of the Members.

During the financial year 2022-23, Warrant holders again applied to exercise their right to convert 9,90,000 warrants (out of balance warrants issued) into 99,00,000 equity shares and paid Rs. 52,34,62,500 (75% of issue price). Accordingly, Company has allotted 99,00,000 equity shares of Re. 1.00 each at a premium of Rs 69.50 per share on conversion of warrants.

40. Detail of Bank FDR's (principal amount) held as on 31.03.2023:

Held to avail Cash Credit facility against FDRs

(₹ In Lakhs)

1	Punjab National Bank	Cash Credit	8.50
	Subtotal	**(A)**	**8.50**

Held as Guarantee

(₹ In Lakhs)

1	Punjab National Bank	Guarantee	0.66
	Subtotal	**(B)**	**0.66**

Held as Guarantee

(₹ In Lakhs)

1	State Bank of India	Guarantee	10.00
2	State Bank of India	Guarantee	15.00
3	State Bank of India	Guarantee	25.00
	Subtotal	**(C)**	**50.00**

Held as Guarantee / Security / Overdraft facility

(₹ In Lakhs)

1	Bank of Baroda	Guarantee / Security / Overdraft facility	205.00
	Subtotal	**(D)**	**205.00**

Held as Investment

(₹ In Lakhs)

1	Punjab National Bank	Unencumbered	0.07
	Subtotal	**(E)**	**0.07**

Held as Investment

(₹ In Lakhs)

2	Bank of Baroda	Unencumbered	1,800.00
	Subtotal	**(F)**	**1,800.00**
	Grand Total of FDR's	**(A+B+C+D+E+F)**	**2,064.23**

41. Reconciliation of Book Debt Assigned to the Consortium Banks with the Book Debts (Inventory) of the Company as on the date of Balance Sheet:

(₹ In Lakhs)

Sr. No.	Particulars	Value as per Book Debt Statement	Value of Inventory as per Balance Sheet	Difference	Reason
1	Standard Assets	2,80,036.60	2,79,191.58	845.02	Some Disbursement / payments / Bad Debts were omitted to consider in MIS, pending reconciliation while submitting the Book Debts Statements.
2	Sub Standard Asset	-	696.29	696.29	Not Qualified for DP Purpose

42. Arbitration Awards:

The amount of such Decrees available for execution stands at Rs. 17,487.60 (Previous year Rs. 17,487.60) Lakhs as on the date of Balance Sheet. All these cases have already been written off in the books of accounts hence there are no impact on the profit and loss count of the Company for current as well as in the previous years:

(₹ In Lakhs)

Sr. No.	Particulars	Amount
1	Opening balance of Arbitration Awards	17,487.60
2	Add: New Arbitration Award procured during the year	-
3	Less: Arbitration Award Challenged / Closed during the year	-
	Arbitration Awards available for Execution	17,487.60

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43. Capital Risk Adequacy Ratio (CRAR):

(₹ In Lakhs)

	Particulars	2022-23	2021-22
i)	CRAR %	40.34%	42.92%
ii)	CRAR – Tier I Capital %	36.49%	37.73%
iii)	CRAR – Tier II Capital %	3.85%	5.19%
iv)	Amount of subordinated debt raised as Tier-II Capital	8,900	8,900
v)	Liquidity Coverage Ratio	2.45	3.24
vi)	Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

44. Investments:

(₹ In Lakhs)

			Particulars	2022-23	2021-22
1)	Value of Investments				
	i)	Gross value of Investments			
		a)	In India	8,808.53	7,337.10
		b)	Outside India	Nil	Nil
	ii)	Provision for Depreciation			
		a)	In India	Nil	Nil
		b)	Outside India	Nil	Nil
	iii)	Net Value of Investments			
		a)	In India	8,808.53	7,337.10
		b)	Outside India	Nil	Nil
2)	Movement of Provisions held towards depreciation on investments				
	i)	Opening Balance		Nil	Nil
	ii)	ADD: Provision made during the year		Nil	Nil
	iii)	Less: Write – off / write – back of excess provisions during the year		Nil	Nil
	iv)	Closing Balance		Nil	Nil

45. The Company had not taken any exposure in Derivatives during the financial year 2022-23.

46. Disclosure relating to Securitization:

i) The Company has not done securitization of any of its loans & advances to any organization during the financial year 2022-23 and there is no outstanding amount as on Balance Sheet date. Also, the Company has not sold its financial assets to any Securitization/Reconstruction Company for Asset Reconstruction. Further the Company has undertaken new assignment transactions during the Financial Year 2022-23.

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ii) Details of stock assigned / sold during the year prior to RBI Notification dated 24 September, 2021

(₹ In Lakhs)

	Particulars	2022-23	2021-22
1	No. of accounts sold	N.A.	8
2	Aggregate outstanding	N.A.	2,518
3	Aggregate consideration received	N.A.	1,692

iii) The Company has not purchased any non-performing assets (NPAs) from other NBFCs or financial institutions

a) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021

There were no borrower accounts where resolution plans had been implemented under RBI 's Resolution Framework 2.0 dated 5 May 2021 during the year.

b) Disclosures pursuant to RBI Notification - RBI /DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021

(a) Details of transfer through assignment in respect of loans not in default during the financial year ended 31 March, 2023

Date of transaction	30.06.2022	21.12.2022	27.12.2022
Amount of loans transferred through assignment	2,685.43	3,207.70	2,344.24
Retention of beneficial economic interest	15%	15%	10%
Weighted average residual maturity	52.73 Months	41.73 Months	18.70 Months
Weighted average holding period	9.22 Months	19.28 Months	4.80 Months
Coverage of tangible security coverage	100%	100%	100%
Rating-wise distribution of rated loans	A5	A5	A3

(b) Details of loans (not in default) acquired through assignment during the financial year ended 31 March, 2023

Amount of loans transferred through assignment	Nil
Retention of beneficial economic interest	Nil
Weighted average residual maturity	Nil
Weighted average holding period	Nil
Coverage of tangible security coverage	Nil
Rating-wise distribution of rated loans	Nil

(c) Details of stressed loans transferred during the financial year ended 31 March, 2023

Particulars	To Asset Reconstruction Companies (ARC)		To permitted transferees	
	NPA	SMA	NPA	SMA
Number of accounts	Nil	Nil	Nil	Nil
Aggregate principal outstanding of loans transferred (Rs. in crore)	Nil	Nil	Nil	Nil
Weighted average residual tenor of the loans transferred (in years)	Nil	Nil	Nil	Nil
Net book value of loans transferred (at the time of transfer (Rs. in crore)	Nil	Nil	Nil	Nil
Aggregate consideration (Rs. in crore)	Nil	Nil	Nil	Nil

In addition to above the Company has transferred written off loans amounting to Rs. Nil for a consideration of Rs. Nil.

(d) The Company has not acquired any stressed loan during the financial year ended 31 March, 2023.

c) Pursuant to the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications', the Company has aligned its definition of default from number of instalments outstanding approach to Days Past Due approach. On 15 February 2022, RBI allowed deferment till 30 September 2022 of Para 1 of this circular pertaining to upgrade of Non-performing accounts. However, the Company has not opted for this deferment and such alignment does not have any significant impact on the financial results for the quarter and year ended 31 March 2023.

iv) Co-Origination/Co-Lending done by the company with Banks

Co-Origination/Co-Lending is a financing model where a non-banking financial company (NBFC) or a financial institution partners with a bank to jointly provide loans to borrowers. In this case, Paisalo Digital Ltd. has entered into Co-Origination/Co-Lending loan agreements with several banks, including State Bank of India, Bank of Baroda, UCO Bank, Punjab National Bank, and Karnataka Bank.

The objective of this partnership is to empower the agriculture (AGRI) sector, micro, small, and medium enterprises (MSMEs), and small businesses by offering them easy and hassle-free online loans with a quick turnaround time. The loan ticket size ranges from Rs 10,000 to 5 lakh, catering to the financing needs of these segments.

Under the Co-Lending model, both Paisalo Digital Ltd. and the partner banks contribute to the loan disbursement. Paisalo Digital Ltd. contributes 20% of the total loan amount, while the bank's contribution is 80%. This partnership capitalizes on Paisalo Digital's extensive distribution network and the bank's lower cost of funds, allowing for increased lending to the priority sectors that generate income.

The interest rate charged by the bank is based on the prevailing rate for priority sector loans, while Paisalo Digital Ltd. is allowed to charge its own rate of interest. However, the blended rate of interest charged to the customer should not exceed the priority sector criteria defined by the Reserve Bank of India (RBI). This enables Paisalo Digital to maintain its usual lending rate while benefiting from the significantly lower lending rate of the bank, resulting in a reduced effective lending cost due to cost averaging. As a result, borrowers receive loans at a lower blended rate compared to other financial institutions in the market.

The Reserve Bank of India released a new policy on Co-Lending on November 5, 2020, which incorporated the concept of Co-Origination introduced in a previous circular dated September 21, 2018. The new policy clarified the framework for Co-Lending arrangements. This move by the RBI aims to leverage the unhindered reach and low-cost operations of NBFCs in conjunction with the low-cost funds of banks to benefit customers at the bottom of the socioeconomic ladder. This aligns with the government's efforts to extend credit facilities to economically weaker sections of society.

By digitally processing and disbursing loans up to INR 5,00,000 (5 lakh) under the 80-20 Co-Lending Model, better monitoring and surveillance of borrowers can be achieved. The transparent credit process enables comprehensive oversight of NBFC operations, while end-to-end digitalization ensures greater reach and lower operational costs. Additionally, compliance control is enhanced to meet RBI norms. The fully digital and scalable business model also provides end-to-end risk mitigation.

Paisalo Digital Ltd. believes that Co-Lending, as guided by the RBI circulars in 2018 and 2020, and implemented by the partner banks through a transparent and user-friendly digital credit process, is a revolutionary step benefiting small loan customers and banks alike, particularly for loans up to INR 5,00,000.

47. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as on 31st March, 2023:

(₹ In Lakhs)

	Upto 14 days	Over 14 days to 1 month	Over 1 month & Upto 2 months	Over 2 months & Upto 3 months	Over 3 months & Upto 6 months	Over 6 month & upto 1 Year	Over 1 year & Upto 3 years	Over 3 years & upto 5 years	Over 5 Years	Total
Deposits	—	—	—	—	—	—	—	—	—	—
Advances	4262	6537	10538	10447	30852	63380	100380	51577	1915	**279888**
Investments (Bank FDR)	1800	—	—	—	—	—	266	—	—	**2066**
Borrowings	—	6238	1880	3888	6849	54734	76154	22197	9840	**181780**
Foreign Currency Assets	—	—	—	—	—	—	—	—	—	—
Foreign Currency Liabilities	—	—	—	—	—	—	—	—	—	—

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48. Exposures:

a) Exposures to Real Estate Sector

(₹ In Lakhs)

			Category	2022-23	2021-22
Direct Exposure					
i)	Residential Mortgages				
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented			14,453	4,154
ii)	Commercial Real Estate				
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits			—	—
iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures				
	a)		—	—	—
	b)		—	—	—
Indirect Exposure				—	—

b) Capital Market Exposure

The Company holds the capital market exposure of Rs. 6,742.51 Lakhs as at 31st March 2023. The Company has financed Rs. 1,500.00 Lakhs for which Company has taken security which inter alia includes equity shares.

c) Details of financing of parent company products: NIL

d) Details of Single Borrower Limit and Group Borrower Limit exceeded by NBFC

The company has adhered to the Prudential Exposure norms as prescribed by RBI and has not given any advances exceeding the limits as prescribed for Single borrower and Group Borrower.

e) Unsecured Advances

The unsecured advances outstanding as at Balance Sheet date are Rs. 7,740.69 Lakhs. The Company does not have any loan or advances which are partially secured against any sort of licenses, rights, authorizations charged to the company.

49. Registration obtained from other financial sector regulators:

RBI Registration No. : B-14.02997
Company Identification No. : L65921DL1992PLC120483

The company has never been penalized for any non-compliance by financial sector regulators.

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50. Bank borrowings of the Company has been assigned rating of "IVR AA-/STABLE OUTLOOK" by Infomerics Valuation and Rating Pvt. Ltd. which denotes "Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk". Similarly, the Company has been assigned rating of "IVR A1+ (IVR A One Plus)" for Commercial Paper by Infomerics Valuation and Rating Pvt Ltd which denotes "Securities with this rating are considered to have very strong degree of safety regarding timely payment of financial obligation. Such instruments carry lowest credit risk."

51. Provisions and Contingencies:

(₹ In Lakhs)

Break up of Provisions and contingencies	2022-23	2021-22
Provisions for depreciation on investment	Nil	Nil
Provision towards NPA	28	312
Provision on Standard Accounts in default @ 5%	Nil	Nil
Provision for Expected Credit Loss	12	6
Provision made towards income tax	3,542	2,672
Other provision and contingencies (Contingent Liability- Guarantee)	14,002	9,306
Provision for Standard Assets	187	185

52. Unlisted Unsecured Non-Convertible Redeemable Debentures (NCDs):

Company has issued Unlisted Unsecured Redeemable INR Denominated Non-Cumulative Non-Convertible Debentures (NCDs) as under

(₹ In Lakhs)

Date of Allotment	Interest Rate (%)	Tenure	No. of NCDs	Face Value per NCDs	Amount
July 2022	9.90%	120 Months	14	100	1,400
January 2023	12.00%	120 Months	340	10	34,00

53. Concentration of Deposits, Advances, Exposures and NPAs:

a) Concentration of Deposits

The Company has not taken any deposits from public.

b) Concentration of Advances

(₹ In Lakhs)

Total Advances to twenty largest borrowers	56,026
% of advances to twenty largest borrowers to total advances of the NBFC	20.02%

c) Concentration of Exposures

(₹ In Lakhs)

Total Exposure to twenty largest borrowers / customers	56,026
% of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	20.02%

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d) Concentration of NPAs

Provisioning for Substandard Assets/Doubtful Assets/Loss Assets has been made in compliance with the directions of Reserve Bank of India. As per decision of the Board of Directors in the cases where loan installments are overdue for more than 3 months and management is of the opinion that its recovery chances are very remote or negligible, the Company writes off these accounts (Net of Future Interest Charges) as bad debts. In all other cases where loan installments are overdue for more than 3 months the provisioning for non-performing assets is made in compliance with Non-Banking Financial Company Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions 2016, as applicable to the company. As per the RBI Directions dated 1st September 2016 updated as on 23rd February 2018 Company has made general provision of 0.40% of Standard assets. Other directives of Reserve Bank of India have been duly complied with. The details of top 4 NPA's written off during the year are given below:

(₹ In Lakhs)

S. No.	Total Exposure to Top Four NPA Accounts	% of Total Exposure	Amount
1	Navya Education Pvt Ltd	0.63	1,763
2	Sachetan Vidhya Pvt Ltd	0.46	1,279
3	Raisen Marketing Pvt Ltd	0.42	1,168
4	Siddhivinayak Infrazone LLP	0.26	731
	Total	**1.77**	**4,941**

e) Movement of NPAs

(₹ In Lakhs)

		Particulars	Current Year	Previous Year
(i)	Net NPAs to Net Advance (%)		0.25%	1.26%
(ii)	**Movement of NPAs (Gross)**			
	(a)	Opening balance	3,569.34	1,394.59
	(b)	Additions during the year	1.03	2,875.07
	(c)	Reductions during the year	2,874.08	700.32
	(d)	Closing balance	696.29	3,569.34
(iii)	**Movement of Net NPAs**			
	(a)	Opening balance	2,956.10	1,093.42
	(b)	Additions during the year	—	2,585.79
	(c)	Reductions during the year	2,900.63	723.11
	(d)	Closing balance	55.47	2,956.10
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**			
	(a)	Opening balance	613.24	301.18
	(b)	Provisions made during the year	314.89	383.37
	(c)	Write -back of excess provisions	287.30	71.29
	(d)	Write off	—	—
	(e)	Closing Balance	640.83	613.24

f) Sector wise NPAs (Write Offs)

Sr. No.	Category	% of Write offs to Total Advances	
		2022-23	2021-22
1	Agriculture & Allied activities	0.24	0.02
2	MSME	0.46	0.24
3	Corporate Borrowers	1.41	0.27
4	Services	0.18	1.38
5	Unsecured Personal Loans	—	—
6	Auto Loans	—	—
7	Other Personal Loans (LAP)	0.04	0.32
	Total	**2.33**	**1.83**

54. The Company is domiciled in India and does not have any joint venture, associate or subsidiary abroad.

55. Off Balance Sheet SPVs sponsored:

The Company has not sponsored off Balance Sheet SPVs.

56. Disclosures of Complaints:

a)	No. of complaints pending at the beginning of the year	—
b)	No. of complaints received during the year	6
c)	No. of complaints redressed during the year	6
d)	No. of complaints pending at the end of the year	—

57. Uncertainty relating to the global health pandemic from COVID-19 ("Covid-19"):

a) The world is currently confronted with a range of challenges, including the pervasive global pandemic of COVID-19. This crisis has been accompanied by unprecedented government actions, a robust recovery following a deep global recession, escalating inflation, a conflict in Ukraine, and significant economic sanctions against Russia.

b) In response to the ongoing global pandemic, Paisalo Digital Ltd. has implemented alternative work arrangements to prioritize the safety and well-being of its employees and business associates. This includes enabling work-from-home arrangements for operations and call centers during periods of lockdown. The company has equipped its workforce with the necessary technological tools to ensure the secure and efficient servicing of borrowers. Throughout the year, virtual sessions have been conducted with branches, employees, and business associates, maintaining proactive communication with customers. Services such as Door Step Sourcing and Servicing have been provided, adhering to safe distancing protocols and implementing essential non-pharmaceutical interventions. The majority of branches, employees, and business associates have access to updated technology and continue to operate, playing a vital role in providing essential credit to borrowers. Paisalo Digital Ltd. has also swiftly adapted and developed new digital and analog tools to facilitate credit requests and ensure effective loan recovery.

c) During the financial year 2022-23, no significant new frameworks were introduced by the Government of India, Reserve Bank of India, or banks specifically targeting COVID-19 relief or aid for NBFCs like Paisalo Digital Ltd. However, NBFCs are increasingly serving as conduits for governments and major banks, leveraging their local presence to directly support households. The stability in funding and liquidity provided to Paisalo Digital Ltd. is bolstered by its well-established local presence, robust credit and risk assessment practices, and the ongoing support of its partner banks.

58. Paisalo Digital Ltd, for the financial year 2022-2023, generated a non-fund based income amounting to Rs. 242.68 Lakhs It typically includes fees, commissions, and other related activities.

Paisalo Digital Ltd adopted various strategies and undertook specific activities to increase its non-fund based income. Some of these activities include:

1. Business Correspondent Services: Paisalo Digital Ltd acted as a Business Correspondent for State Bank of India and UCO bank. As a Business Correspondent, the company extended banking and financial services to underbanked or unbanked areas and populations. By facilitating banking transactions and providing services on behalf of partner institutions, Paisalo Digital earned commissions and fees, contributing to its non-interest income.

2. Ancillary Financial Services: Apart from lending activities, Paisalo Digital Ltd has offered other financial services. These services often generate fees and commissions based on the assets under management or the value of transactions, contributing to the non-interest income.

3. Cross-Selling of Products: To increase its non-fund based income, Paisalo Digital has implemented cross-selling strategies. This involves promoting additional financial products and services to existing customers.

These are some potential activities that Paisalo Digital Ltd have undertaken to increase its non-fund based income for the FY 2022-2023.

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59. Expected Credit Loss:

Comparison of Provisioning done under ECL model and under RBI prudential norms requirements:

(₹ In Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) =(4)-(6)
Performing Assets						
Standard	**Stage 1**	2,74,063	1,644	2,72,419	1,096	548
	Stage 1	3,772	302	3,470	15	287
	Stage 2	1,357	163	1,194	5	157
Subtotal		**2,79,192**	**2,109**	**2,77,083**	**1,117**	**992**
Non-Performing Assets (NPA)						
Substandard	**Stage 3**	—	—	—	—	—
Doubtful - up to 1 year	**Stage 3**	—	—	—	—	—
1 to 3 years	**Stage 3**	—	—	—	—	—
More than 3 years	**Stage 3**	111	67	44	55	11
Subtotal for doubtful		**111**	**67**	**44**	**55**	**11**
Loss Assets	**Stage 3**	585	585	—	585	—
Subtotal for NPA		**696**	**652**	**44**	**641**	**11**
Loss	**Stage 3**	4,415	4,415	—	4,415	—
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset and Provisioning (IRACP) norms Classification						
	Stage 1	14,002	280	13,722	—	280
	Stage 2	—	—	—	—	—
	Stage 3	—	—	—	—	—
Subtotal		**14,002**	**280**	**13,722**	—	**280**
Total	**Stage 1**	2,91,837	2226	2,89,611	1,111	1,115
	Stage 2	1,357	163	1,194	5	157
	Stage 3	696	652	44	641	11
	Total	**2,93,890**	**3,041**	**2,90,849**	**1,758**	**1,283**
LESS : Provision for ECL previous year balance		—	1,241	—	—	—
Less : Provision for NPA		—	641	—	—	—
Less : Provision for Standard Assets		—	1,147	—	—	—
Expected Credit Loss		—	12	—	—	—

60. Risk Management Framework:

A wide range of risks may affect the company's business and operational or financial performance. The risks that could have significant influence on the Company are Credit Risk, Liquidity & Funding Risk, Market Risk and Operational Risk. The management has a process to identify and analyze the risks faced by the Company, to set appropriate risk limits and to control and to monitor risks and adherence to these limits. The risk management framework aims to:

i) create a stable business planning environment by reducing the impact of interest rate fluctuations on the company's business plan.

ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

A) Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the trade and other receivables, cash and cash equivalents and other bank balances.

It is measured as the amount at risk due to repayment default by customers or counterparties to the company. Various metrics such as instalment default rate, overdue position, instalment moratorium, restructuring, one-time resolution plan, debt management efficiency, credit bureau information etc. are used as leading indicators to assess credit risk.

It is monitored using level of credit exposures, portfolio monitoring, contribution of repeat customers, bureau data, concentration risk of geography, customer and portfolio; and assessment of any major change in the business environment including economic, political as well as natural calamity/pandemic.

It is managed by a robust control framework by the risk and debt management unit. This is achieved by continuously aligning credit and debt management policies and resourcing, obtaining external data from credit bureaus and reviews of portfolios and delinquencies by senior and middle management team comprising of risk, analytics, debt management and risk containment along with business.

(a) Loans, Trade & Other Receivables

Credit risk from loans, trade & other receivables is managed by establishing credit limits, credit approvals and monitoring creditworthiness of the customers. Outstanding customer receivables are regularly monitored. The ageing of loans & trade receivables is as follows:

(₹ In Lakhs)

Particulars	As at 31st March 2023
Loans	2,78,949.73
Less: Allowances for expected credit loss	1,253.02
	2,77,696.71
Trade & Other Receivables	
Outstanding for less than one year	938.14
Less: Allowance for doubtful debts	640.83
	297.31
Total	**2,77,994.02**

(b) Cash & Cash Equivalents & Other Bank Balances

The company holds cash and cash equivalents and other bank balances of **Rs. 2824.63 Lakh at 31 March 2023**. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

B) Liquidity & Funding Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Funding risk arises from:

- Inability to raise incremental borrowings and deposits to fund business requirement or repayment obligations
- When long term assets cannot be funded at the expected term resulting in cash flow mismatches
- Amidst volatile market conditions impacting sourcing of funds from banks and money markets

It is measured by:

- Identification of gaps in the structural and dynamic liquidity statements.
- Assessment of incremental borrowings required for meeting the repayment obligation, the Company's business plan and prevailing market conditions.
- Liquidity coverage ratio (LCR) in accordance with guidelines.

It is monitored by:

- Assessment of the gap between visibility of funds and the near term liabilities given current liquidity conditions and evolving regulatory framework for NBFCs.
- A constant calibration of sources of funds in line with emerging market conditions in banking and money markets.
- Periodic reviews of liquidity position, LCR and stress tests assuming varied 'what if' scenarios and comparing probable gaps with the liquidity buffers maintained by the Company.

It is managed by the Company's treasury team under liquidity risk management framework through various means like liquidity buffers, sourcing of long term funds, positive asset liability mismatch, keeping strong pipeline of sanctions and approvals from banks and assignment of loans under the guidance of Board.

C) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates & prices. Market risk comprises Currency Risk, Interest Risk & Price Risk.

It is measured using changes in equity prices, and sensitivities like Value at Risk ('VaR'), basis point value (PV01), modified duration analysis and other measures to determine movements in our portfolios and impact on our income, including the sensitivity of net interest income. Market risks for the Company encompass exposures to Equity investments, Interest rate risks on investment portfolios as well as the floating rate assets and liabilities with differing maturities.

It is monitored by assessments of fluctuation in the equity price, interest rate sensitivities under simulated stress test scenarios given range of probable interest rate movements on both fixed and floating assets and liabilities.

It is managed by the Company's treasury team under the guidance of Board.

(a) Currency Risk

The Company's operations are only in India which results in no foreign currency risk exposure.

(b) Interest Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

(c) Price Risk

The Company is exposed to equity price risk arising from Investments held by the Company. To manage its price risk arising from investment in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

D) Operational Risk

Operational risk is the risk arising from inadequate or failed internal processes, people or systems, or from external events. The Company manages operational risks through comprehensive internal control systems and procedures laid down around various key activities in the Company viz. loan acquisition, customer service, IT operations, finance function etc. Internal Audit also conducts a detailed review of all the functions at least once a year, this helps to identify process gaps on timely basis. Further IT and Operations have a dedicated compliance and control units within the function who on continuous basis review internal processes. This enables the Management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis.

The Company has put in place a robust Disaster Recovery (DR) plan and Business Continuity Plan (BCP) to ensure continuity of operations including services to customers, if any eventuality is to happen such as natural disasters, technological outage etc. Robust periodic testing is carried, and results are analyzed to address gaps in the framework, if any.

61. Additional information pursuant to Ministry of Corporate Affairs notification dated March 24, 2021 with respect to amendments in Schedule iii of Companies Act, 2013:

i) The Company has made provision for dividend @ Rs. 0.10 each per share and the same will be declared & paid after the approval of the shareholders in their Annual General Meeting.

ii) All the borrowings of the Company are used for the specific purpose for which it was taken.

iii) There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iv) The Company is not a willful defaulter as declared by any bank or financial Institution or any other lender.

v) The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956.

vi) There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

vii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

viii) There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

xi) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

M/S PAISALO DIGITAL LIMITED

Schedule to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company (As required in Non-Banking Financial Company Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016:

(₹ In Lakhs)

PARTICULARS			2022-23	
LIABILITIES SIDE:				
1.	**Loans and advances availed by the NBFCs inclusive of interest Amount accrued thereon but not paid**		**Amount Outstanding**	**Overdue**
	(a)	Debentures		
		Secured	5,108	—
		Unsecured	36,500	—
		(other than falling within the meaning of public deposits*)		
	(b)	Deferred Credits	—	—
	(c)	Term Loans		
		Bank of Baroda (Term Loan a/c)	7,500	—
		State Bank of India (Term Loan a/c)	9,898	—
		Dhanlaxmi Bank (Term Loan a/c)	1,250	—
		UCO Bank (Term Loan a/c)	4,167	—
		Bank of Maharashtra (Term Loan a/c)	2,098	—
		Canara Bank (Term Loan a/c)	7,500	—
		Indian Bank (Term Loan a/c)	4,416	—
		Punjab National Bank (Term Loan a/c)	4,500	—
		South Indian Bank (Term Loan a/c)	1,500	—
		Bank of Baroda (Car Term Loan a/c)	262	—
	(d)	Inter-corporate loans and borrowing	15,105	—
	(e)	Commercial Paper	—	—
	(f)	Other Loans (specify nature)		
		Bank of Baroda (WCDL a/c)	6,000	—
		IDBI Bank (WCDL a/c)	1,803	—
		Central Bank of India (WCDL a/c)	7,570	—
		Punjab National Bank (WCDL a/c)	7,200	—
		Union Bank of India (WCDL a/c)	9,900	—
		Bank of India (WCDL a/c)	2,730	—
		Bank of Maharashtra (WCDL a/c)	2,268	—
		CSB Bank (WCDL a/c)	4,500	—
		Dhanlaxmi Bank (WCDL a/c)	1,500	—
		Indian Bank (WCDL a/c)	3,000	—
		Punjab National Bank (Cash Credit a/c)	2,256	—
		Central Bank of India (Cash Credit a/c)	4,901	—
		Bank of India (Cash Credit a/c)	1,722	—
		Bank of Baroda (Cash Credit a/c)	3,419	—
		Indian Bank (Cash Credit a/c)	1,949	—
		UCO Bank (Cash Credit a/c)	3,683	—
		IDBI Bank (Cash Credit a/c)	692	—
		Bank of Maharashtra(Cash Credit a/c)	1,441	—

M/S PAISALO DIGITAL LIMITED

(₹ In Lakhs)

				CSB Bank (Cash Credit a/c)	2,966	—
				Dhanlaxmi Bank (Cash Credit a/c)	993	—
				Union Bank of India (Cash Credit a/c)	6,565	—
				Karnataka Bank (Cash Credit a/c)	4,918	—
				Assignment of Book Debts	9,088	—
				*Please see Note 1 below	—	—
2.	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)**					
	(a)			In the form of Unsecured debentures	—	—
	(b)			In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	—	—
	(c)			Other public deposits	—	—
				*Please see Note 1 below		
ASSETS SIDE:						
3.	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below)**					
		(a)		Secured	2,71,398	749
		(b)		Unsecured	7,552	189
4.	**Break -up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities**					
	(i)			Lease assets including lease rentals under sundry debtors		
		(a)		Financial lease	—	—
		(b)		Operating lease	—	—
	(ii)			Stock on hire including hire charges under sundry debtors		
		(a)		Assets on hire	—	—
		(b)		Repossessed Assets	—	—
	(iii)			Other loans counting towards AFC activities		
		(a)		Loans where assets been repossessed	—	—
		(b)		Loans other than (a) above	—	—
5.	**Break-up of Investments**					
	1			Current Investments		
				Quoted		
		(i)		Shares		
			(a)	Equity	128	—
			(b)	Preference	—	—
		(ii)		Debentures and Bond	—	—
		(iii)		Units of mutual funds	—	—
		(iv)		Government Securities	—	—
		(v)		Others (please specify)	—	—
				Unquoted		
		(i)		Shares		
			(a)	Equity (Group Companies) (Net)	—	—
			(b)	Preference	—	—
		(ii)		Debentures and Bonds	—	—
		(iii)		Units of mutual funds	—	—

M/S PAISALO DIGITAL LIMITED

(₹ In Lakhs)

		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Fixed Deposit with NBFC		—	—
			Fixed deposit with Banks		1,800	—
			Interest accrued		—	—
	2	Long Term Investments				
		Quoted				
		(i)	Share			
			(a)	Equity	—	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (Please specify)		—	—
		Unquoted				
		(i)	Share			
			(a)	Equity- Subsidiary Company	4,224	—
			(b)	Equity- Other Company	2,390	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Investment in Partnership/LLP		—	—
			Fixed Deposit with Banks		264.22	—
			Interest accrued		1.78	—

(6) Borrower group-wise classification of assets financed as in (2) and (3) above
Please see Note 2

(₹ In Lakhs)

Category			Amount net of provisions		Total
			Secured	Unsecured	
1	Related parties**				
	(a)	Subsidiaries	—	—	—
	(b)	Companies in the same group	—	—	—
	(c)	Other related parties	—	—	—
2	Other than related parties		2,72,147	7,741	2,79,888
	Total		**2,72,147**	**7,741**	**2,79,888**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

	Particulars		Market Value / Value Break-up or Fair Value or NAV	Book Value (Net of provisions)
1	Related parties **			
	(a)	Subsidiaries	4,224	4,224
	(b)	Companies in the same group	—	—
	(c)	Other related parties	—	—
2	Other than related parties		2,519	2,519
	Total		**6,743**	**6,743**

** As per IND AS of ICAI.

(8) Other Information

	Particulars		Amount
1	Gross Non-performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	696
2	Net Non-Performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	55
3	Assets acquired in satisfaction of debt		—

Notes:

1. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company-Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Direction, 2016.
2. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in column (5) above.

Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 23074778BGUSZN8411

Place : New Delhi
Date : 11th May 2023

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

AUDITOR'S REPORT

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone Financial Statements of **M/S PAISALO DIGITAL LIMITED** ("the Company") which comprises the Balance Sheet as at 31st March 2022 the Statement of Profit and Loss (including Statement of Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year ended on that date, 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 Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022 and profit (including Statement of Other Comprehensive Income), Statement of changes in Equity and its Cash Flows 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) 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 no. 58 of Standalone Financial Statements as regard to the management evaluation of COVID-19 impact on the future performance of the Company.

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters below to be the key audit matters to be communicated in our report.

MANISH GOYAL & CO. Chartered Accountants

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AGRA | LUCKNOW | NOIDA | MORADABAD

Key Audit Matters	How our audit addresses the Key Audit Matters
Impairment of financial Instruments (Expected Credit Loss) (refer Note No. 28 of the Standalone Financial Statements) Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets using the expected Credit Loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including: ▪ unbiased, probability weighted outcome under the various scenarios; ▪ time value of money; ▪ impact arising from forward looking macro-economic factors and; ▪ availability of reasonable and supportable information without undue costs. Applying these principles involves significant estimation in various aspects, such as; ▪ grouping of borrowers based on homogeneity by using appropriate statistical techniques; ▪ staging of loans and estimation of behavior life; ▪ estimation of losses for loan products/ corporate guarantee with historical defaults. ▪ Determining macro-economic factors impacting credit quality of financial assets, Considering the significance of such allowance to the overall Financial Statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.	▪ We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. ▪ We tested the criteria for staging of loans/ corporate guarantee based on their past-due status to check compliance with the requirement of Ind AS 109. ▪ Tested samples of performing loans (Stage 1) to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. ▪ Tested the ECL model, including assumptions and underlying computation.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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, 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 implementation and maintenance of 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 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.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

M. MISH GOYAL & CO. Chartered Accountants

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Financial Statements, including the disclosures, and whether the 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 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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 audit of all the branch offices of the Company has been conducted by us, hence Section 143(8) is not applicable;

d. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

e. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f. On the basis of the written representations received from the Directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

i) The Company does not have any pending litigations (other than in the ordinary course of business) 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.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place : New Delhi
Date : 6th May 2022

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMFD5539

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2021-22)

i. **(a)** **(A)** The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.

(B) The company has maintained proper records to show full particulars of intangible assets.

(b) As explained to us, the Property, Plant and Equipments have been physically verified by the management at reasonable Intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us, the title deeds of immovable properties of the company are held in the name of the Company.

(d) According to the information and explanations given to us, Company has not revalued its Property, Plant and Equipment or Intangible assets.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1998).

ii. **(a)** The Company is a Non-Banking Financial Company (NBFC) and has not dealt with any goods and the Company does not hold any inventory of goods during the period under audit. Accordingly, the reporting requirement under clause (ii) (a) of para no 3 of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, Company is availing working capital limits of more than Rupees five crore on the basis of security of current assets during the financial year. The monthly returns or statements filed by the company with banks or financial institutions are in agreement with the books of accounts of the Company.

iii. The Company has made investments in or granted loans, secured or unsecured to individuals, companies, firms, limited liability partnership or other entities in ordinary course of business.
The Company has provided corporate guarantee to Bank / Financial Institution for the loans taken by its wholly owned subsidiary M/s Nupur Finvest Pvt. Ltd.
The Company is a Non-Banking Financial Company and principal business of the Company is providing loans and advance to other concerns, therefore Para (iii) (a) and (e) of the Order are not applicable to the Company.

(a) The terms & conditions of grant of such loans are not prejudicial to the Interest of the company.

(b) The repayment/receipt of the principal and interest of loan granted is regular as per the schedule of repayment and there is no amount which is overdue more than ninety days in respect of standard Assets.

(c) As explained to us, as per RBI Prudential norms, the Company has made the required / specified provision for overdues of more than ninety days. However, the Company has taken reasonable steps for recovery of principal and interest for those cases.

(d) The Company has not given any loans or advances in the nature of loans which are repayable on demand or without specification of any terms or period of repayment. No loan have been granted to Promoters and/or related parties as defined under Section 2(76) of the Companies Act, 2013.

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2021-22)

iv. According to the information and explanations given to us, the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security have been complied with.

v. The Company is a Non-Banking Financial Non-Deposit Taking or Holding Systemically Important (ND-SI) Company, and in our opinion, the Company has not accepted any public deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016. Accordingly, the provisions of para 3(v) of the Order are not applicable to the Company.

vi. Maintenance of cost records as required under Sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the company.

vii. **(a)** According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues and there are no undisputed amounts of Income Tax, Goods & Service Tax, Cess, Employees State Insurance, Customs Duty, Provident Fund and Professional Tax etc. outstanding as at the last day of financial year concerned for a period of more than six months from the date they became payable.

(b) There are no dues of Goods & Service Tax and Custom Duty on account of any dispute except following matters under Income Tax:

Sr. No.	Forum	Period	Remark
1	Assessment Proceeding u/s 147	F.Y. 2012-13	Order Pending
2	Assessment Proceeding u/s 147	F.Y. 2014-15	Order Pending
3	Assessment Proceeding u/s 147	F.Y. 2015-16	Order Pending
4	Income Tax Department u/s 154	F.Y. 2016-17	Rs. 69,09,140/- amount involved
5	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2017-18	Rs. 23,29,246/- amount involved
6	Assessment Proceeding u/s 143(3)	F.Y. 2019-20	Order Pending

viii. There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. **(a)** The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or other lender

(c) The term loans were applied for the purpose for which the loans were sanctioned

(d) Funds raised on short term basis have not been utilized for long term purposes

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2021-22)

x. **(a)** According to the information and explanations given to us, the Company had not raised money by way of initial public offer or further public offer during the year.

(b) According to the information and explanations given to us, during the year, the Company has allotted equity shares upon conversion of convertible warrants on preferential basis to promotor group entities pursuant to the provision of the Companies Act, 2013, read with regulation made thereunder and the SEBI (ICDR) Regulations, 2018.

xi. **(a)** Based on the records examined by us and according to the information, explanations given to us, no fraud has been committed by the Company or any fraud committed on the Company by its officers or employees has been noticed or reported during the year.

(b) No report under Sub-Section (12) of Section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

(c) the Auditor has not received any whistle-blower complaints during the year.

xii. The Company is not the Nidhi Company, therefore provisions of Para 3 (xii) of the Order is not applicable to the Company.

xiii. Based on the records examined by us and according to the information & explanation given to us, the provisions of Section 177 and 188 of the Companies Act, 2013 regarding transaction with related parties have been complied with and details of the transaction as per applicable accounting standard have been disclosed in the notes to accounts of the Standalone Financial Statements.

xiv. **(a)** According to the information & explanation given to us, The Company has an Internal Audit System commensurate with the size and nature of its business.

(b) We have considered the internal audit report for the period under audit and there are no major issues raised by the internal auditor.

xv. Based on the records examined by us and according to the information & explanation given to us, no non-cash transactions with Directors or persons connected with him, have been taken place during the year, hence the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. **(a)** According to the information & explanation given to us, the Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-Deposit Accepting or Holding Non-Banking Financial Company.

(b) According to the information & explanation given to us, the Company is Non-Banking Financial Company and having a valid Certificate of Registration (CoR) from Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) According to the information & explanation given to us, the Company is not a Core Investment Company (CIC), therefore CIC regulation of RBI are not applicable on the Company.

(d) According to the information & explanation given to us, there are no CIC in the group.

xvii. According to the information & explanation given to us, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

MANISH GOYAL & CO. Chartered Accountants

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2021-22)

xviii. During the year, the predecessor Statutory Auditor has resigned from the Company, However, there are no adverse issues, objections or concerns raised by the predecessor Auditor.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the Auditor's knowledge of the Board of Directors and management plans, the Auditor is of the opinion that there is no material uncertainty exists as on the date of the audit report and that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. According to the Information and explanations given to us, there are no projects other than ongoing project hence, provision of Sub Section (5) of Section 135 of the Companies Act 2013 are not applicable to the Company.

Place : New Delhi
Date : 6th May 2022

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMFD5539

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2021-22)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

We have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** as of 31st March 2022 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 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 over financial reporting 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls , both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2021-22)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the Inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such Internal financial controls over financial reporting were operating effectively as at 31st March 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : New Delhi
Date : 6th May 2022

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMFD5539

M/S PAISALO DIGITAL LIMITED

BALANCE SHEET AS ON 31ST MARCH 2022

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	910.56	1,394.79
	(b) Bank Balances other than (a) above	2	45.14	3,287.30
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	2,788.24	3,124.94
	(ii) Other Receivables		-	-
	(e) Loans	5	2,32,038.87	1,90,330.68
	(f) Investments	6	6,791.89	6,614.22
	(g) Other Financial Assets	7	5,159.36	303.41
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	756.41	491.59
	(b) Deferred Tax Asset (Net)		-	-
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	6,240.82	6,268.41
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		10.70	10.70
	(i) Other Intangible Assets	9	109.92	147.12
	(j) Other Non-Financial Assets	10	74.39	201.47
	Total Assets		**2,54,926.30**	**2,12,174.63**
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		7.69	4.62
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		974.47	1,675.80
	(II) Other Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		-	-
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		452.67	302.80
	(c) Debt Securities	13	32,330.89	27,844.37
	(d) Borrowings (Other than Debt Securities)	14	1,06,904.37	81,852.10
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	8,900.00	8,900.00
	(g) Other Financial Liabilities	17	251.49	2,777.38
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	3,253.76	2,734.98
	(c) Deferred Tax Liabilities (Net)	20	262.46	166.80
	(d) Other non-financial Liabilities	21	327.41	467.85
	(3) Equity			
	(a) Equity Share Capital	22	4,391.84	4,229.84
	(b) Other Equity	23	96,869.25	81,218.09
	Total Equity & Liabilities		**2,54,926.30**	**2,12,174.63**

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMFD5539

Place : New Delhi
Date : 6th May 2022

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2022

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures for current reporting period	Figures for previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	35,639.82	31,154.77
	(ii) Dividend Income		-	-
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		-	-
	(v) Net gain on fair value changes	25	-	-
	(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		-	-
	Total Revenue from Operations (I)		**35,639.82**	**31,154.77**
II	Other Income	26	-	-
	Total Income (I+II)		**35,639.82**	**31,154.77**
III	**Expenses:**			
	(i) Finance Costs	27	16,679.32	14,375.66
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes		-	-
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	3,953.69	4,033.80
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	2,378.08	2,164.65
	(xi) Depreciation, amortization and impairment	30	322.90	372.99
	(x) Others expenses	31	1,666.58	2,547.22
	Total Expenses (III)		**25,000.57**	**23,494.32**
IV	Profit before exceptional items and tax **(II-III)**		**10,639.25**	**7,660.45**
V	Exceptional items		0.17	(64.45)
VI	Profit before tax **(IV-V)**		**10,639.08**	**7,724.90**
VII	**Tax Expense:**			
	(1) Current Tax		2,671.98	1,913.16
	(2) Deferred Tax		95.66	47.92
VIII	Profit for the period from continuing operations **(VI-VII)**		**7,871.44**	**5,763.82**
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**		-	-
XII	Profit for the period **(VIII+XI)**		**7,871.44**	**5,763.82**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2022

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures for current reporting period	Figures for previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)		-	-
	Other Comprehensive Income (A+B)		-	-
XIV	Total Comprehensive Income for the period (XII+XIII) (Comprising Profit and other Comprehensive Income for the period)		7,871.44	5,763.82
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	34	18.59	13.63
	Diluted (Rs.)		18.59	13.63
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	34	18.59	13.63
	Diluted (Rs.)		18.59	13.63

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMFD5539

Place : New Delhi
Date : 6th May 2022

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

STATEMENT OF STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(₹ In Lakhs)

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		27,318.57		22,036.10
	Adjustments for				
I	Depreciation	195.82		205.53	
II	Deferred Expense W/O	127.08		167.46	
III	Impairment on financial instruments	3,953.69		4,033.80	
IV	Expenditure on CSR Activities	161.03		328.08	
V	Profit/loss on Sale of Investments/Assets	(0.50)		-	
	Operating Profit before working capital changes		**31,755.69**		**26,770.97**
	Adjustments for				
I	Change in Other Financial Assets	(3.29)		456.13	
II	Change in Loans & Receivables	(45,007.50)		(24,322.48)	
III	Change in Payable & non financial liabilities	(688.83)		1,073.56	
IV	Misc. Expenses	-		-	
	Cash generated from Operations		**(13,943.93)**		**3,978.18**
I	Interest paid	(16,679.32)		(14,375.66)	
II	Income Tax paid	(2,936.81)		(1,993.05)	
III	Expenditure on CSR Activities	(161.03)		(328.08)	
	Cash flow before Extraordinary Items		**(33,721.09)**		**(12,718.61)**
I	Extraordinary items		0.17		(64.45)
	Net Cash from Operating Activities		**(33,721.26)**		**(12,654.16)**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(131.04)		(7.16)	
II	Sale of Fixed Assets	0.50		-	
III	Purchase/transfer of Investments	(177.67)		-	
	Net Cash from Investing activities		**(308.21)**		**(7.16)**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	25,052.27		(3,161.60)	
II	Proceeds from Debt Service Repayment Account	(2,525.89)		(1,550.95)	
III	Proceeds from Debt Securities	4,486.52		14,644.37	
IV	Proceeds from Subordinated Liability	-		100.00	
V	Dividend Paid	(422.92)		(422.92)	
VI	Purchase of Security Receipts	(4,852.65)			
VII	Money received against Share Warrant (allotment of equity shares upon conversion of 16,20,000 warrents)	8,565.75		4,600.13	
	Net Cash from Financing activities		**30,303.08**		**14,209.03**
	Net Increase/(decrease) in cash & cash equivalents		**(3,726.39)**		**1,547.71**
	Cash & Cash equivalents at beginning of period		**4,682.09**		**3,134.38**
	Cash & Cash equivalent at end of period		**955.70**		**4,682.09**

Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMFD5539

Place : New Delhi
Date : 6th May 2022

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 08006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2022 and 31st March 2021 and found the same in agreement here with.

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMFD5539

Place : New Delhi
Date : 6th May 2022

M/S PAISALO DIGITAL LIMITED
ACCOUNTING POLICIES

1. CORPORATE INFORMATION

M/S PAISALO DIGITAL LIMITED is a Systemically Important Non-Deposit Taking Non-Banking Financial Company engaged in providing loans.

Paisalo Digital Limited is a 30 years old company primarily focusing on financing self-employed borrowers, a segment which is still untapped / unserved, driven by rising affluence, aspirations and favorable demographics.

The Company's successful digital mode of financing self – employed underserved / unserved, using state of art technology, has enabled to register significant growth. The Company is able to scale up its business operations through its intranet model of financing from more than 130 branches as on date and still growing. The Company has cumulatively served more than 1 million satisfied customers. While remaining focused on growth, Company consistently maintains high asset quality level and continues to build the institution on the strong pillars of ethics, values and corporate governance.

The equity of the company is listed on BSE since 2007 and on NSE since 2009. The registered office of the Company is situated at CSC, Pocket 52, Chitranjan Park, Delhi 110019 and the head office at Block 54, First Floor, Sanjay Place, Agra- 282002.

2. FUNCTIONAL AND PRESENTATION CURRENCY

These Financial Statements are presented in Indian rupees (value in Lakhs up to two decimal), which is the functional currency of the Company. All financial information is presented in Indian rupees.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historic cost convention on an accrual basis, except where the same is considered at fair market value as required by Ind AS, the provisions of the Companies Act , 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Financial statements have been presented in accordance with format prescribed for Non-Banking Financial Companies under Companies (Indian Accounting Standards) Rules, 2015 in Division III as per the notification No. G.S.R. 1022(E) dated 11.10.2018.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the Financial Statements have been disclosed in further notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Chartered Accountants

M/S PAISALO DIGITAL LIMITED
ACCOUNTING POLICIES

4.1 REVENUE RECOGNITION

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. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis.

4.2 INCOME TAXES

The company's major tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates items recognized directly in equity or in OCI.

4.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment represent a small proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Useful lives of PPE and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

4.4 PROVISION

Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

4.5 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flow from operating, investing and financing activities are segregated.

5. ACCOUNTING POLICIES

5.1 CASH & CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

5.2 FINANCIAL INSTRUMENTS

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

Company has a business model of 'Hold to collect' with sole purpose of collecting principal and interest from loans, thus as per Ind AS 109- 'Financial Instruments' Loans are measured at amortized cost.

Other financial assets or liabilities maturing within one year from the balance sheet date are measured at the carrying value as the same approximate the fair value due to the short maturity of these instruments.

5.3 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss of the financial assets on the basis of their credit risk exposure.

For the same, ECL is measured as per the management policy after performing due diligence of company's historical data in regards to the respective asset. Also, since company is a RBI registered ND-SI- NBFC and as per RBI guidelines, a 0.4% provision for Standard Assets is created against company's credit exposures.

The Company shows overdue Installment amount of customers under trade receivables.

Expected Credit Loss model:

Company's Credit loss system is based on its credit risk function and the risk perceives. Under Ind AS, credit loss provisioning is mainly based on past trends and judgment of the entity. Implementation of expected credit losses not only consider historical data but also incorporates consideration to forward looking information.

ECL model is divided into three stages as follows:

Particulars Also Referred As	**Stage 1** Performing	**Stage 2** Under Performing	**Stage 3** Non Performing
Credit quality of assets Days Past Due	Not deteriorated significantly since its initial recognition 0 Days to 30 Days	Deteriorated significantly since its initial recognition 31 Days to 90 Days	Objective evidence of impairment More than 90 Days
Credit risk Recognize	Low 12 month ECL	Moderate to high Life time ECL	Very High Life time ECL
ECL	Represents financial asset's life time ECL that are expected to arise from default events that are possible within 12 months	ECL that results from all possible default events over the expected life of an instrument.	

Both 12 months ECL and life time ECL are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instrument.

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Determining significant increase in credit risk

It is very judgmental to determine the significant increase in credit risk, which enable entity to move from stage 1 to stage 2. i.e. to move from 12 month expected losses to life time expected losses. Entity need to assess significant increase in credit risk as compared to its initial recognition level by considering significant changes in financial position of a borrower, expected or current delay in payment, historical trend of the repeat borrowers etc.

Company also has a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.

Forward looking information

ECL is based on history of financial asset and includes forward-looking statement; however, it is a forecast about future conditions over the entire expected life of a financial instrument. The forward-looking information is based on:

- Internal historical credit loss experience, and the period of time over which its historical data has been captured and the corresponding economic conditions represented in the past
- Effects that were not present in the past or to remove the effects that are not relevant for the future
- Macroeconomic factors such as interest rates

The Calculations of ECL

Company calculates ECL on the basis of probability-weighted average scenarios on the basis of historical data.

The calculation of ECL has following key elements of Company's internal estimates:

Probability of default (PD):

It is an estimate of the likelihood of default over a given time horizon.

Exposure at default:

Estimate of an exposure at a future default date –expected changes in exposure after the reporting date.

Loss Given Default:

Estimate of the loss arising on default. It is based on the difference between contractual cash flows that are due and expected to receive including from collateral. It is generally referred as a percentage of exposure at default.

Discount rate:

Used to discount an expected loss to a present value at the reporting date using the effective interest rate.

ECL system:

Stage 1: At stage one 12 months ECL is recognized which is calculated as the portion of total outstanding advances, that are overdue till 30 days, that result from a default event on the financial instrument that are possible within 12 months after the reporting date. Company calculates the 12 months ECL provision based on the expectation of default occurring in 12 months following the reporting date. These expected 12 month default probabilities are applied to an EAD and multiplied by the expected LGD.

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Stage 2: When a loan has shown a significant increase in the credit risk, i.e., where the same is overdue till 90 days, PDL records a provision for life time ECL. PDs and LGDs in this case are estimated over life span of the financial instrument.

Stage 3: When a loan is considered credit-impaired, i.e., where the same is overdue for past 90 days, Company recognize the lifetime expected credit losses. In this scenario PD is estimated at 100%. For Company, stage 3 incorporates the loans which are due past 90 days but, in certain cases where the internal assessment of the individual borrowers reflects that the overdue amount can be recovered in the near future then the same is subjected to 100% provisioning.

Conclusion:

ECL concept is to recognize the expected loss on the defaulted advances on timely basis so as to present a true and fair view of financial position of the Company. Also, Ind AS states that entity can adopt any ECL model to present its historical trends adjusted for its forward-looking information. However, as per Company's internal policy, the Company follows a policy of writing off 100% of Sub-Standard Assets which does incorporate the requirements of Ind AS of better presentation of financial position.

Company ECL model is subjected to review every year.

5.4 DERECOGNITION OF FINANCIAL INSTRUMENTS

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

5.5 INVESTMENTS

Investments are carried at cost in the separate financial statements. Investments in subsidiary is measured at the previous GAAP carrying amount as per the provisions of Ind AS 27 – 'Separate Financial Statements'.

5.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any or at fair market value if the same present a better presentation of Company's financial position. Accordingly Company has taken the Office Premises Registered Office Premises on fair market value as per the valuation done by an independent valuer, except for a registered office building situated at New Delhi, in which case its transaction cost is taken as fair market value.

Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

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The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	Useful Life
Building	42 Year
Furniture & Fittings	10 Year
Computer Peripheral	3 Year
Vehicles	5 Year
Equipments, Plant & Machinery	10 Year
Intangible Assets (Software)	3 Year

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Company has restated the useful life of Building as per the report of an independent valuer.

Advances, if any, paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital Work-in-Progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

5.7 IMPAIRMENT

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If such assets are considered to be impaired, the impairment is to be recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

5.8 INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortization and impairment or fair market value if the same present a better presentation of Company's financial position. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances). Amortization methods and useful lives are reviewed periodically including at each financial year end.

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Software product development costs are also expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable. The cost during the development phase is capitalized as the cost the app to be presented in balance sheet. The costs which can be capitalized include the cost of material, direct labor and overhead costs that are directly attributable to preparing the asset for its intended use. Over the period of time the Company has developed its own ERP software which is a core strength of the Company, the revaluation of which shall be taken up at later stage.

5.9 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities are disclosed for:

a. possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

b. present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed wherein an inflow of economic benefits is probable.

The Company has not recognized the Assets & Liability in respect of Arbitration Decree.

5.10 SHARE CAPITAL

Ordinary shares are classified as equity, incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

5.11 SEGMENT REPORTING POLICY

The Chief Executive Officer reviews the operation at the Company level. Therefore, the operations of the Company fall under "Financing activities" business only, which is considered to be the only segment in accordance with the provisions of Ind AS 108- Operating segment.

5.12 BUSINESS MODEL

During the year the company entered into bilateral assignment transactions against outstanding loans. But the value of these loans are trivial in light of the company's AUM, thus Company's business model continue to be 'Hold to collect' as per Ind AS 109- Financial Instruments.

5.13 EMPLOYEE RETIREMENT BENEFITS

Contributions to Provident Fund and Super Annuation Fund made during the year, are charged to Statement of Profit and Loss.

Employees Gratuity liabilities has been calculated on the basis of Projected Unit Credit method adopted by LIC of India at the time of renewal of gratuity policy. Accordingly, Company has made contribution in line of that which is charged to Statement of Profit & Loss Account in the year of contribution.

5.14 BORROWING COST

Borrowing costs, which are directly attributable to the acquisition /construction of fixed assets, till the time such assets are ready for intended use, are capitalized as a part of the cost of assets.

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All borrowing costs other than mentioned above are expensed in the period they are incurred. In case of unamortized identified borrowing cost is outstanding at the year end, it is classified under loans and advances as unamortized cost of borrowings.

In case any loan is prepaid/ cancelled then the unamortized borrowing cost, if any, is fully expensed off on the date of prepayment/cancellation.

5.15 RELATED PARTY

A related party is a person or an entity that is related to the reporting entity. A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

A person or a close family member is related if he:

- Has control/joint control;
- Has significant influence;
- Is a member of the key management personnel (KMP);

of the reporting entity or its parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- that person's children, spouse or domestic partner, brother, sister, father and mother;
- children of that person's spouse or domestic partner; and
- dependants of that person or that person's spouse or domestic partner.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Company has duly complied with all the disclosure requirements of Ind AS 24 "Related Party Disclosures"

5.16 REVENUE RECOGNITION

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. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis.

Processing fees received from customer was recognized as income in the year of receipt under India GAAP. But, as per Ind AS, the same is now amortized over the period of relevant loan.

5.17 EARNINGS PER SHARE

The Earning per Share (Basic as well as Diluted) is calculated based on the net profit or loss for the period attributable to equity shareholders i.e. the net profit or loss for the period.

For the purpose of calculating (Basic and Diluted EPS), the number of equity shares taken are the weighted average number of equity shares outstanding during the period.

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Statement of Changes in Equity:

1. Current Reporting Period **(Amount in Rs.)**

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
42,29,84,490	-	42,29,84,490	1,62,00,000	43,91,84,490
42,29,84,490	**-**	**42,29,84,490**	**1,62,00,000**	**43,91,84,490**

2. Previous Reporting Period **(Amount in Rs.)**

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
42,29,84,490	-	42,29,84,490	-	42,29,84,490
42,29,84,490	**-**	**42,29,84,490**	**-**	**42,29,84,490**

List of Shareholders holding more than 5% shares of Company as on 31st March 2022:

Sr. No.	Name of the Shareholders	No of Shares	% of shareholding
1	Mr. Sunil Agarwal	52,85,140	12.04
2	Equilibrated Venture Cflow Pvt. Ltd.	46,24,212	10.53
3	SBI Life Insurance Co. Ltd.	39,93,672	9.10
4	Antara India Evergreen Fund Ltd.	40,53,623	9.23

List of Promoter's and Promoter Group Shareholding as on 31st March 2022:

Sr. No.	Promoter Name	Number of Shares held	Percentage of total shares	Percentage change during the year
1	Mr. Sunil Agarwal	52,85,140	12.04	(0.46)
2	Ms. Suneeti Agarwal	3,58,300	0.82	(0.03)
3	Mr. Santanu Agarwal	16,85,200	3.84	(0.15)
4	Equilibrated Venture Cflow Pvt. Ltd.	46,24,212	10.53	0.87
5	Pri Caf Pvt. Ltd.	7,96,920	1.81	1.21
6	Pro Fitcch Pvt. Ltd.	7,10,561	1.62	1.47

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 1 Cash & Cash Equivalents (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Cash Balances	249.16	223.21
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	161.33	1,171.51
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	500.07	0.07
	Total	**910.56**	**1,394.79**

Note : 2 Bank Balances other than (a) above (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	45.14	3,287.30
	Total	**45.14**	**3,287.30**

- Refer Note No. 41

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 3 Derivative Financial Instruments (Assets) **(₹ in Lakhs)**

Particulars	Current Year			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging	-	-	-	-	-	-
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

Note : 4 Receivables **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	137.28	858.56
	—Overdue Installments : Considered Good - Unsecured	658.78	894.88
	—Overdue Installments : Sub Standard Assets	1,992.18	1,371.50
2	Other Receivables	-	-
	Total	**2,788.24**	**3,124.94**

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Note : 4 (a) Trade Receivable- Additional Disclosures:

Outstanding for following periods from the due date of payment (FY. 2021-22) (₹ in Lakhs)

Sr. No.	Particulars	less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	Undisputed Trade Receivables - Considered Good	796.07	-	-	-	-	**796.07**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired		1,992.18	-	-	-	**1,992.18**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
	Grand Total	**796.07**	**1,992.18**	-	-	-	**2,788.24**

Outstanding for following periods from the due date of payment (FY. 2020-21) (₹ in Lakhs)

Sr. No.	Particulars	less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	Undisputed Trade Receivables - Considered Good	1,753.44	-	-	-	-	**1,753.44**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired	-	1,371.50	-	-	-	**1,371.50**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
							-
	Grand Total	**1,753.44**	**1,371.50**	-	-	-	**3,124.94**

- Trade Receivable includes overdue loan installments.

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 5 Loans (₹ in Lakhs)

Particulars	Current Year						Previous Year					
	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Sub total	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11=8+9+10)	(12 =) (7)+(11)
Loans												
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Term Loans	2,32,350.94	-	-	-	-	2,32,350.94	1,90,464.48	-	-	-	-	1,90,464.48
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (A) - Gross	**2,32,350.94**	-	-	-	-	**2,32,350.94**	**1,90,464.48**	-	-	-	-	**1,90,464.48**
Less: Impairment loss allowance	312.07	-	-	-	-	312.07	133.80	-	-	-	-	133.80
Total (A) - Net	**2,32,038.87**	-	-	-	-	**2,32,038.87**	**1,90,330.68**	-	-	-	-	**1,90,330.68**
(B) (i) Secured by tangible assets	2,27,700.97	-	-	-	-	2,27,700.97	1,88,880.70	-	-	-	-	1,88,880.70
(ii) Secure d by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	4,649.97	-	-	-	-	4,649.97	1,583.78	-	-	-	-	1,583.78
Total (B) - Gross	**2,32,350.94**	-	-	-	-	**2,32,350.94**	**1,90,464.48**	-	-	-	-	**1,90,464.48**
Less: Impairment loss allowance	312.07	-	-	-	-	312.07	133.80	-	-	-	-	133.80
Total (B) - Net	**2,32,038.87**	-	-	-	-	**2,32,038.87**	**1,90,330.68**	-	-	-	-	**1,90,330.68**
(C) (I) Loans in India	2,32,350.94	-	-	-	-	2,32,350.94	1,90,464.48	-	-	-	-	1,90,464.48
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) - Gross	**2,32,350.94**	-	-	-	-	**2,32,350.94**	**1,90,464.48**	-	-	-	-	**1,90,464.48**
Less: Impairment loss allowance	312.07	-	-	-	-	312.07	133.80	-	-	-	-	133.80
Total (C) (I) - Net	**2,32,038.87**	-	-	-	-	**2,32,038.87**	**1,90,330.68**	-	-	-	-	**1,90,330.68**
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) - Net	-	-	-	-	-	-	-	-	-	-	-	-
Total C (I) and C (II)	**2,32,038.87**	-	-	-	-	**2,32,038.87**	**1,90,330.68**	-	-	-	-	**1,90,330.68**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 6 Investments

(₹ In Lakhs)

Investments	Current Year							Previous Year						
		At Fair Value							At Fair Value					
	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total
	(1)	(2)	(3)	(4)	(5) = (2)+(3)+(4)	(6)	(7) = (1)+(5)+(6)	(8)	(9)	(10)	(11)	(12) = (9)+(10)+(11)	(13)	(14) = (8)+(12)+(13)
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Instruments	177.67	-	-	-	-	-	177.67	-	-	-	-	-	-	-
Subsidiaries	4,223.91	-	-	-	-	-	4,223.91	4,223.91	-	-	-	-	-	4,223.91
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	2,390.31	-	-	-	-	-	2,390.31	2,390.31	-	-	-	-	-	2,390.31
Total (A)	**6,791.89**	-	-	-	-	-	**6,791.89**	**6,614.22**	-	-	-	-	-	**6,614.22**
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	6,791.89	-	-	-	-	-	6,791.89	6,614.22	-	-	-	-	-	6,614.22
Total (B)	**6,791.89**	-	-	-	-	-	**6,791.89**	**6,614.22**	-	-	-	-	-	**6,614.22**
Total (A) to tally with (B)	**6,791.89**	-	-	-	-	-	**6,791.89**	**6,614.22**	-	-	-	-	-	**6,614.22**
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net D = (A) - (C)	**6,791.89**	-	-	-	-	-	**6,791.89**	**6,614.22**	-	-	-	-	-	**6,614.22**

*Unquoted Shares of M/s Samast Vikas Limited (Formerly known as Spring Infradev Limited)

M. MISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 7 Others Financial Assets **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	22.85	20.50
	Advances to Staff	4.02	3.11
	Income Receivables	-	1.00
	Advances for Services	42.36	93.43
	Prepaid Expenses	4.57	2.44
	GST/Service Tax Cenvat	232.91	182.93
	Security Receipts	4,852.65	-
	Total	**5,159.36**	**303.41**

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net) **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	10,057.06	7,120.26
	Provision for Taxation	(9,300.65)	(6,628.67)
	Total	**756.41**	**491.59**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 9 Property, Plant and Equipment (₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2022	WDV as on 31.03.2021
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6,425.12	3.47	-	6,428.59	363.15	105.88	-	469.03	5,959.56	6,061.97
3	Furniture & Fittings	205.33	5.61	-	210.94	120.24	10.71	-	130.95	79.99	85.09
4	Computer Peripheral	203.52	22.35	-	225.87	184.93	10.30	-	195.23	30.64	18.59
6	Vehicles	165.62	90.07	9.50	246.19	104.87	18.64	9.50	114.01	132.18	60.75
7	Equipments, Plant & Machinery	169.85	7.83	-	177.68	127.84	11.39	-	139.23	38.45	42.01
	SUB TOTAL (A)	**7,169.44**	**129.33**	**9.50**	**7,289.27**	**901.03**	**156.92**	**9.50**	**1,048.45**	**6,240.82**	**6,268.41**
II	**Intangible Assets**										
1	Computer Software	529.77	1.70	-	531.47	382.65	38.90	-	421.54	109.92	147.12
2	Goodwill	10.70	-	-	10.70	-	-	-	-	10.70	10.70
	SUB TOTAL (B)	**540.47**	**1.70**	**-**	**542.17**	**382.65**	**38.90**	**-**	**421.54**	**120.62**	**157.82**
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-
	Total [A+B+C+D] (Current Year)	**7,709.91**	**131.03**	**9.50**	**7,831.44**	**1,283.68**	**195.82**	**9.50**	**1,470.00**	**6,361.44**	**6,426.23**
	Total (Previous Year)	**7,702.76**	**7.16**	**-**	**7,709.91**	**1,078.16**	**205.53**	**-**	**1,283.68**	**6,426.23**	**6,624.60**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 10 Other Non Financial Assets (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	74.39	201.47
	Total	**74.39**	**201.47**

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities) (₹ in Lakhs)

Particulars	(Current Year)			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 12 Payables (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	7.69	4.62
		7.69	**4.62**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
	(a) SBI Assignment Payable	348.19	554.90
	(b) SIB Assignment Payable	67.57	141.47
	(c) CBI Assignment Payable	77.94	88.58
	(d) BOB Assignment Payable	-	693.04
	(e) Other Sundry Payables	480.77	197.82
		974.47	**1,675.80**
2	**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		
	(a) Statutory Payables		
	Professional Tax Payable	0.01	0.02
	EPF Contribution Payable	9.90	5.84
	ESI Payable	3.88	0.70
	GST Payable	5.60	9.95
	TDS Payable	111.24	43.13
	LIC GSLI Payable	0.02	0.02
	(b) Expenses Payables	322.02	243.13
		452.67	**302.80**
	Total	**1,434.83**	**1,983.22**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 12 (a) Trade Payables Due for Payment 2021-22 (₹ in Lakhs)

Sr. No.	Particulars	less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	MSME	7.69	-	-	-	7.69
2	Others	974.47	-	-	-	974.47
3	Disputed Dues-MSME	-	-	-	-	-
4	Disputed Dues-Others	-	-	-	-	-
	Grand Total	**982.16**	-	-	-	**982.16**

Trade Payables Due for Payment 2020-21 (₹ in Lakhs)

Sr. No.	Particulars	less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	MSME	4.62	-	-	-	4.62
2	Others	1,675.80	-	-	-	1,675.80
3	Disputed Dues-MSME	-	-	-	-	-
4	Disputed Dues-Others	-	-	-	-	-
	Grand Total	**1,680.42**	-	-	-	**1,680.42**

- There are no dues pending for more than 45 days.

M.Kapoor & Co. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 13 Debt Securities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Others (Bonds/ Debentures etc.)*	32,330.89	-	-	32,330.89	27,844.37	-	-	27,844.37
Total (A)	**32,330.89**	-	-	**32,330.89**	**27,844.37**	-	-	**27,844.37**
Debt Securities in India	32,330.89	-	-	32,330.89	27,844.37	-	-	27,844.37
Debt Securities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**32,330.89**	-	-	**32,330.89**	**27,844.37**	-	-	**27,844.37**

***Details of Non Convertible Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'1609 SEIL'	Sept 2016	9,500.00	14.50%	Monthly	Sept 2021	9,500.00	No	Yes
Series-'PDL1802'	Feb-2018	2,800.00	12.00%	Monthly	Feb-2023	2,800.00	Yes	Yes
Series-'PDL2020-3'	Feb-2020	900.00	12.00%	Monthly	Feb-2025	900.00	Yes	Yes
Series-'PDL-07-2020'	Jul-2020	5,000.00	10.50%	Quarterly	Apr-2023	5,000.00	Yes	Yes
Series-'PDL-08-2020'	Aug-2020	2,000.00	9.50%	Yearly	Feb-2022	2,000.00	Yes	Yes
Series-'PDL-11-2020'	Nov-2020	1,600.00	10.50%	Quarterly	May-2022	1,600.00	Yes	Yes
Series-'PDL-12-2020'	Dec-2020	3,500.00	12.00%	Monthly	Dec-2023	3,500.00	Yes	Yes
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	Yes	Yes
Series-'PDL-07-2021'	July-2021	2,500.00	12.00%	Monthly	July-2026	2,500.00	Yes	No
Series-'PDL-09-2021'	Sep-2021	9,400.00	12.00%	Monthly	Sep-2026	9,400.00	Yes	No
Series-'PDL-09-02-2021'	Sep-2021	1,500.00	12.00%	Monthly	Sep-2026	1,500.00	Yes	No
Series-'PDL-02-2022'	Feb-2022	2,700.00	9.00%	Monthly	Feb-2029	2,700.00	Yes	No

MANISH G... Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 14 Borrowings (Other than Debt Securities) (₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(1)	(2)	(3)	(4) = (1)+(2)+(3)
(a) Term loans:								
(i) From banks	13,140.04	-	-	13,140.04	3,940.94	-	-	3,940.94
(ii) From other parties	-	-	-	-	1,254.76	-	-	-
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	-	-	-	-	2,221.63	-	-	2,221.63
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	82,740.06	-	-	82,740.06	68,926.30	-	-	68,926.30
(ii) from other parties	11,024.27	-	-	11,024.27	5,508.47	-	-	5,508.47
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
Total (A)	**1,06,904.37**	**-**	**-**	**1,06,904.37**	**81,852.10**	**-**	**-**	**81,852.10**
Borrowings in India	1,06,904.37	-	-	1,06,904.37	81,852.10	-	-	81,852.10
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**1,06,904.37**	**-**	**-**	**1,06,904.37**	**81,852.10**	**-**	**-**	**81,852.10**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 15 Deposits (₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(*8) = (5)+(6)+(7)
Deposits								
(i) Public Deposits	-	-	-	-	-	-	-	-
(ii) Form Banks	-	-	-	-	-	-	-	-
(iii) From Others	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note : 16 Subordinatd Liabilities (₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Prepetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Total (A)	**8,900.00**	-	-	**8,900.00**	**8,900.00**	-	-	**8,900.00**
Subordinated Liabilities in India	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**8,900.00**	-	-	**8,900.00**	**8,900.00**	-	-	**8,900.00**

*** Details of Non-Convertable Debentures** (₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL 1808'	Aug-2018	8,100	14.00%	Monthly	Aug-2024	8,100	Yes	Yes
Series-'PDL2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	Yes	Yes
Series-'PDL2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	Yes	Yes
Series-'PDL2020-12'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Yes	Yes

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 17 Others Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Debt Service Repayment Account	251.49	2,777.38
	Total	**251.49**	**2,777.38**

Note : 18 Current Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in Cash or in kind or for value to be considered good**		
	Income Tax and TDS	-	-
	Provision for Taxation	-	-
	Total	-	-

Note : 19 Provisions (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Standard Assets	959.95	775.04
2	Provision for Proposed Dividend on Equity Shares	439.12	422.92
3	Provision for Expected Credit Loss	1,241.45	1,235.85
4	Provision for Sub Standard Assets	613.24	301.17
	Total	**3,253.76**	**2,734.98**

Note : 20 Deferred Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	166.80	118.88
	Add: Addition from Merger of Agarwal Meadows	-	-
	Tax on Timing difference on Property, Plant and Equipments	327.30	235.06
	Tax on Timing difference on Deferred Revenue Expenditures	19.06	51.63
	Tax on Timing difference on Unearned Processing Fees	(83.90)	(119.89)
2	Total Deferred Tax Liability	262.46	166.80
	Provision for Deferred Tax required for the year (2-1)	95.66	47.92
	Total	**262.46**	**166.80**

Note : 21 Others Non Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Unearned Income of Processing Fees	327.41	467.85
	Total	**327.41**	**467.85**

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M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 22 Share Capital

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	1200,00,000 Equity Shares of Rs. 10 per share	12,000.00	12,000.00
	50,00,000 Preference Shares of Rs. 10 each	500.00	500.00
		12,500.00	**12,500.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	439,24,699 Equity Shares of Rs. 10 per Share fully paid up	4,230.47	4,230.47
	Add: 16,20,000 Shares of Rs. 10 per Share fully paid up issued during the year	162.00	-
		4,392.47	**4,230.47**
3	**PAID UP CAPITAL**		
	4,22,92,199 Equity Shares of Rs. 10 per Share fully paid up	4,229.22	4,229.22
	Add: 16,20,000 Shares of Rs. 10 per Share fully paid up allotted during the year	162.00	-
	Add: Share Forfeited a/c	0.63	0.63
	(Amount originally Paid up @ Rs 5 each on 12,500 Equity Shares of Rs. 10 each)		
	Total	**4,391.84**	**4,229.84**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 23 Other Equity

Current Reporting Period: (₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	13,957.79	2,415.21	19,952.02	39,555.44	133.46	250.00	354.04	-	-	-	-	-	-	4,600.13	**81,218.09**
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	13,957.79	2,415.21	19,952.02	39,555.44	133.46	250.00	354.04	-	-	-	-	-	-	4,600.13	**81,218.09**
Total Comprehensive Income for the year	-	-	-	-	-	-	7,871.44	-	-	-	-	-	-	-	-	-	**7,871.44**
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,565.75	**8,565.75**
Share warrant converted into Share capital										-	-	-	-	-	-	(162.00)	**(162.00)**
Security Premium on conversion of warrants into equity	-	-	-	-	11,259.00	-	-	-	-	-	-	-	-	-	-	(11,259.00)	-
Proposed Dividends	-	-	-	-	-	-	(439.12)	-	-	-	-	-	-	-	-	-	**(439.12)**
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-		-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	5,500.00	(5,500.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	1,574.29	-	-	-	(1,574.29)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(184.91)	-	-	-	-	-	-	-	-	-	**(184.91)**
Balance at the end of the reporting period	-	-	15,532.08	2,415.21	31,211.02	45,055.44	315.66	250.00	344.96	-	-	-	-	-	-	1,744.88	**96,869.25**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 23 Other Equity

Previous Reporting Period:

(₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	12,739.41	2,415.21	19,952.02	35,555.44	83.87	250.00	363.12	-	-	-	-	-	-	-	**71,359.08**
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	12,739.41	2,415.21	19,952.02	35,555.44	83.87	250.00	363.12	-	-	-	-	-	-	-	**71,359.08**
Total Comprehensive Income for the year	-	-	-	-	-	-	5,763.82	-	-	-	-	-	-	-	-	-	**5,763.82**
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,600.13	**4,600.13**
Proposed Dividends	-	-	-	-	-	-	(422.92)	-	-	-	-	-	-	-	-	-	**(422.92)**
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	**-**
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfer to General Reserve	-	-	-	-	-	4,000.00	(4,000.00)	-	-	-	-	-	-	-	-	-	**-**
Transfer to Statutory Reserve Fund	-	-	1,218.38	-	-	-	(1,218.38)	-	-	-	-	-	-	-	-	-	**-**
Provision on Standard Assets	-	-	-	-	-	-	(82.01)	-	-	-	-	-	-	-	-	-	**(82.01)**
Balance at the end of the reporting period	-	-	13,957.79	2,415.21	19,952.02	39,555.44	133.46	250.00	354.04	-	-	-	-	-	-	4,600.13	**81,218.09**

MANISH GOYAL & CO. CHARTERED ACCOUNTANTS

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 24 Interest Income

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss
Interest on Loans	-	35,606.67	-	-	31,131.33	-
Interest Income from Investments	-	-	-	-	-	-
Interest on Deposits with Banks	-	33.15	-	-	23.44	-
Other Interest Income	-	-	-	-	-	-
Total	-	**35,639.82**	-	-	**31,154.77**	-

Note : 25 Net Gain/(Loss) on fair value changes

(₹ in Lakhs)

Particulars	Current Year	Previous Year
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(i) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(ii) On Financial Instruments designated at fair value through profit or loss	-	-
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on Fair value changes (D) to tally with (C)	-	-

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 26 Other Income (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	-	-
	Total	**-**	**-**

Note : 27 Finance Cost (₹ in Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair valoue through profit or loss	On Financial liabilities measured at Amortised Cost
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	10,969.90	-	10,115.73
3	Interest on Debt Securities	-	3,578.54	-	2,488.70
4	Interest on Subordinated Liabilities	-	1,230.00	-	1,220.96
5	Other Interest expense/ Bank Charges	-	900.88	-	550.27
	Total	**-**	**16,679.32**	**-**	**14,375.66**

MINISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

(₹ in Lakhs)

Note : 28 Impairment on Financial Instruments

Particulars	Current Year		Previous Year	
	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost
Bad Debts Written Off on Loans	-	3,636.02	-	3,532.38
Provision for NPA	-	312.07	-	133.80
Provision for Expected Credit Loss		5.60		367.62
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
Total	-	**3,953.69**	-	**4,033.80**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 29 Employees Benefit Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	1,728.61	1,602.41
2	Directors Salaries & Allowances	505.25	433.15
3	Contribution to Provident and other funds	106.69	107.44
4	Share Based Payments to employees	-	-
5	Staff welfare expenses	37.53	21.65
	Total	**2,378.08**	**2,164.65**

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2021-22 Rs. 5,05,24,800 (Last year Rs. 4,33,14,900) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	195.82	205.53
2	Deffered Revenue Exp. w/o*	127.08	167.46
	Total	**322.90**	**372.99**

- *Deferred Expenses written off over a period of five years

Note : 31 Other Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	26.22	56.75
2	Travelling Expenses	354.70	450.32
3	Repair & Maintenance	37.43	18.95
4	Insurance Expenses	11.18	11.48
5	Electricity & Water Expenses	56.43	49.98
6	Rates & Taxes	2.69	3.15
7	Legal Expenses & Professional Fees	417.35	282.53
8	Printing & Stationery Expenses	56.58	90.52
9	Postage & Telephone Expenses	43.66	52.54
10	Auditors Remuneration	6.27	4.36
11	Rent	164.80	156.86
12	Rebate & Remission	35.46	17.69
13	Advertisement & Business Promotion Expenses	109.98	757.80
14	Recovery Expenses	6.24	40.17
15	Office and General Expenses	161.42	211.32
16	Loss/(Profit on sale of Assets/Investments)	(0.50)	-
17	Directors Sitting Fees & Expenses	15.64	14.72
18	Corporate Social Responsibility Expenditure	161.03	328.08
	Total	**1,666.58**	**2,547.22**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

Note : 32 Ratios

Sr. No.	Ratio	Formula	Explanation	Ratio
1	Current Ratio	Current Assets/Current Liabilities	-	3.58
2	Debt-Equity Ratio	Debt/Equity	total Debts (Long term + Short term)	1.46
3	Debt Service Coverage Ratio	Net Operating Income/Total Debt Service	(PBT + Dep. + Int. on T.L.) / (int. on T.L.+ Principal repaid)	1.19
4	Return on Equity Ratio	Net Income/Shareholder's Equity	PAT/Shareholder's Equity	7.78%
5	Inventory turnover ratio	Disbursement/Average Inventory	-	0.76
6	Trade Receivables turnover ratio	Trade Receivable / Disbursement	-	0.02
7	Trade payables turnover ratio	Trade Payable / Disbursement	-	0.01
8	Net capital turnover ratio	Disbursement / Shareholder's Equity	-	1.62
9	Net profit ratio	Net Profit/Revenue	-	22.09%
10	Return on Capital employed	EBIT/capital employed	C.E.= Sahreholder's Equity + Long Term Liabilities)	15.06%
11	Return on investment	Income generated form Investments / weighted average investments	-	0.56%

MANISH GOYAL & CO. Chartered Accountants

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

33. Remuneration to Auditors:

(₹ In Lakhs)

Particulars	2021-22	2020-21
For Statutory Audit	4.50	3.00
For Tax Audit	1.25	1.00
Total	**5.75**	**4.00**

34. Earning per Share:

(₹ In Lakhs)

Particulars	2021-22	2020-21
Net profit for the year (After Tax)	7,871.44	5,763.82
No. of Equity Shares (Weighted)	423.48	422.92
Basic and diluted Earning per share	**18.59**	**13.63**

35. Figures for the previous year have been regrouped/rearranged/reclassified and restated wherever considered necessary.

36. The company has paid all its dues to Small Scale Industrial Undertakings within the due time limit. There are no outstanding due pending more than 45 days under the Micro, Small and Medium Enterprises Act, 2006

37. The company has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs:

(₹ In Lakhs)

Name of Bank / Financial Institution	Facility	Amount o/s
State Bank of India	Term Loan	4,395.90
Karnataka Bank Ltd	Cash Credit	2,000.00
Bank of Baroda	Term Loan	624.66
Tata Capital Financial Services Limited	Term Loan	1,501.22
Satin Credit Care Network Limited	Term Loan	653.33
Satin Finserv Limited	Term Loan	130.67
Total		**9,305.78**

M.MISHRA & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

38. Disclosure of Related party transactions:

A. Wholly owned Subsidiary — Nupur Finvest Pvt. Ltd.

B. List of related parties and relationship

Related Party	**(Relation)**
Key Managerial Personnel	
Mr. Sunil Agarwal	(Managing Director & Chief Executive Officer)
Mr. Harish Singh	(Executive Director & Chief Finance Officer)
Mr. Anoop Krishna	(Executive Director)
Mr. Atul Kumar Agarwal*	(Chief Finance Officer)
Mr. Manendra Singh	(Company Secretary)

*Since upto 30th November, 2021

Relatives of K M P	
Mr. Purushottam Agrawal	(Father of Mr. Sunil Agarwal)
Mrs. Raj Agarwal	(Mother of Mr. Sunil Agarwal)
Mrs. Neetu Agarwal	(Spouse of Mr. Sunil Agarwal)
Mrs. Priti Chauhan	(Spouse of Mr. Harish Singh)
Mrs. Sushila Devi Chauhan	(Mother of Mr. Harish Singh)
Ms. Suneeti Agarwal	(Daughter of Mr. Sunil Agarwal)
Mr. Santanu Agarwal	(Son of Mr. Sunil Agarwal)
Mr. Pranav Chauhan	(Son of Mr. Harish Singh)
Mrs. Mamta Krishna	(Spouse of Mr. Anoop Krishna)

C. Enterprises over which significant influence exercised by Key Managerial Personnel/Relatives of Key Managerial Personnel

1. Equilibrated Ventures Cflow Pvt. Ltd.
2. Harish Singh HUF
3. Pro Fitcch Pvt. Ltd.
4. Pri Caf Pvt. Ltd.
5. Raj Shiksha Foundation
6. R N R Automate Pvt. Ltd.
7. Repartee Infrastructures Pvt. Ltd.
8. Radiance Techno Powers Company Pvt. Ltd.
9. Spaak Super Tec Pvt. Ltd.
10. SCS Education Foundation

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

D. Disclosures required for Related party transactions

(₹ In Lakhs)

Name of Party	Nature	Amount	Amount Receivable/ (Payable)
Mr. Sunil Agarwal	Remuneration to Director	435.60	(20.80)
Mr. Harish Singh	Remuneration to Director	33.00	(1.60)
Mr. Anoop Krishna	Remuneration to Director	39.60	(1.66)
Mr. Sunil Agarwal	Loan Repaid	233.00	—
Mrs. Raj Agarwal	Rent	9.00	(0.68)
Mr. Santanu Agarwal	Salary	18.00	(1.05)
Mr. Atul Agarwal	Salary	12.00	—
Mr. Manendra Singh	Salary	11.16	(0.80)
Mr. Santanu Agarwal	Loan Repaid	2,156.63	—
Mr. Santanu Agarwal	Interest Expenses	149.00	—
Mr. Harish Singh	Interest Payment (on NCD)	6.71	—
Mr. Pranav Chauhan	Interest Payment (on NCD)	19.60	—
Nupur Finvest Pvt. Ltd.	Sale of Portfolio	1,692.32	—
Nupur Finvest Pvt. Ltd.	Interest Expenses	189.03	—
Nupur Finvest Pvt. Ltd.	Loan given	835.00	—
Nupur Finvest Pvt. Ltd.	Interest received on ICD	8.85	—
Mr. Sunil Agarwal	Dividend Paid	52.85	—
Mr. Santanu Agarwal	Dividend Paid	16.85	—
Ms. Suneeti Agarwal	Dividend Paid	3.58	—
Pro Fitcch Pvt. Ltd.	Dividend Paid	6.08	—
Equilibrated Ventures Cflow Pvt. Ltd.	Dividend Paid	40.84	—
Pri Caf Pvt. Ltd.	Dividend Paid	2.57	—
Pro Fitcch Pvt. Ltd.	Amount received against Share Warrants for conversion into equity (allotment of 5,40,000 equity shares to each allottee)	2,855.25	—
Equilibrated Ventures Cflow Pvt. Ltd.		2,855.25	—
Pri Caf Pvt. Ltd.		2,855.25	—

Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board/Audit Committee considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

(5) Company has extended its guarantee to Banks/ Financial Institutions for credit facilities availed by the wholly owned subsidiary Nupur Finvest Pvt Ltd.

M.MUS & CO. Chartered Accountants

39. Working Capital, Working Capital Demand Loan and Term Loan Borrowings:

The Company has an arrangement with a consortium of fourteen banks under the leadership of Bank of Baroda for its working capital requirements. The facility is primarily secured by the hypothecation of book-debts / receivables of the Company and collaterally by mortgage of immovable properties including office premises, a flat owned by the Company and five commercial properties by third parties as well as personal and corporate guarantees. The outstanding details of the member banks in the consortium is as under:

(₹ In Lakhs)

Sr. No.	Name of Bank	Facility	Out-standing	ROI	Sanctioned Amount	Share in Consortium (%)
1	Bank of Baroda	CC+WCDL	9,954.51	MCLR + 1.80%	10,000.00	9.24%
2	Bank of Baroda TL	Term Loan	5,625.00	MCLR + 1.80%	6,250.00	5.77%
3	Punjab National Bank	CC	4,613.89	MCLR + 3.35%	7,000.00	6.47%
4	Punjab National Bank (e-United Bank of India)	CC	4,887.15	MCLR + 3.35%	5,000.00	4.62%
5	Bank of India	CC+WCDL	4,411.10	MCLR + 3.50%	4,550.00	4.20%
6	Union Bank of India	CC+WCDL	14,325.83	MCLR + 3.25%	14,900.00	13.76%
7	Union Bank of India (e-Andhra Bank)	CC	1,598.17	MCLR + 3.25%	1,600.00	1.48%
8	Central Bank of India	CC+WCDL	12,380.14	MCLR + 4.30%	12,500.00	11.55%
9	UCO Bank	CC	3,153.15	MCLR + 2.00%	3,700.00	3.42%
10	UCO Bank TL	Term Loan	3,333.33	MCLR + 2.00%	5,000.00	4.62%
11	IDBI Bank	CC+WCDL	1,999.27	MCLR + 4.70%	2,500.00	2.31%
12	Bank of Maharashtra	CC+WCDL	4,067.07	MCLR + 1.15%	5,000.00	4.62%
13	South Indian Bank	CC+WCDL	2,042.76	MCLR + 3.20%	2,250.00	2.08%
14	State Bank of India	CC+WCDL	2,535.29	MCLR + 2.35%	4,000.00	3.70%
15	State Bank of India TL	Term Loan	2,015.60	MCLR + 2.35%	4,000.00	3.70%
16	Karnataka Bank	CC	4,498.16	MCLR + 2.20%	5,000.00	4.62%
17	Dhanlaxmi Bank	CC+WCDL	2,296.30	MCLR + 1.50%	2,500.00	2.31%
18	Dhanlaxmi Bank TL	Term Loan	2,083.33	MCLR + 1.60%	2,500.00	2.31%
19	CSB Bank	CC+WCDL	4,987.64	MCLR + 0.70%	5,000.00	4.62%
20	Indian Bank	CC+WCDL	4,989.64	MCLR + 1.80%	5,000.00	4.62%
	Total		**95,797.33**		**1,08,250.00**	**100.00**

Term Loans sanctioned under the COVID-19 Scheme

(₹ In Lakhs)

Sr. No.	Name of Bank	Out-standing	ROI	Sanctioned Amount
1	State Bank of India TL	59.87	MCLR + 0.30%	400.00
2	Central Bank of India TL	22.90	MCLR + 4.30%	312.05
	Total	**82.77**		**712.05**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

40. Paisalo Digital Limited, on 20.03.2021, has allotted 26,10,000 fully convertible warrants to three Promoter Group entities on preferential basis, at an issue price of RS. 705 (determined as per ICDR Regulations, 2018) on receipt of 25% upfront amount. In terms of issue of Warrants, Warrant shall be convertible into equal number of equity shares of Rs. 10/- each at a premium of Rs.695/- each within 18 months from the date of issue of warrants.

On March 14, 2022, Warrant holders applied to exercise their right to convert the 8,10,000 warrants (out of total warrants issued) into equal number of equity shares and paid Rs. 42,82,87,500 (75% of issue price for 8,10,000 shares). Accordingly, Company has allotted 8,10,000 equity shares of Rs. 10 each on conversion of warrants.

Number of Equity shares allotted	–	8,10,000
Face Value (Share Capital)	–	Rs. 81,00,000
Security Premium Amount	–	Rs. 56,29,50,000

Further, On March 25, 2022, Warrant holders again applied to exercise their right to convert the 8,10,000 warrants (out of balance warrants issued) into equal number of equity shares and paid Rs. 42,82,87,500 (75% of issue price for 8,10,000 shares). Accordingly, Company has allotted 8,10,000 equity shares of Rs. 10 each on conversion of warrants.

Number of Equity shares allotted	–	8,10,000
Face Value (Share Capital)	–	Rs. 81,00,000
Security Premium Amount	–	Rs. 56,29,50,000

41. Detail of Bank FDR's (principal amount) held as on 31.03.2022:

Held to avail Cash Credit facility against FDRs

(₹ In Lakhs)

1	Punjab National Bank	Cash Credit	8.95
	Subtotal	**(A)**	**8.95**

Held as Guarantee

(₹ In Lakhs)

1	Punjab National Bank	Guarantee	0.66
	Subtotal	**(B)**	**0.66**

Held as Investment

(₹ In Lakhs)

1	Punjab National Bank	Unencumbered	0.07
	Subtotal	**(C)**	**0.07**

Held as Investment

(₹ In Lakhs)

2	Bank of Baroda	Unencumbered	500.00
	Subtotal	**(D)**	**500.00**

Held as Guarantee

(₹ In Lakhs)

1	State Bank of India	Guarantee	10.00
	Subtotal	**(E)**	**10.00**

Held as Guarantee

(₹ In Lakhs)

1	Bank of Baroda	Guarantee	25.00
	Subtotal	**(F)**	**25.00**
	Grand Total of FDR's	**(A+B+C+D+E+F)**	**544.67**

42. Reconciliation of Book Debt Assigned to the Consortium Banks with the Book Debts (Inventory) of the Company as on the date of Balance Sheet.

(₹ In Lakhs)

Sr. No.	Particulars	Value as per Book Debt Statement	Value of Inventory as per Balance Sheet	Difference	Reason
1	Standard Assets	2,28,296.29	2,31,257.76	2961.47	Some Disbursement / payments / Bad Debts were omitted to consider in MIS, pending reconciliation while submitting the Book Debts Statements.
2	Sub Standard Asset	-	3,569.34	3569.34	Not Qualified for DP Purpose

43. During the Current year, few Arbitration Awards have become executable Decrees. The amount of such Decrees available for execution stands at Rs. 17,487.60 (Previous year Rs. 17,264.79) Lakhs as on the date of Balance Sheet. In the previous years the Arbitration awards' decrees were shown as contra entries in the Financial Statements which have now been shown as a part of the notes the details of which is given below, all these cases have already been written off in the books of accounts hence there are no impact on the profit and loss count of the Company for current as well as in the previous years:

(₹ In Lakhs)

Sr. No.	Particulars	Amount
1	Opening balance of Arbitration Awards	17,264.79
2	Add: New Arbitration Award procured during the year	2,358.90
3	Less: Arbitration Award Challenged / Closed during the year	2,136.09
	Arbitration Awards available for Execution	17,487.60

44. Capital Risk Adequacy Ratio (CRAR):

(₹ In Lakhs)

	Particulars	2021-22	2020-21
i)	CRAR %	42.92%	44.47%
ii)	CRAR – Tier I Capital %	37.73%	37.08%
iii)	CRAR – Tier II Capital %	5.19%	7.39%
iv)	Amount of subordinated debt raised as Tier-II Capital	100	100
v)	Liquidity Coverage Ratio	3.24	1.33
vi)	Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

45. Investments:

(₹ In Lakhs)

				Particulars	2021-22	2020-21
1)	Value of Investments					
	i)	Gross value of Investments				
		a)		In India	7,337.10	9,901.59
		b)		Outside India	Nil	Nil
	ii)	Provision for Depreciation				
		a)		In India	Nil	Nil
		b)		Outside India	Nil	Nil
	iii)	Net Value of Investments				
		a)		In India	7,337.10	9,901.59
		b)		Outside India	Nil	Nil
2)	Movement of Provisions held towards depreciation on investments					
	i)	Opening Balance			Nil	Nil
	ii)	ADD: Provision made during the year			Nil	Nil
	iii)	Less: Write – off / write – back of excess provisions during the year			Nil	Nil
	iv)	Closing Balance			Nil	Nil

46. The Company had not taken any exposure in Derivatives during the financial year 2021-22.

47. Disclosure relating to Securitization:

i) The Company has not done securitization of any of its loans & advances to any organization during the financial year 2021-22 and there is no outstanding amount as on Balance Sheet date. Also, the Company has not sold its financial assets to any Securitization/Reconstruction Company for Asset Reconstruction. Further the Company has undertaken new assignment transactions during the Financial Year 2021-22.

ii) **Details of stock assigned / sold during the year prior to RBI Notification dated 24 September, 2021**

(₹ In Lakhs)

	Particulars	2021-22	2020-21
1	No of accounts sold	8	10,820
2	Aggregate outstanding	2518	13,920
3	Aggregate consideration received	1692	12,302

iii) The Company has not purchased any non-performing assets (NPAs) from other NBFCs or financial institutions

a) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021

(₹ in crore)

Type of borrower	Implementation of resolution plan for standard assets	Exposure to accounts classified as Standard consequent to Implementation of resolution plan - Position as at 30 September 2021 (A)	Of (A), aggregate debt that slipped into NPA during the half year ended 31 March 2022	Of (A) amount written off during the half year ended 31 March 2022	Of (A) amount paid by the borrowers during the half year ended 31 March 2022	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 31 March 2022
Personal Loans	Nil	Nil	Nil	Nil	Nil	Nil
Corporate Loan						
of which, MSMEs	Nil	Nil	Nil	Nil	Nil	Nil
Others	1.69	Nil	Nil	Nil	Nil	Nil
Total	**1.69**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

There were 1 borrower accounts having an aggregate exposure of Rs. 1.69 crore to the Company, where resolution plans had been implemented under RBI 's Resolution Framework 2.0 dated 5 May 2021.

b) Disclosures pursuant to RBI Notification - RBI /DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021

(a) Details of transfer through assignment in respect of loans not in default during the financial year ended 31 March 2022

Amount of loans transferred through assignment	Nil
Retention of beneficial economic interest	Nil
Weighted average residual maturity	Nil
Weighted average holding period	Nil
Coverage of tangible security coverage	Nil
Rating-wise distribution of rated loans	Nil

(b) Details of loans (not in default) acquired through assignment during the financial year ended 31 March 2022

Amount of loans transferred through assignment	Nil
Retention of beneficial economic interest	Nil
Weighted average residual maturity	Nil
Weighted average holding period	Nil
Coverage of tangible security coverage	Nil
Rating-wise distribution of rated loans	Nil

(c) Details of stressed loans transferred during the financial year ended 31 March 2022

Particulars	To Asset Reconstruction Companies (ARC)		To permitted transferees	
	NPA	SMA	NPA	SMA
Number of accounts	Nil	Nil	Nil	Nil
Aggregate principal outstanding of loans transferred (Rs. in crore)	Nil	Nil	Nil	Nil
Weighted average residual tenor of the loans transferred (in years)	Nil	Nil	Nil	Nil
Net book value of loans transferred (at the time of transfer (Rs. in crore)	Nil	Nil	Nil	Nil
Aggregate consideration (Rs. in crore)	Nil	Nil	Nil	Nil

In addition to above the Company has transferred written off loans amounting to Rs. Nil for a consideration of Rs. Nil.

(d) The Company has not acquired any stressed loan during the financial year ended 31 March 2022.

c) Pursuant to the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications', the Company has aligned its definition of default from number of instalments outstanding approach to Days Past Due approach. On 15 February 2022, RBI allowed deferment till 30 September 2022 of Para 1 of this circular pertaining to upgrade of Non-performing accounts. However, the Company has not opted for this deferment and such alignment does not have any significant impact on the financial results for the quarter and year ended 31 March 2022.

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iv) Co-Origination/Co-Lending done by the company with Banks

With a vision of empowering the AGRI, MSME segment and small businesses, Paisalo Digital Ltd. signed the first Co-Origination/Co-Lending loan agreement with the State Bank of India. Such a co-origination financing model is in lines with the Reserve Bank of India guidelines which will benefit the micro-borrowers through easy, hassle-free online loan with minimum turnaround time and quick disposal. Introducing a platform for the last mile customer, the loan ticket is designed at Rs 10,000 to 2 lakh. The purpose is to increase lending to the income generating priority sectors by capitalizing on Paisalo Digital's deep distribution network and SBI's low operating cost. The deal is designed in such a way that the company would be contributing 20% of the entire disbursement amount for the small loans, with SBI's contribution being 80%. Rate of interest charged by the bank will be the rate of interest being charged by banks on priority sector while the company will be allowed to charge ROI to such an extent that blended ROI will not increase priority sector criteria defined by RBI. In this way, the company will still be able to charge it's usual lending rate, combined with SBI's significantly low lending rate, which will help in drastically reducing the effective lending due to cost averaging. This will not only be helping the company to raise funds easily and reduce the cost of funding but also the borrowers as the blended rate of interest charged to the customer will be lower than the other MFIs in the market. The company had not only signed co-origination deals with SBI, but also with Bank of India, Bank of Baroda and Bank of Maharashtra as of now and is in talks with various other banks for the same.

RBI released new policy on co-lending dated 05 November 2020, wherein co-origination vide RBI circular dated 21 September 2018 was made a subset in the new policy vide RBI circular 05 November 2020 as per clarification received from RBI vide circular dated 02 December 2020.

The unhindered reach to the smallest customer on the socio economic ladder and low cost of operations of NBFCs coupled with low cost of funds of Banks, can be blended and benefit be passed on to the bottom of pyramid customer via Co-Lending only. The size of the bottom rung is mind-boggling and can be estimated to be around 40 crores of Indians waiting to be touched by the banking system on the credit side. State Bank of India with its penchant for being a partner of the Government's efforts to upgrade the economic life of the economically weakest has already showcased it , by partnering with a small NBFC like us.

The primary reason why loans upto INR 2,00,000 should be digitally processed and disbursed together under the existing 80-20 Co-Lending Model is because - it provides better monitoring and surveillance of the Borrower , a transparent credit process that enables a complete oversight on the operations of the NBFCs , greater reach and lower cost due to end to end digitalisation and better compliance control as required by RBI norms . Being fully digital, it is a scaleable business model with end to end risk mitigation.

We truly believe that Co-Origination (now Co-Lending as per revised RBI Circular) in its content and structure as guided by RBI in 2018 Circular and implemented by SBI in letter and spirit ,by adopting a most transparent user friendly digital credit process, is the most revolutionary step in the interest of Small Loan Customers and Banks for loans upto INR 2,00,000.

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

48. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as on 31st March 2022:

(₹ In Lakhs)

	Upto 14 days	Over 14 days to 1 month	Over 1 month & Upto 2 months	Over 2 months & Upto 3 months	Over 3 months & Upto 6 months	Over 6 month & upto 1 year	Over 1 year & Upto 3 years	Over 3 years & upto 5 years	Over 5 Years	Total
Deposits	—	—	—	—	—	—	—	—	—	—
Advances	4,901	5,359	10,768	9,431	28,343	56,347	89,055	27,992	2631	**2,34,827**
Investments (Bank FDR)	500	—	—	—	—	—	45	—	—	**545**
Borrowings	16	767	2,169	1,990	2,383	58,985	58,725	20,300	2,800	**1,48,135**
Foreign Currency Assets	—	—	—	—	—	—	—	—	—	—
Foreign Currency Liabilities	—	—	—	—	—	—	—	—	—	—

49. Exposures:

a) Exposures to Real Estate Sector

(₹ In Lakhs)

	Category		2021-22	2020-21
Direct Exposure				
i)	Residential Mortgages			
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		4,154	47
ii)	Commercial Real Estate			
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits		—	—
iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures			
	a)	—	—	—
	b)	—	—	—
Indirect Exposure			—	—

b) Capital Market Exposure

The Company has acquired 1,27,500 listed equity share of M/s Motherson Sumi System Limited at Rs. 177.67 Lakh during the financial year 2021-22. The Inventory of the company as at 31st March 2022 does not contain any exposure to capital market other than above.

c) Details of financing of parent company products: NIL

d) Details of Single Borrower Limit and Group Borrower Limit exceeded by NBFC

The company has adhered to the Prudential Exposure norms as prescribed by RBI and has not given any advances exceeding the limits as prescribed for Single borrower and Group Borrower.

e) Unsecured Advances

The unsecured advances outstanding as at Balance Sheet date are ₹ 5,308.75 Lakhs. The Company does not have any loan or advances which are partially secured against any sort of licenses, rights, authorizations charged to the company.

50. Registration obtained from other financial sector regulators:

RBI Registration No.	:	B-14.02997
Company Identification No.	:	L65921DL1992PLC120483

The company has never been penalized for any non-compliance by financial sector regulators.

51. Bank borrowings of the Company has been assigned rating of "IVR AA-/STABLE OUTLOOK" by Infomerics Valuation and Rating Pvt. Ltd. which denotes "Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk".

52. Provisions and Contingencies:

(₹ In Lakhs)

Break up of Provisions and contingencies	2021-22	2020-21
Provisions for depreciation on investment	Nil	Nil
Provision towards NPA	312	134
Provision on Standard Accounts in default @5% *	Nil	Nil
Provision for Expected Credit Loss	6	368
Provision made towards income tax	2,672	1,913
Other provision and contingencies (Contingent Liability- Guarantee)	9,306	9,491
Provision for Standard Assets	185	82

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53. Unlisted Unsecured Non-Convertible Redeemable Debentures (NCDs):

Company has issued Unlisted Unsecured Redeemable INR Denominated Non-Cumulative Non-Convertible Debentures (NCDs) as under

(₹ In Lakhs)

Date of Allotment	Interest Rate (%)	Tenure	No. of NCDs	Face Value per NCDs	Amount
July 2021	12.00	60 Months	25	100.00	2,500.00
September 2021	12.00	60 Months	109	100.00	10,900.00
February 2022	9.00	84 Months	27	100.00	2,700.00

54. Concentration of Deposits, Advances, Exposures and NPAs:

a) Concentration of Deposits

The Company has not taken any deposits from public.

b) Concentration of Advances

(₹ In Lakhs)

Total Advances to twenty largest borrowers	55,129
% of advances to twenty largest borrowers to total advances of the NBFC	23.48%

c) Concentration of Exposures

(₹ In Lakhs)

Total Exposure to twenty largest borrowers / customers	55,129
% of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	23.48%

d) Concentration of NPAs

Provisioning for Substandard Assets/Doubtful Assets/Loss Assets has been made in compliance with the directions of Reserve Bank of India. As per decision of the Board of Directors in the cases where loan installments are overdue for more than 3 months and management is of the opinion that its recovery chances are very remote or negligible, the Company writes off these accounts (Net of Future Interest Charges) as bad debts. In all other cases where loan installments are overdue for more than 3 months the provisioning for non-performing assets is made in compliance with Non-Banking Financial Company Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions 2016, as applicable to the company. As per the RBI Directions dated 1st September 2016 updated as on 23rd February 2018 Company has made general provision of 0.40% of Standard assets. Other directives of Reserve Bank of India have been duly complied with. The details of top 4 NPA's written off during the year are given below:

(₹ In Lakhs)

Sr. No.	Total Exposure to Top Four NPA Accounts	% of Total Exposure	Amount
1	JECRC University	0.49	1,154
2	Sudhir Chauhan	0.31	738
3	Khairoon Rathore	0.26	611
4	Rajender Parshad Gupta	1.32	604
	Total	**2.65**	**3,107**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

e) Movement of NPAs

(₹ In Lakhs)

		Particulars	Current Year	Previous Year
(i)	Net NPAs to Net Advance (%)		1.26%	0.57%
(ii)	**Movement of NPAs (Gross)**			
	(a)	Opening balance	1,394.59	761.43
	(b)	Additions during the year	2,875.07	672.66
	(c)	Reductions during the year	700.32	39.50
	(d)	Closing balance	3,569.34	1,394.59
(iii)	**Movement of Net NPAs**			
	(a)	Opening balance	1,093.42	594.06
	(b)	Additions during the year	2,585.79	608.80
	(c)	Reductions during the year	723.11	109.44
	(d)	Closing balance	2,956.10	1,093.42
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**			
	(a)	Opening balance	301.18	167.38
	(b)	Provisions made during the year	383.37	134.32
	(c)	Write -back of excess provisions	71.29	0.52
	(d)	Write off	—	—
	(e)	Closing Balance	613.24	301.18

f) Sector wise NPAs (Write Offs)

Sr. No.	Category	% of Write offs to Total Advances	
		2021-22	2020-21
1	Agriculture & Allied activities	0.02	0.33
2	MSME	0.24	0.55
3	Corporate Borrowers	0.27	0.46
4	Services	1.38	0.37
5	Unsecured Personal Loans	0.00	0.00
6	Auto Loans	0.00	0.00
7	Other Personal Loans (LAP)	0.32	0.11
	Total	**2.23**	**1.83**

55. The Company is domiciled in India and does not have any joint venture, associate or subsidiary abroad.

56. Off Balance Sheet SPVs sponsored:

The Company has not sponsored off Balance Sheet SPVs.

57. Disclosures of Complaints:

a)	No. of complaints pending at the beginning of the year	—
b)	No. of complaints received during the year	8
c)	No. of complaints redressed during the year	8
d)	No. of complaints pending at the end of the year	—

58. Uncertainty relating to the global health pandemic from COVID-19 ("Covid-19"):

a) The world is facing challenges at every turn: a global pandemic, unprecedented government actions, a strong recovery after a sharp and deep global recession, a highly polarized U.S. election, mounting inflation, a war in Ukraine and dramatic economic sanctions against Russia.

b) During the ongoing global pandemic, we have been utilising and implementing alternative safe, secure and sterile work environment and arrangements. PAISALO has enabled its employees and business associates to work from home, including operations and call centre during the lockdown period. We are ensuring they continue to operate with proper and innovative technological tools so they can serve borrowers safely. Throughout the year we have had virtual sessions with our branches, employees and business associates, we have also continued to take appointments and proactively reach out to customers – helping them – often letting customers stay home by providing Door Step Sourcing and Servicing all the while maintaining Safe Distance and taking all necessary Non-Pharmaceutical Intervention. In addition, a vast majority of our branches, employees and business associates are equipped with all updated technology and are still functioning to provide needed credit to our borrowers. We have mobilized quickly and built new tools – digital and analog – to allow borrowers to request credit and ensure recovery.

c) No new major frameworks were introduced during the FY 2021-22 in regard to Covid-19 relief by the Government of India, Reserve Bank of India and Banks to deal with the economic effects of the Covid-19 outbreak, namely to channel aid and to NBFCs like Paisalo. NBFC'S are now becoming, pass-through vehicles for governments and big banks whose key value is that they have the local reach to households. This provides for funding and liquidity at Paisalo to be stable, given the well-established feet on ground presence, strong credit and risk assessment of the borrowers and continued support of our esteemed partner banks.

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2022

59. Expected Credit Loss:

Comparison of Provisioning done under ECL model and under RBI prudential norms requirements:

(₹ In Lakhs)

Asset Classification as per RBI Norms	Asset Classi-ficationas per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) =(4)-(6)
Performing Assets						
Standard	**Stage 1**	2,25,381	1,352	2,24,029	902	451
	Stage 1	5,241	314	4,926	21	293
	Stage 2	636	38	597	3	36
Subtotal		**231258**	**1705**	**229553**	**925**	**780**
Non-Performing Assets (NPA)						
Substandard	**Stage 3**	2,873	575	2,298	287	287
Doubtful - up to 1 year	**Stage 3**	—	—	—	—	—
1 to 3 years	**Stage 3**	111	44	67	33	11
More than 3 years	**Stage 3**	585	351	234	293	59
Subtotal for doubtful		**696**	**395**	**301**	**326**	**70**
Subtotal for NPA		**3,569**	**970**	**2,599**	**613**	**357**
Loss	**Stage 3**	3,636	3,636	—	3,636	—
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset and Provisioning (IRACP) norms Classification						
	Stage 1	9,306	140	9,166	—	140
	Stage 2	—	—	—	—	—
	Stage 3	—	—	—	—	—
Subtotal		**9,306**	**140**	**9,166**	—	**140**
Total	**Stage 1**	2,39,928	1,806	2,38,122	922	884
	Stage 2	636	38	597	3	36
	Stage 3	3,569	970	2,599	613	357
	Total	**2,44,133**	**2815**	**2,41,318**	**1,538**	**1,276**
LESS : Provision for ECL previous year balance		—	1,236	—	—	—
Less : Provision for NPA		—	613	—	—	—
Less : Provision for Standard Assets		—	960	—	—	—
Expected Credit Loss		—	6		—	—

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Schedule to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company (As required in Non-Banking Financial Company Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016:

(₹ In Lakhs)

PARTICULARS			2021-22	
LIABILITIES SIDE:				
1.	**Loans and advances availed by the NBFCs inclusive of interest Amount accrued thereon but not paid**		**Amount Outstanding**	**Overdue**
	(a)	Debentures		
		Secured	6,730	—
		Unsecured	34,500	—
		(other than falling within the meaning of public deposits*)		
	(b)	Deferred Credits	—	—
	(c)	Term Loans		
		Bank of Baroda (Term Loan a/c)	5,625	—
		State Bank of India (Term Loan a/c)	2,076	—
		Central Bank of India (Term Loan a/c)	23	—
		Dhanlaxmi Bank (Term Loan a/c)	2,083	—
		UCO Bank (Term Loan a/c)	3,333	—
	(d)	Inter-corporate loans and borrowing	11,024	—
	(e)	Commercial Paper	—	—
	(f)	Other Loans (specify nature)		
		Bank of Baroda (WCDL a/c)	6,000	—
		IDBI Bank (WCDL a/c)	1,800	—
		State Bank of India (WCDL a/c)	2,419	—
		The South Indian Bank Limited (WCDL a/c)	1,350	—
		Union Bank of India (WCDL a/c)	9,900	—
		Bank of India (WCDL a/c)	2,730	—
		Bank of Maharashtra (WCDL a/c)	3,029	—
		CSB Bank (WCDL a/c)	3,000	—
		Dhanlaxmi Bank (WCDL a/c)	1,500	—
		Indian Bank (WCDL a/c)	3,029	—
		Punjab National Bank (Cash Credit a/c)	4,614	—
		Central Bank of India (Cash Credit a/c)	12,380	—
		Bank of India (Cash Credit a/c)	1,681	—
		Andhra Bank (e-Union Bank of India)(Cash Credit a/c)	1,598	—
		Bank of Baroda (Cash Credit a/c)	3,955	—
		United Bank of India (e-Punjab National Bank) (Cash Credit a/c)	4,887	—
		UCO Bank (Cash Credit a/c)	3,153	—
		IDBI Bank (Cash Credit a/c)	199	—
		Bank of Maharashtra(Cash Credit a/c)	1,038	—
		State Bank of India (Cash Credit a/c)	116	—
		The South Indian Bank Limited (Cash Credit a/c)	693	—
		Union Bank of India (Cash Credit a/c)	4,426	—
		Karnataka Bank (Cash Credit a/c)	4,498	—

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(₹ In Lakhs)

			CSB Bank (Cash Credit a/c)		1,988	—
			Indian Bank (Cash Credit a/c)		1,961	—
			Dhanlaxmi Bank (Cash Credit a/c)		796	—
			Assignment of Book Debts		5,395	—
			*Please see Note 1 below		—	—
2.	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)**					
	(a)		In the form of Unsecured debentures		—	—
	(b)		In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		—	—
	(c)		Other public deposits		—	—
			*Please see Note 1 below			
ASSETS SIDE:						
3.	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below)**					
		(a)	Secured		2,27,389	2,129
		(b)	Unsecured		4,650	659
4.	**Break -up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities**					
	(i)		Lease assets including lease rentals under sundry debtors			
		(a)	Financial lease		—	—
		(b)	Operating lease		—	—
	(ii)		Stock on hire including hire charges under sundry debtors			
		(a)	Assets on hire		—	—
		(b)	Repossessed Assets		—	—
	(iii)		Other loans counting towards AFC activities			
		(a)	Loans where assets been repossessed		—	—
		(b)	Loans other than (a) above		—	—
5.	**Break-up of Investments**					
	1		Current Investments			
			Quoted			
		(i)	Shares			
			(a)	Equity	178	—
			(b)	Preference	—	—
		(ii)	Debentures and Bond		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)		—	—
			Unquoted			
		(i)	Shares			
			(a)	Equity (Group Companies) (Net)	—	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—

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(₹ In Lakhs)

		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Fixed Deposit with NBFC		—	—
			Fixed deposit with Bank's		500	—
			Interest accrued		—	—
	2	Long Term Investments				
		Quoted				
		(i)	Share			
			(a)	Equity	—	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (Please specify)		—	—
		Unquoted				
		(i)	Share			
			(a)	Equity- Subsidiary Company	4,224	—
			(b)	Equity- Other Company	2,390	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Investment in Partnership/LLP		—	—
			Fixed Deposit with Banks		45	—
			Interest accrued		0.53	—

(6) Borrower group-wise classification of assets financed as in (2) and (3) above
Please see Note 2

(₹ In Lakhs)

Category			Amount net of provisions		Total
			Secured	Unsecured	
1	Related parties**				
	(a)	Subsidiaries	—	—	—
	(b)	Companies in the same group	—	—	—
	(c)	Other related parties	—	—	—
2	Other than related parties		2,29,518	5,309	2,34,827
	Total		**2,29,518**	**5,309**	**2,34,827**

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(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

	Particulars		Market Value / Value Break up or Fair Value or NAV	Book Value (Net of provisions)
1	Related parties **			
	(a)	Subsidiaries	4,224	4,224
	(b)	Companies in the same group	—	—
	(c)	Other related parties	—	—
2	Other than related parties		2,568	2,568
	Total		**6,792**	**6,792**

** As per IND AS of ICAI.

(8) Other Information

	Particulars		Amount
1	Gross Non-performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	3,569
2	Net Non-Performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	2,956
3	Assets acquired in satisfaction of debt		—

Notes:

1. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company-Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Direction, 2016.
2. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in column (5) above.

Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

MANISH GOYAL & CO. Chartered Accountants

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 22074778AINMFD5539

Place : New Delhi
Date : 6th May 2022

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

D. Tayal & Jain, Chartered Accountants
G-3, Ganpati Royale Building, 30, Surya Nagar, Agra-282002
Phone : +91 562 4060087, +91 9897070087 E-mail : catayaldeep@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone Ind AS Financial Statements of **M/S PAISALO DIGITAL LIMITED** ("the Company") which comprises the Balance Sheet as at 31st March 2021 the Statement of Profit and Loss (including Statement of Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the standalone Ind AS 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 Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021and profit (including Statement of Other Comprehensive Income), Statement of changes in Equity and its Cash Flows 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) 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 no. 58 of standalone Financial Statements as regard to the management evaluation of COVID-19 impact on the future performance of the Company.

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters below to be the key audit matters to be communicated in our report.

D. TAYAL & JAIN * AGRA M No. 070102 * Chartered Accountants

Key Audit Matters	How our audit addresses the Key Audit Matters
Impairment of financial Instruments (Expected Credit Loss) (refer Note No. 28 of the standalone financial statement) Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including: • unbiased, probability weighted outcome under the various scenarios; • time value of money; • impact arising from forward looking macro-economic factors and; • availability of reasonable and supportable information without undue costs. Applying these principles involves significant estimation in various aspects, such as; • grouping of borrowers based on homogeneity by using appropriate statistical techniques; • staging of loans and estimation of behavior life; • estimation of losses for loan products/ corporate guarantee with historical defaults. • Determining macro-economic factors impacting credit quality of financial assets, Considering the significance of such allowance to the overall Financial Statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.	• We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. • We tested the criteria for staging of loans/ corporate guarantee based on their past-due status to check compliance with the requirement of Ind AS 109. • Tested samples of performing loans (Stage 1) to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. • Tested the ECL model, including assumptions and underlying computation.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

D. TAYAL & JAIN * AGRA M No. 073102 * Chartered Accountants

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE IND AS 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Financial Statements, including the disclosures, and whether the 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 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

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 Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

D. TAYAL & JAIN Chartered Accountants AGRA M No. 073102

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 audit of all the branch offices of the Company has been conducted by us, hence section 143(8) isnot applicable;

d. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

e. In our opinion, the aforesaid standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f. On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

i) The Company does not have any pending litigations (other than in the ordinary course of business) 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.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place : New Delhi
Date : 4th June 2021

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102
UDIN : 21073102AAAADL1219

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2020-21)

i. The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.

As explained to us, the Property, Plant and Equipments have been physically verified by the management at reasonable interval. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

According to information and explanations given to us, the title deeds of immovable properties of the company are held in the name of the company.

ii. The Company is a Non-Banking Finance Company and has not dealt with any goods and the Company does not hold any inventory during the period under audit. Accordingly, the reporting requirement under clause (ii) of para no 3 of the Order is not applicable.

iii. The Company has granted loans, secured or unsecured to companies, firms, limited liability partnership or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 in ordinary course of business.

The terms & conditions of grant of such loans are not prejudicial to the interest of the company.

The repayment/receipt of the principal and interest of loan granted is regular and there is no amount which is overdue as at the year end.

iv. According to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security have been complied with.

v. The Company is a Non Banking Financial (Non-Deposit Accepting or Holding Systemically Important ND_SI) Company, hence directives issued by Reserve Bank of India and provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under are not applicable to the Company.

vi. Maintenance of cost records as required under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the company.

vii. **a)** According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues and there are no undisputed amounts of Income Tax, Goods & Service Tax, Cess, Employees State Insurance, Customs Duty, Provident Fund and Professional Tax etc. outstanding as at the last day of financial year concerned for a period of more than six months from the date they became payable.

b) There are no dues of Income Tax, Goods & Service Tax and Custom Duty on account of any dispute.

viii. Based on the records examined by us and according to the information and explanation given to us, the Company has not defaulted in the repayment of loans or borrowings to a Financial Institution or Bank or Government ordues to Debenture holders.

ix. According to the information and explanations given to us, the Company had not raised money by way of initial public offer or further public offer during the year. During the year, the company has raised term loan from Bank and applied to the purpose for which they were raised.

x. Based on the records examined by us and according to the information, explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.

D. TAYAL & JAIN Chartered Accountants AGRA M No. 070102

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2020-21)

xi. Based on the records examined by us and According to the information & explanations given to us, provision of section 197 read with Schedule V to the Companies Act, 2013 for managerial remuneration paid or provided have been duly complied with.

xii. In our opinion and according to the information & explanation given to us, the Company is Non Banking Financial (Non-Deposit Accepting or Holding Systemically Important ND-SI) Company, therefore the clause xii of para no. 3 of the said order is not applicable to the company.

xiii. Based on the records examined by us and According to the information & explanation given to us, the provisions of section 177 and 188 of the Companies Act, 2013 regarding transaction with related parties have been complied with and details of the transaction as per applicable accounting standard have been disclosed in the notes to accounts of the standalone Financial Statements.

xiv. Based on the records examined by us and According to the information & explanation given to us, the Company has made preferential allotment of fully convertible warrants during the year in compliance with the requirement of section 42 of the Act and amount raised has been used for the purpose for which the funds were raised.

xv. Based on the records examined by us and According to the information & explanation given to us, no non-cash transactions with directors or persons connected with him, have been taken place during the year, hence the provisions of section 192 of the Companies Act, 2013 are not applicable to the company.

xvi. According to the information & explanation given to us, the company is registered under section 45-IA of the Reserve Bank of India Act, 1934 as Non Banking Financial (Non-Deposit Accepting or Holding) Company.

Place : New Delhi
Date : 4th June 2021

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102
UDIN : 21073102AAAADL1219

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2020-21)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

We have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** as of 31st March 2021 in conjunction with our audit of the standalone Ind AS 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 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 over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls , both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

D. TAYAL & JAIN Chartered Accountants AGRA M No. 072102

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2020-21)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021 based on the 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.

Place : New Delhi
Date : 4th June 2021

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102
UDIN : 21073102AAAADL1219

M/S PAISALO DIGITAL LIMITED

BALANCE SHEET AS ON 31ST MARCH 2021

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	1,394.79	3,100.49
	(b) Bank Balances other than (a) above	2	3,287.30	33.88
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	3,124.94	1,065.42
	(ii) Other Receivables		-	-
	(e) Loans	5	1,90,330.68	1,71,600.11
	(f) Investments	6	6,614.22	6,614.22
	(g) Other Financial Assets	7	17,568.20	17,190.21
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	491.59	411.72
	(b) Deferred Tax Asset (Net)		-	-
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	6,268.41	6,427.63
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		10.70	10.70
	(i) Other Intangible Assets	9	147.12	186.27
	(j) Other Non-Financial Assets	10	201.47	368.94
	Total Assets		2,29,439.42	2,07,009.59
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		4.62	114.16
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		1,675.80	391.76
	(II) Other Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		-	-
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		302.80	462.17
	(c) Debt Securities	13	27,844.37	13,200.00
	(d) Borrowings (Other than Debt Securities)	14	81,852.10	85,013.70
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	8,900.00	8,800.00
	(g) Other Financial Liabilities	17	20,042.17	20,759.01
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	2,734.98	2,151.56
	(c) Deferred Tax Liabilities (Net)	20	166.80	118.88
	(d) Other non-financial Liabilities	21	467.85	409.43
	(3) Equity			
	(a) Equity Share Capital	22	4,229.84	4,229.84
	(b) Other Equity	23	81,218.09	71,359.08
	Total Equity & Liabilities		2,29,439.42	2,07,009.59

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For and on behalf of the Board

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102

(ATUL KUMAR AGRAWAL)
Chief Financial Officer
PAN : ADOPA4603N

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

(HARISH SINGH)
Executive Director
DIN : 00039501

Place : New Delhi
Date : 4th June 2021

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2021

(₹ in Lakhs)

S. No.	Particulars	Note No.	Figures for current reporting period	Figures for previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	31,154.77	33,745.11
	(ii) Dividend Income		-	-
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		-	-
	(v) Net gain on fair value changes	25	-	-
	(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		-	-
	Total Revenue from Operations (I)		31,154.77	33,745.11
II	Other Income	26	-	-
	Total Income (I+II)		31,154.77	33,745.11
III	**Expenses:**			
	(i) Finance Costs	27	14,375.66	13,357.35
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes		-	-
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	4,033.80	7,489.13
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	2,164.65	2,328.25
	(xi) Depreciation, amortization and impairment	30	372.99	401.29
	(x) Others expenses	31	2,219.14	2,776.83
	Total Expenses (III)		23,166.24	26,352.85
IV	Profit before exceptional items and tax **(II-III)**		7,988.53	7,392.26
V	Exceptional items		(64.45)	-
VI	Profit before tax **(IV-V)**		8,052.98	7,392.26
VII	**Tax Expense:**			
	(1) Current Tax		1,913.16	1,939.96
	(2) Deferred Tax		47.92	48.40
VIII	Profit for the period from continuing operations **(VI-VII)**		6,091.90	5,403.90
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**			
XII	Profit for the period **(VIII+XI)**		6,091.90	5,403.90

D. TAYAL & JAIN Chartered Accountants AGRA M No 073102

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2021

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures for current reporting period	Figures for previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)		-	-
	Other Comprehensive Income (A+B)		-	-
XIV	Total Comprehensive Income for the period (Comprising Profit and other Comprehensive Income for the period) **(XII+XIII)**		6,091.90	5,403.90
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	33	14.40	12.78
	Diluted (Rs.)		14.40	12.78
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	33	14.40	12.78
	Diluted (Rs.)		14.40	12.78

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For and on behalf of the Board

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102

Place : New Delhi
Date : 4th June 2021

(ATUL KUMAR AGRAWAL)
Chief Financial Officer
PAN : ADOPA4603N

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

(HARISH SINGH)
Executive Director
DIN : 00039501

M/S PAISALO DIGITAL LIMITED

STATEMENT OF STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in Lakhs)

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		22,364.18		20,749.61
	Adjustments for				
I	Depreciation	205.53		188.00	
II	Deferred Expense W/O	167.46		213.29	
III	Impairment on financial instruments	4,033.80		7,489.13	
	Operating Profit before working capital changes		**26,770.97**		**28,640.03**
	Adjustments for				
I	Change in Other Financial Assets	456.13		(322.91)	
II	Change in Loans & Receivables	(24,322.48)		(9,884.10)	
III	Change in Payable & non financial liabilities	1,073.56		(3,612.10)	
	Cash generated from Operations		**3,978.18**		**14,820.92**
I	Interest paid	(14,375.66)		(13,357.35)	
II	Income Tax paid	(1,993.05)		(2,137.32)	
III	Paid Expenses on CSR	(328.08)		(97.91)	
	Cash flow before Extraordinary Items		**(12,718.61)**		**(771.66)**
I	Extraordinary items		(64.45)		-
	Net Cash from Operating Activities		**(12,654.16)**		**(771.66)**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(7.16)		(29.98)	
	Net Cash from Investing activities		**(7.16)**		**(29.98)**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	(3,161.60)		10,795.05	
II	Proceeds from Debt Service Repayment Account	(1,550.95)		(8,943.77)	
III	Proceeds from Debt Securities	14,644.37		900.00	
IV	Proceeds from Subordinated Liability	100.00		700.00	
V	Dividend Paid	(422.92)		(466.90)	
VI	Money received against Share Warrant	4,600.13			
	Net Cash from Financing activities		**14,209.03**		**2,984.38**
	Net Increase/(decrease) in cash & cash equivalents		**1,547.71**		**2,182.74**
	Cash & Cash equivalents at beginning of period		**3,134.38**		**951.64**
	Cash & Cash equivalent at end of period		**4,682.09**		**3,134.38**

Signed in terms of our Report of even date

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102

Place : New Delhi
Date : 4th June 2021

For and on behalf of the Board

(ATUL KUMAR AGRAWAL)
Chief Financial Officer
PAN : ADORA4603N

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

(HARISH SINGH)
Executive Director
DIN : 00039501

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2021 and 31st March 2020 and found the same in agreement here with.

For D. TAYAL & JAIN
Chartered Accountants
Firm Reg. No. 011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102

Place : New Delhi
Date : 4th June 2021

M/S PAISALO DIGITAL LIMITED
ACCOUNTING POLICIES

1. CORPORATE INFORMATION

M/S PAISALO DIGITAL LIMITED is a systemically important non deposit taking non-banking finance company providing loans.

Paisalo Digital Limited is a 28 year old company primarily focusing on financing self-employed borrowers, a segment which is still untapped / unserved, driven by rising affluence, aspirations and favorable demographics.

The Company's successful digital mode of financing self – employed underserved / under – penetrated, using technology with high touch hi-tech model, enabled to register strong growth. The company is able to scale up its business operations through its intranet model of financing to 132 branches as on date and still growing. The company has cumulatively served more than 1 million satisfied customers. While remaining focused on growth, company consistently maintains high asset quality level and continues to build the institution on the strong pillars of ethics, values and corporate governance.

The equity of the company is listed on BSE since 2007 and on NSE since 2009. The registered office of the company is CSC, Pocket 52, Chitranjan Park, Delhi 110019 and the head office at Block 54, First Floor, Sanjay Place, Agra-282002.

2. FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Indian rupees (rounded to nearest lakh), which is the functional currency of the company. All financial information is presented in Indian rupees.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historic cost convention on an accrual basis, except where the same is considered as fair market value as required by Ind AS, the provisions of the Companies Act , 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Financial statements have been presented in accordance with format prescribed for Non-Banking Finance Companies under Companies (Indian Accounting Standards) Rules, 2015 in Division III as per the notification No. G.S.R. 1022(E) dated 11.10.2018.

The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

D. TAYAL & JAIN Chartered Accountants AGRA M No. 073102

M/S PAISALO DIGITAL LIMITED
ACCOUNTING POLICIES

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in further notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

4.1 REVENUE RECOGNITION

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. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis.

4.2 INCOME TAXES

The company's major tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates items recognized directly in equity or in OCI.

4.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment represent a small proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Useful lives of PPE and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

4.4 PROVISION

Provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

D. TAYAL & JAIN
AGRA
M No 07
Chartered Accountants

M/S PAISALO DIGITAL LIMITED
ACCOUNTING POLICIES

4.5 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flow from operating, investing and financing activities are segregated.

5. ACCOUNTING POLICIES

5.1 CASH & CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

5.2 FINANCIAL INSTRUMENTS

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

Company has a business model of 'Hold to collect' with sole purpose of collecting principal and interest from loans, thus as per Ind AS 109- 'Financial Instruments' Loans are measured at amortized cost.

Other financial assets or liabilities maturing within one year from the balance sheet date are measured at the carrying value as the same approximate the fair value due to the short maturity of these instruments.

5.3 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss of the financial assets on the basis of their credit risk exposure.

For the same, ECL is measured as per the management policy after performing due diligence of company's historical data in regards to the respective asset. Also, since company is a RBI registered ND-SI- NBFC and as per RBI guidelines, a 0.4% provision for NPA is created against company's credit exposures.

The Company recognize overdue amount from customers in trade receivables.

Expected Credit Loss model:

PDL's Credit loss system is based on its credit risk function and the risk perceives. Under Ind AS, credit loss provisioning is mainly based on past trends and judgment of the entity. Implementation of expected credit losses not only consider historical data but also incorporates consideration to forward looking information.

D. TAYAL & JAIN Chartered Accountants

M/S PAISALO DIGITAL LIMITED

ACCOUNTING POLICIES

ECL model is divided into three stages as follows:

[illegible]	[illegible]	[illegible]	[illegible]
Credit quality of assets Days Past Due	Not deteriorated significantly since its initial recognition 0 Days to 30 Days	Deteriorated significantly since its initial recognition 31 Days to 90 Days	Objective evidence of impairment More than 90 Days
Credit risk Recognize	Low 12 month ECL	Moderate to high Life time ECL	Very High Life time ECL
ECL	Represents financial asset's life time ECL that are expected to arise from default events that are possible within 12 months	ECL that results from all possible default events over the expected life of an instrument.	

Both 12 months ECL and life time ECL are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instrument.

Determining significant increase in credit risk

It is very judgmental to determine the significant increase in credit rise, which enable entity to move from stage 1 to stage 2. i.e. to move from 12 month expected losses to life time expected losses. Entity need to assess significant increase in credit risk as compared to its initial recognition level by considering significant changes in financial position of a borrower, expected or current delay in payment, historical trend of the repeat borrowers etc.

PDL also has a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.

Forward looking information

ECL is based on history of financial asset and includes forward-looking statement; however, it is a forecast about future conditions over the entire expected life of a financial instrument. The Forward-looking information is based on:

- Internal historical credit loss experience, and the period of time over which its historical data has been captured and the corresponding economic conditions represented in the past
- Effects that were not present in the past or to remove the effects that are not relevant for the future
- Macroeconomic factors such as interest rates

The Calculations of ECL

PDL calculates ECL on the basis of probability-weighted average scenarios on the basis of historical data.

D. TAYAL & CO. AGRA M No. 73102 Chartered Accountants

M/S PAISALO DIGITAL LIMITED
ACCOUNTING POLICIES

The calculation of ECL has following key elements of PDL's internal estimates:

Probability of default(PD):

It is an estimate of the likelihood of default over a given time horizon.

Exposure at default:

Estimate of an exposure at a future default date –expected changes in exposure after the reporting date.

Loss Given Default:

Estimate of the loss arising on default. It is based on the difference between contractual cash flows that are due and expected to receive including from collateral. It is generally referred as a percentage of exposure at default.

Discount rate:

Used to discount an expected loss to a present value at the reporting date using the effective interest rate.

ECL system:

Stage 1: At stage one 12 months ECL is recognized which is calculated as the portion of total outstanding advances, that are overdue till 30 days, that result from a default event on the financial instrument that are possible within 12 months after the reporting date. PDL calculates the 12 months ECL provision based on the expectation of default occurring in 12 months following the reporting date. These expected 12 month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in the credit risk, i.e., where the same is overdue till 90 days, PDL records a provision for life time ECL. PDs and LGDs in this case are estimated over life span of the financial instrument.

Stage 3: When a loan is considered credit-impaired, i.e., where the same is overdue past 90 days, PDL recognize the lifetime expected credit losses. In this scenario PD is estimated at 100%. For PDL, stage 3 incorporates the loans which are due past 90 days but, in certain cases where the internal assessment of the individual borrowers reflects that the overdue amount can be recovered in the near future then the same is not subjected to 100% provisioning.

Conclusion:

ECL concept is to recognize the expected loss on the defaulted advances on timely basis so as to present a true and fair view of financial position of the company. Also, Ind AS states that entity can adopt any ECL model to present its historical trends adjusted for its forward looking information. However, as per PDL's internal policy follows a policy of writing of 100% of overdue advances which does incorporate the requirements of Ind AS of better presentation of financial position.

PDL ECL model is subjected to review every year.

D. TAYAL AGRA M No. Chartered Accountants

5.4 DERECOGNITION OF FINANCIAL INSTRUMENTS

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

5.5 INVESTMENTS

Investments are carried at cost in the separate financial statements. Investments in subsidiary is measured at the previous GAAP carrying amount as per the provisions of Ind AS 27 – 'Separate Financial Statements'.

5.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any or at Fair market value if the same present a better presentation of company's financial position. Accordingly company has taken the Office Premises on fair market value as per the valuation done by an independent valuer, except for a recently purchased building, in which case its transaction cost is taken as fair market value.

Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	Useful Life
Building	42 Year
Furniture & Fittings	10 Year
Computer Peripheral	3 Year
Vehicles	5 Year
Equipments, Plant & Machinery	10 Year
Intangible Assets	3 Year

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Company has restated the useful life of Building as per the report of an independent valuer.

Advances, if any, paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

D. TAYAL & JAIN Chartered Accountants AGRA M No 073102

5.7 IMPAIRMENT

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

5.8 INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortization and impairment or Fair market value if the same present a better presentation of company's financial position. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances). Amortization methods and useful lives are reviewed periodically including at each financial year end.

The company has modified its software and intranet app in the current financial year for which all research costs are expensed as incurred. Software product development costs are also expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable. The cost during the development phase is capitalized as the cost the app to be presented in balance sheet. The costs which can be capitalized include the cost of material, direct labor and overhead costs that are directly attributable to preparing the asset for its intended use. Over the period of time the company has developed its own ERP software which is a core strength of the company, the revaluation of which shall be taken up at later stage.

5.9 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities are disclosed for:

a. possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

b. present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed wherein an inflow of economic benefits is probable.

5.10 SHARE CAPITAL

Ordinary shares are classified as equity, incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

M/S PAISALO DIGITAL LIMITED
ACCOUNTING POLICIES

5.11 SEGMENT REPORTING POLICY

The chief Operating Decision Maker ("CODM") reviews the operation at the Company level. Therefore, the operations of the company fall under "Financing activities" business only, which is considered to be the only segment in accordance with the provisions of Ind AS 108- Operating segment.

5.12 BUSINESSMODEL

During the year the company entered into bilateral assignment transactions against outstanding loans. But the value of these loans are trivial in light of the company's AUM, thus Company's business model continue to be 'Hold to collect' as per Ind AS 109- Financial Instruments.

5.13 EMPLOYEE RETIREMENT BENEFITS

Contributions to Provident Fund and Super annuation fund made during the year, are charged to Statement of Profit and Loss.

Employees Gratuity liability has been calculated on the basis of actuarial valuation made at the end of each financial year and charged to Statement of Profit and Loss as contribution to LIC policy premium

5.14 BORROWING COST

Borrowing costs, which are directly attributable to the acquisition /construction of fixed assets, till the time such assets are ready for intended use, are capitalized as a part of the cost of assets.

All borrowing costs other than mentioned above are expensed in the period they are incurred. In case of unamortized identified borrowing cost is outstanding at the year end, it is classified under loans and advances as unamortized cost of borrowings.

In case any loan is prepaid/ cancelled then the unamortized borrowing cost, if any, is fully expensed off on the date of prepayment/cancellation.

5.15 RELATED PARTY

A related party is a person or an entity that is related to the reporting entity. A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

A person or a close family member is related if he:

- Has control/joint control;
- Has significant influence;
- Is a member of the key management personnel (KMP);

of the reporting entity or its parent.

D. TAYAL & JAIN Chartered Accountants AGRA M No 073102

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- that person's children, spouse or domestic partner, brother, sister, father and mother;
- children of that person's spouse or domestic partner; and
- dependants of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Company has duly complied with all the disclosure requirements of Ind AS 24 "Related Party Disclosures"

5.16 REVENUE RECOGNITION

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. Company follows accrual basis for all revenue recognition. Interest Income is recognized on due basis and penal income is recognized on receipt basis.

Processing fees received from customer was recognized as income in the year of receipt under India GAAP. But, as per Ind AS, the same is now amortized over the period of relevant loan.

5.17 EARNINGS PER SHARE

The Earning per Share (Basic as well as Diluted) is calculated based on the net profit or loss for the period attributable to equity shareholders i.e. the net profit or loss for the period.

For the purpose of calculating (Basic and Diluted EPS), the number of equity shares taken are the weighted average number of equity shares outstanding during the period.

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 1 Cash & Cash Equivalents **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	Cash Balances	223.21	129.74
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	1,171.51	2,970.68
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	0.07	0.07
	Total	[illegible]	[illegible]

Note : 2 Bank Balances other than (a) above **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	3,287.30	33.88
	Total	[illegible]	33.88

D. TAYAL & JAIN Chartered Accountants
AGRA
M No. 076102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 3 Derivative Financial Instruments (Assets) **(₹ in Lakhs)**

[illegible]	Current Year			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value Assets	Fair Value Liabilities
Part I						
(I) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (I)						
(II) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (II)						
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (I)+(ii)+(iii)+(iv)+(v)						
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging	-	-	-	-	-	-
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)						
(ii) Cash flow hedging	-	-	-	-	-	-
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)						
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)						

Note : 4 Receivables **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	2,230.06	811.21
	—Overdue Installments : Considered Good - Unsecured	894.88	254.21
2	Other Receivables	-	-
	[illegible]	[illegible]	[illegible]

D. T. [illegible] Chartered Accountants AGRA M No. [illegible]102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 5 Loans (₹ in Lakhs)

	Current						Previous					
			Through profit or loss		Sub total				Through profit or loss			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Loans					-	-					-	-
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Term Loans	1,90,464.48	-	-	-	-	1,90,464.48	1,71,689.21	-	-	-	-	1,71,689.21
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,90,464.48					1,90,464.48	1,71,689.21			-		1,71,689
Less: Impairment loss allowance	133.80	-	-	-	-	133.80	89.11	-	-	-	-	89.11
Total (A) (net)	[illegible]					[illegible]	[illegible]					
(B) (i) Secured by tangible assets	1,88,880.70	-	-	-	-	1,88,880.70	1,67,923.80	-	-	-	-	1,67,923.80
(ii) Secure d by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	1,583.78	-	-	-	-	1,583.78	3,765.41	-	-	-	-	3,765.41
Total (B)	[illegible]					1,90,464.48						
Less: Impairment loss allowance	133.80	-	-	-	-	133.80	89.11	-	-	-	-	89.11
Total (B) (net)	[illegible]					[illegible]	[illegible]					[illegible]
(C) (I) Loans in India	1,90,464.48	-	-	-	-	1,90,464.48	1,71,689.21	-	-	-	-	1,71,689.21
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (I)	1,90,464.48					1,90,464.48	1,71,689.21					1,71,689.21
Less: Impairment loss allowance	133.80	-	-	-	-	133.80	89.11				-	89.11
Total (C) (I) (net)	[illegible]					[illegible]	[illegible]					[illegible]
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) (net)												
Total C (I) + (II)												[illegible]

Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 6 Investments

(₹ in Lakhs)

									Through Comprehensive Income					
												(12) = (9)+(10)+(11)		
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subsidiaries	4,223.91	-	-	-	-	-	4,223.91	4,223.91	-	-	-	-	-	4,223.91
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	2,390.31	-	-	-	-	-	2,390.31	2,390.31	-	-	-	-	-	2,390.31
(I) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	6,614.22	-	-	-	-	-	6,614.22	6,614.22	-	-	-	-	-	6,614.22

*Unquoted Shares of M/s Spring Infradev Limited

D. TAYAL & JAIN * Chartered Accountants * AGRA M No. 073102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 7 Others Financial Assets **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	20.50	21.52
	Advances to Staff	3.11	69.53
	Income Receivables	1.00	0.12
	Advances for Services	93.43	50.79
	Prepaid Expenses	2.44	4.08
	Nupur Finvest Pvt. Ltd	-	435.01
	GST/Service Tax Cenvat	182.93	178.50
2	Arbitration Awards/ Decree Recievable	17,264.79	16,430.67
	Total	[illegible]	[illegible]

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net) **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	7,120.26	8,220.73
	Provision for Taxation	(6,628.67)	(7,809.01)
	Total	[illegible]	[illegible]

D. TAYAL & JAIN Chartered Accountants ACCA M No. 078102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 9 Property, Plant and Equipment

(₹ in Lakhs)

Sl. No.	Particulars	Gross Block				Depreciation					
		Value as on 01.04.2020	Addition during the year	Deduction during the year	Value as on 31.03.2021	Upto 31.03.2020	For the year	Deduction during the year	Value as on 31.03.2021	W.D.V. as on 31.03.2021	W.D.V. as on 31.03.2020
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6425.12	0.00	-	6425.12	257.27	105.88	-	363.15	6061.97	6167.86
3	Furniture & Fittings	202.50	2.83	-	205.33	109.48	10.76	-	120.24	85.09	93.02
4	Computer Peripheral	202.09	1.43	-	203.52	166.07	18.86	-	184.93	18.59	36.02
6	Vehicles	165.62	0.00	-	165.62	89.54	15.33	-	104.87	60.75	76.07
7	Equipments, Plant & Machinery	166.95	2.90	-	169.85	112.29	15.55	-	127.84	42.01	54.66
	SUB TOTAL (A)	7162.28	7.16	-	7169.44	734.65	166.38	-	901.03	6268.41	6427.63
II	**Intangible Assets**										
1	Computer Software	529.77	0.00	-	529.77	343.50	39.15	-	382.65	147.12	186.27
2	Goodwill	10.70	0.00	-	10.70	-	0.00	-	-	10.70	10.7
	SUB TOTAL (B)	540.47	0.00	-	540.47	343.50	39.15	-	382.65	157.82	196.97
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (D)										
	Total (A+B+C+D) (Current Year)	7702.76	7.16	-	7709.91	1078.16	205.53	-	1283.68	6426.23	6624.60
	Total (Previous Year)	6678.26	1024.50	-	7702.76	737.57	340.59	-	1078.16	6624.60	5940.70

D. TAYAL & JAIN
Chartered Accountants
AGRA
M No. 073102

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 10 Other Non Financial Assets

(₹ in Lakhs)

S.No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	201.47	368.94
	Total	201.47	368.94

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities)

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	Notional Amounts	Exchange Rate	Fair Value Liabilities	Notional Amounts	Exchange Rate	Fair Value Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)						
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)						
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+(v)						
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)						
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)						
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)						

D. MYAL & Chartered Accountants AGRA M No. [illegible]

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 12 Payables

(₹ in Lakhs)

Sr.No.	Particulars	Current Year	Prev. Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	4.62	114.16
		4.62	**114.16**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
	(a) SBI Assignment Payable	554.90	83.44
	(b) SIB Assignment Payable	141.47	30.58
	(c) DJT Financial Services Payable	-	43.55
	(d) CBI Financial Services Payable	88.58	-
	(f) BOB Financial Services Payable	693.04	-
	(g) Other Sundry Payables	197.82	234.19
		1,675.81	**391.76**
2	**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		
	(a) Statutory Payables		
	Professional Tax Payable	0.02	0.02
	EPF Contribution Payable	5.84	6.60
	ESI Payable	0.70	0.77
	GST Payable	9.95	16.87
	TDS Payable	43.13	77.47
	LIC GSLI Payable	0.02	0.03
	(b) Expenses Payables	243.13	360.41
		302.79	**462.17**
	Total	[illegible]	[illegible]

D. TAYAL & CO. AGRA M.No. 073102 Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 13 Debt Securities

(₹ in Lakhs)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Others (Bonds/ Debentures etc.)*	27,844.37	-	-	27,844.37	13,200.00	-	-	13,200.00
Total [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Debt Securities in India	27,844.37	-	-	27,844.37	13,200.00	-	-	13,200.00
Debt Securities outside India	-	-	-	-	-	-	-	-
Total [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

***Details of Non Convertible Debentures**

(Amount in ₹)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Series-'1609 SEIL'	Sept-2016	9,500.00	14.50%	Monthly	Sept-2021	9,500.00	Nil	Nil
Series-'PDL 1802'	Feb-2018	2,800.00	12.00%	Monthly	Feb-2023	2,800.00	Nil	Nil
Series-'PDL 2020-3'	Feb-2020	900.00	12.00%	Monthly	Feb-2025	900.00	Nil	Nil
Series-'PDL-07-2020'	Jul-2020	5,000.00	10.50%	Quarterly	Apr-2023	5,000.00	Yes	Nil
Series-'PDL-08-2020'	Aug-2020	2,000.00	9.50%	Yearly	Feb-2022	2,000.00	Yes	Nil
Series-'PDL-11-2020'	Nov-2020	1,600.00	10.50%	Quarterly	May-2022	1,600.00	Yes	Nil
Series-'PDL-12-2020'	Dec-2020	3,500.00	12.00%	Monthly	Dec-2023	3,500.00	Yes	Nil
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	Yes	Nil

D. TAYAL & CO. AGRA M No. 073102 Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 14 Borrowings (Other than Debt Securities) **(₹ in Lakhs)**

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	(1)	(2)	(3)	(1)+(2)+(3)	[illegible]	[illegible]	[illegible]	[illegible]
(a) Term loans:								
(i) From banks	3,940.94	-	-	3,940.94	5,896.94	-	-	5,896.94
(ii) From other parties	1,254.76	-	-	-	-	-	-	-
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	2,221.63	-	-	2,221.63	1,870.26	-	-	1,870.26
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	68,926.30	-	-	68,926.30	73,933.14	-	-	73,933.14
(ii) from other parties	5,508.47	-	-	5,508.47	3,313	-	-	3,313
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Borrowings in India	81,852.10	-	-	81,852.10	85,013.70	-	-	85,013.70
Borrowings outside India	-	-	-	-	-	-	-	-
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

D. TAYAL AGRA M No. [illegible] Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 15 Deposits

(₹ in Lakhs)

	Current							
		Fair value adjustment through profit or loss					profit or loss	
	(1)	(2)		(4)	(5)		(8)	(9)
Deposits								
(i) Public Deposits	-	-	-	-	-	-	-	-
(ii) Form Banks	-	-	-	-	-	-	-	-
(iii) From Others	-	-	-	-	-	-	-	-
Total	-							

Note : 16 Subordinatd Liabilities

(₹ in Lakhs)

		Fair value through profit or loss				Fair value through profit or loss	value through profit or loss	
	(1)	(2)		(4)	(5)		(8)	(9)
Prepetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	8,900.00	-	-	8,900.00	8,800.00	-	-	8,800.00
Total (A)	8,900.00			8,900.00	8,800.00			8,800.00
Subordinated Liabilities in India	8,900.00	-	-	8,900.00	8,800.00	-	-	8,800.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	8,900.00			8,900.00	8,800.00			8,800.00

* Details of Non-Convertable Debentures

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL 1808'	Aug-2018	8,100	14.00%	Monthly	Aug-2024	8,100	Nil	Nil
Series-'PDL2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	Nil	Nil
Series-'PDL2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	Nil	Nil
Series-'PDL-12-2020'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Yes	Nil

D. TAYAL & CO. Chartered Accountants AGRA M No. 070402

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 17 Others Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Debt Service Repayment Account	2,777.38	4,328.34
2	Arbitration Awards/ Decree Recievables	17,264.79	16,430.67
	Total	[illegible]	20,759.01

Note : 18 Current Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in Cash or in kind or for value to be considered good**		
	Income Tax and TDS	-	-
	Provision for Taxation	-	-
	Total		

Note : 19 Provisions (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Standard Assets	775.04	693.03
2	Provision for Proposed Dividend on Equity Shares	422.92	422.92
3	General Provision on Standard Accounts in Default	-	601.80
4	Provision for Expected Credit Loss	1,235.85	266.43
5	Provision for Sub Standard Assets	301.17	167.38
	Total	[illegible]	[illegible]

Note : 20 Deferred Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	118.88	59.95
	Add: Addition from Merger of Agarwal Meadows	-	10.54
	Tax on Timing difference on Property, Plant and Equipments	235.06	129.26
	Tax on Timing difference on Deferred Revenue Expenditures	51.63	94.54
	Tax on Timing difference on Unearned Processing Fees	(119.89)	(104.92)
2	Total Deferred Tax Liability	166.80	118.88
	Provision for Deferred Tax required for the year (2-1)	47.92	48.40
	Total	[illegible]	[illegible]

Note : 21 Others Non Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Unearned Income of Processing Fees	467.85	409.43
	Total	[illegible]	[illegible]

D. TAYAL AGRA M No. [illegible] Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 22 Share Capital **(₹ in Lakhs)**

[illegible]	[illegible]	[illegible]	[illegible]
1	**AUTHORIZED CAPITAL**		
	1200,00,000 Equity Shares of Rs. 10 per share	12,000.00	12,000.00
	50,00,000 Preference Shares of Rs. 10 each	500.00	500.00
		12,500.00	**12,500.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	423,04,699 Equity Shares of Rs. 10 per Share fully paid up	4,230.47	4,230.47
		4,230.47	**4,230.47**
3	**PAID UP CAPITAL**		
	4,22,92,199 Equity Shares of Rs. 10 per Share fully paid up	4,229.22	4,229.22
	Add: Share Forfeited a/c	0.63	0.63
	(Amount originally Paid up @ Rs 5 each on 12,500 Equity Shares of Rs. 10 each)		
[illegible]	[illegible]	[illegible]	[illegible]

- **More than 5% shares:**

  Mr. Sunil Agarwal holds 5285140 equity shares (12.50%) [Previous year 3269940 equity shares (8.06%)]

  M/s Equilibrated Venture Cflow Pvt Ltd holds 4084212 equity shares (9.65%) [Previous year 2914223 equity shares (7.19%)]

  SBI Life Insurance Co. Ltd holds 3800000 equity shares (8.98%)

Statement of Changes in Equity for the period ending on 31-03-2021 **(In ₹)**

[illegible] at the beginning [illegible]	[illegible] during the year	[illegible] at the end of the reporting [illegible]
422984490	-	42,29,84,490

D. TAYAL & JAIN
AGRA
M No. [illegible]102
Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 23 Other Equity

(₹ In Lakhs)

	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Total
Balance at the beginning of the reporting period	-	-	12,739.41	2,415.21	19,952.02	35,555.44	83.87	250.00	363.12	-	-	-	-	-	-	**71,359.08**
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	12,739.41	2,415.21	19,952.02	35,555.44	83.87	250.00	363.12	-	-	-	-	-	-	**71,359.08**
Total Comprehensive Income for the year	-	-	-	-	-	-	6,091.90	-	-	-	-	-	-	-	-	**6,091.90**
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,600.13	**4,600.13**
Proposed Dividends	-	-	-	-	-	-	(422.92)	-	-	-	-	-	-	-	-	**(422.92)**
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-		-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	4,000.00	(4,000.00)	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	1,218.38	-	-	-	(1,218.38)	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(82.01)	-	-	-	-	-	-	-	-	**(82.01)**
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	(328.08)	-	-	-	-	-	-	-	-	**(328.08)**
Balance at the end of the reporting period	-	-	13,957.79	2,415.21	19,952.02	39,555.44	133.46	250.00	354.04	-	-	-	-	-	4,600.13	**81,218.09**

D. TAYAL & ASSOCIATES
AGRA
M No. 071102
Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 24 Interest Income

(₹ in Lakhs)

Particulars	Current Year				Previous Year	
	On Financial Assets measured at Fair value through P&L	On Financial Assets measured at Amortised Cost	On Financial Assets classified at Fair value through OCI	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit or loss
Interest on Loans	-	31,131.33	-	-	33,742.71	-
Interest Income from Investments	-	-	-	-	-	-
Interest on Deposits with Banks	-	23.44	-	-	2.40	-
Other Interest Income	-	-	-	-	-	-
Total		31,154.77			33,745.11	

Note : 25 Net Gain/(Loss) on fair value changes

(₹ in Lakhs)

Particulars	Current Year	Previous Year
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(i) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(ii) On Financial Instruments designated at fair value through profit or loss	-	-
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on Fair value changes (D) to tally with (C)	-	-

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M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 26 Other Income

(₹ In Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	-	-
	Total		

Note : 27 Finance Cost

(₹ In Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		On financial liabilities measured at fair value through profit or loss	On Financial Liabilities measured at Amortised Cost	On financial liabilities measured at fair value through profit or loss	On Financial Liabilities measured at Amortised Cost
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	10,115.73	-	10,055.31
3	Interest on Debt Securities	-	2,488.70	-	2,022.07
4	Interest on Subordinated Liabilities	-	1,220.96	-	857.87
5	Other Interest expense/ Bank Charges	-	550.27	-	422.10
	Total				

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M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 28 Impairment on Financial Instruments

(₹ in Lakhs)

[illegible]	[illegible] through OCI	[illegible]	[illegible] through OCI	[illegible]
Bad Debts Written Off on Loans	-	3,532.38	-	6,531.79
Provision for NPA	-	133.80	-	89.11
Provision for Expected Credit Loss				
Provision on Standard Accounts in Default	-	-	-	601.80
Additional Provision for Expected Credit Loss	-	367.62	-	266.43
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

D. TAYAL & JAIN Chartered Accountants AGRA M No [illegible]

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2021

Note : 29 Employees Benefit Expenses **(₹ in Lakhs)**

S. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	1,602.41	1,729.33
2	Directors Salaries & Allowances	433.15	463.25
3	Contribution to Provident and other funds	107.44	103.82
4	Share Based Payments to employees	-	-
5	Staff welfare expenses	21.65	31.85
	Total	[illegible]	[illegible]

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2020-21 is Rs. 4,33,14,900 (last year Rs 4,63,24,800) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost **(₹ in Lakhs)**

S. No.	Particulars	Current Year	Previous Year
1	Depreciation	205.53	188.00
2	Deffered Revenue Exp. w/o*	167.46	213.29
	Total	372.99	[illegible]

- *Deferred Expenses written off over a period of five years

Note : 31 Other Expenses **(₹ in Lakhs)**

S. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	56.75	96.32
2	Travelling Expenses	450.32	517.80
3	Repair & Maintenance	18.95	45.94
4	Insurance Expenses	11.48	12.62
5	Electricity & Water Expenses	49.98	60.24
6	Rates & Taxes	3.15	6.28
7	Legal Expenses & Professional Fees	256.22	417.58
8	Printing & Stationery Expenses	90.52	377.03
9	Postage & Telephone Expenses	52.54	86.85
10	Auditors Remuneration	30.67	32.89
11	Rent	156.86	203.13
12	Rebate & Remission	17.69	12.57
13	Advertisement & Business Promotion Expenses	757.80	580.11
14	Recovery Expenses	40.17	54.39
15	Office and General Expenses	211.32	258.09
16	Directors Sitting Fees & Expenses	14.72	14.99
	Total	[illegible]	[illegible]

D. TAYAL & JAIN Chartered Accountants AGRA M No 073402

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIALSTATEMENTS AS AT 31ST MARCH 2021

32. Remuneration to Auditors:

(₹ In Lakhs)

Particulars	2020-21	2019-20
For Statutory Audit	3.00	3.00
For Tax Audit	1.00	1.00
For Certification work/other services	27.67	28.89
Total	**30.67**	**32.89**

33. Earning per Share:

(₹ In Lakhs)

Particulars	2020-21	2019-20
Net profit for the year (After Tax)	6091.90	5403.90
No. of Equity Shares (Weighted)	422.92	422.92
Basic and diluted Earning per share	**14.40**	**12.78**

34. Figures for the previous year have been regrouped/rearranged/reclassified and restated wherever considered necessary.

35. The company has paid all its dues to Small Scale Industrial Undertakings within the due time limit. There are no outstanding due pending more than 45 days under the Micro, Small and Medium Enterprises Act, 2006

36. The company has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. From the following Bank's / FI's / NBFCs:

(₹ In Lakhs)

Name of the Financing Institution	Amount
State Bank of India Term Loan	977.78
State Bank of India Cash Credit Limit	3000.00
Karnataka Bank Ltd Cash Credit Limit	2000.00
Bank of Baroda Term Loan	1458.33
Tourism Finance Corporation of India Ltd Term Loan	587.88
Nabsamruddhi Finance Limited Term Loan	333.33
Satin Credit care Network Limited Term Loan	944.55
Satin Finserv Limited Term Loan	188.91
Total	**9490.78**

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M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIALSTATEMENTS AS AT 31ST MARCH 2021

37. Disclosure of Related party transactions:

A. Wholly owned Subsidiary — Nupur Finvest Pvt. Ltd.

B. List of related parties and relationship

Related Party	**(Relation)**
Key Managerial Personnel	
Mr. Sunil Agarwal	(Managing Director)
Mr. Harish Singh	(Executive Director)
Mr. Anoop Krishna	(Executive Director)
Mr. Atul Kumar Agarawal	(Chief Finance Officer)
Mr. Manendra Singh	(Company Secretary)
Relatives of K M P	
Mr. Purushottam Agrawal	(Father of Mr. Sunil Agarwal)
Mrs. Raj Agarwal	(Mother of Mr. Sunil Agarwal)
Mrs. Neetu Agarwal	(Spouse of Mr. Sunil Agarwal)
Mrs. Priti Chauhan	(Spouse of Mr. Harish Singh)
Mrs. Sushila Devi Chauhan	(Mother of Mr. Harish Singh)
Ms. Suneeti Agarwal	(Daughter of Mr. Sunil Agarwal)
Mr. Santanu Agarwal	(Son of Mr. Sunil Agarwal)
Mr. Pranav Chauhan	(Son of Mr. Harish Singh)
Mrs. Mamta Krishnan	(Spouse of Mr. Anoop Krishnan)

C. Enterprises over which significant influence exercised by Key Managerial Personnel/Relatives of Key Managerial Personnel

1. Pro Fitch Private Limited (Formerly known as Baba Herbals Pvt. Ltd.)
2. Equilibrated Venture Cflow Pvt. Ltd. (Formerly known as Bhavya Electronics and Networks Pvt. Ltd.)
3. Pri Caf Private Limited (Formerly known as Diamond Infradev Pvt. Ltd.)
4. Repartee Infrastructures Pvt. Ltd.
5. Radiance Techno Powers Company Pvt. Ltd.
6. SCS Educational Foundation
7. Raj Shiksha Foundation
8. Spaak Super Tec Pvt. Ltd.
9. R N R Automate Pvt. Ltd.
10. Harish Singh HUF

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NOTES FORMING INTEGRAL PART OF THE FINANCIALSTATEMENTS AS AT 31ST MARCH 2021

D. Disclosures required for Related party transactions

(₹ In Lakhs)

Name of Party	Nature	Amount	Amount receivable / (payable)
Mr. Sunil Agarwal	Remuneration to Director	376.56	(3.24)
Mr. Harish Singh	Remuneration to Director	26.72	(1.05)
Mr. Anoop Krishnan	Remuneration to Director	32.18	(2.34)
Mr. Sunil Agarwal	Loan	—	(33.00)
Mrs. Raj Agarwal	Rent	9.00	(0.69)
Mr. Santanu Agarwal	Salary	18.00	(3.15)
Mr. Atul Agarwal	Salary	14.63	(1.23)
Mr. Manendra Singh	Salary	9.99	(0.87)
Mr. Santanu Agarwal	Loan Received	291.90	(1768.16)
Mr. Santanu Agarwal	Loan Repaid	361.00	—
Mr. Santanu Agarwal	Interest Expenses	238.35	(220.48)
Mr. Harish Singh	Interest Payment (on NCD)	14.50	—
Mr. Pranav Chauhan	Interest Payment (on NCD)	14.50	—
M/s Nupur Finvest Pvt. Ltd.	Sale of Portfolio	480.53	—
M/s Nupur Finvest Pvt. Ltd.	Interest Expenses	169.79	—
M/s Nupur Finvest Pvt. Ltd.	Loan given	1330.00	—
M/s Nupur Finvest Pvt. Ltd.	Interest on ICD	15.17	—

Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons (except Nupur Finvest Pvt Ltd) nor paid any consideration for furnishing such guarantees.

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M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIALSTATEMENTS AS AT 31ST MARCH 2021

38. Working Capital, Working Capital Demand Loan and Term Loan Borrowings:

The Company has an arrangement with a consortium of thirteen banks under the leadership of Bank of Baroda for its working capital requirements. The facility is primarily secured by the hypothecation of book-debts / receivables of the Company and collaterally by mortgage of immovable properties including office premises, a flat owned by the Company and five commercial properties by third parties as well as personal and corporate guarantees. The sharing pattern of the member banks in the consortium is as under:

(₹ In Lakhs)

S. No.	Name of Bank	Outstanding	Rate	Sanctioned Amount	Share in Consortium (%)
1	Bank of Baroda	9479.53	MCLR + 3.75%	10,000.00	12.28
2	IDBI Bank	2489.59	MCLR + 4.50%	5,700.00	7.00
3	Punjab National Bank	5987.33	MCLR + 2.35%	7,000.00	8.59
4	Punjab National Bank (e-United Bank of India)	4991.84	MCLR + 3.40%	5,000.00	6.14
5	Union Bank of India (e-Corporation Bank)	6493.61	MCLR + 3.70%	7,500.00	9.21
6	Bank of Maharashtra	4794.50	MCLR + 1.15%	5,000.00	6.14
7	Bank of India	4040.64	MCLR + 3.50%	4,550.00	5.59
8	Union Bank of India (e-Andhra Bank)	4997.24	MCLR + 3.40%	5,000.00	6.14
9	UCO Bank	3696.55	MCLR + 1.75%	3,700.00	4.54
10	Central Bank of India	11039.65	MCLR + 3.70%	12,500.00	15.35
11	State Bank of India	3682.08	MCLR + 3.90%	4,000.00	4.91
12	State Bank of India TL	3200.00	MCLR + 4.85%	4,000.00	4.91
13	South Indian Bank	2247.70	MCLR + 3.20%	2,500.00	3.07
14	Union Bank of India	4992.08	MCLR + 3.25%	5,000.00	6.14
	Total	**72132.34**		**81450.00**	**100**

During the year, the company have availed following short term loan form bank under the scheme of COVID -19:

S. No.	Name of Bank	Outstanding	Rate	Sanctioned Amount
1	Bank of India TL	173.13	MCLR + 3.50%	173.26
2	State Bank of India TL	335.4	MCLR + 4.85%	400.00
3	Central Bank of India TL	232.42	MCLR + 3.35%	312.05
4	Central Bank of India TL	-	MCLR + 3.35%	525.14
5	UCO Bank TL	-	MCLR + 1.75%	98.18
6	IDBI Bank TL	-	MCLR + 4.50%	270.07
7	Bank of Maharashtra	-	MCLR + 1.15%	257.08
8	State Bank of India TL	-	MCLR + 4.85%	105.32
9	Union Bank of India	-	MCLR + 3.25%	755.02
	Total	**740.95**		**2896.12**

*Indicative rate of interest charged by respective Bank.

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39. During the year the company availed short term credit facility in the form of Term Loan of Rs. 7500.00 Cr from SIDBI under special liquidity scheme to NBFCs for MSMEs on 04th Sep 2020 at the rate of 2.32% above the repo rate being 4.00% for providing liquidity support during COVID-19. The said facility is secured by first pari-passu charge by way of hypothecation of standard assets of the company (present and future) including current assets, book debts and advances & receivables and personal guarantee of Mr. Sunil Agarwal. As on 31st March 2021, outstanding balance was Rs. 1254.76 Cr.

40. On receipt of initial warrant subscription amount of Rs. 46.00 crore equivalent to 25% of the warrant issue price, i.e. Rs. 705 per warrant, as prescribed by the SEBI (ICDR) Regulations for allotment of the equity warrants, on March 20, 2021 the Company considered and allotted 26,10,0,000 fully convertible warrants to Promoter Group entity, on preferential basis. The conversion option can be exercised by Warrant holder(s) at any time during the period of 18 (Eighteen) months from the date of allotment of equity warrants, in one or more tranches, as the case may be and on such other terms and conditions as applicable.

41. Listed Secured Non-Convertible Redeemable Debentures (NCDs):

Company has Issued Listed Secured Redeemable INR Denominated Non-Cumulative Non-Convertible Debentures (NCDs) as under

(₹ In Lakhs)

Date of Allotment	Interest Rate (%)	Tenure	No. of NCDs	Face Value per NCD	Amount	Allotee
July 2020	10.50	33 Months	250	10.00	2500.00	State Bank of India*
July 2020	10.50	33 Months	250	10.00	2500.00	Punjab National Bank*
August 2020	9.50	18 Months	200	10.00	2000.00	Punjab & Sindh Bank@
November 2020	10.50	18 Months	160	10.00	1600.00	Bank of India#

* The NCDs issued to SBI & PNB are primarily secured first pari-passu charge by hypothecation over hypothecated assets of the company to the extent of 1.33 times of issue and pari-passu charge of immovable properties including office premises, a flat owned by the Company and six commercial properties by third parties as well as personal and corporate guarantees.

@ The NCD issued by Punjab & Sindh Bank secured by first pari-passu charge by hypothecation over hypothecated assets of the company to the extent of 1.10 times of issue.

The NCD issued by Bank of India secured by first raking pari-passu charge by hypothecation over the loan receivable of the company (Hypothecated receivable) to the extent of 1.10 times of issue.

42. Detail of Bank FDR's (principal amount) held as on 31.03.2021:

Held to avail Cash Credit facility against FDRs

(₹ In Lakhs)

1	United Bank of India	Cash Credit	8.50
	Subtotal	**(A)**	**8.50**

Held as Guarantee

(₹ In Lakhs)

1	Punjab National Bank	Guarantee	0.66
	Subtotal	**(B)**	**0.66**

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Held as Investment

(₹ In Lakhs)

1	Punjab National Bank	Unencumbered	0.07
	Subtotal	**(C)**	**0.07**

Held to avail buy out transaction facility against FDRs

(₹ In Lakhs)

2	Bank of Baroda	Guarantee	3252.90
	Subtotal	**(D)**	**3252.90**

Held as Guarantee

(₹ In Lakhs)

1	Bank of Baroda	Guarantee	25.00
	Subtotal	**(E)**	**25.00**
	Grand Total of FDR's	**(A+B+C+D+E)**	**3287.13**

43. During the Current year, few Arbitration Awards have become executable Decrees. The amount of such Decrees available for execution stands at Rs. 17264.79 Lakhs as on the date of Balance Sheet. The Accounting treatment has been done as per IND Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets" Issued by The Institute of Chartered Accountants of India.

(₹ In Lakhs)

S.No.	Particulars	Amount
1	Opening balance of Arbitration Awards	16430.67
2	Add: New Arbitration Award procured during the year	834.12
3	Less: Arbitration Award Challenged during the year	-
	Arbitration Awards available for Execution	17264.79

The management has recognized the Decretal Amount as an asset and it is classified under the head 'Current Assets' as 'Arbitration Decree Receivable' and 100% provision is made against such assets under the head Short Term Provisions. However, no income has been accrued or received from such assets during the year.

44. Capital Risk Adequacy Ratio (CRAR):

(₹ In Lakhs)

	Particulars	2020-21	2019-20
i)	CRAR %	44.47%	43.06%
ii)	CRAR – Tier I Capital %	37.08%	37.74%
iii)	CRAR – Tier II Capital %	7.39%	5.32%
iv)	Amount of subordinated debt raised as Tier-II Capital	100	8800
v)	Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

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NOTES FORMING INTEGRAL PART OF THE FINANCIALSTATEMENTS AS AT 31ST MARCH 2021

45. Investments:

(₹ In Lakhs)

			Particulars	2020-21	2019-20
1)	Value of Investments				
	i)	Gross value of Investments			
		a)	In India	9901.59	6648.17
		b)	Outside India	Nil	Nil
	ii)	Provision for Depreciation			
		a)	In India	Nil	Nil
		b)	Outside India	Nil	Nil
	iii)	Net Value of Investments			
		a)	In India	9901.59	6648.17
		b)	Outside India	Nil	Nil
2)	Movement of Provisions held towards depreciation on investments				
	i)	Opening Balance		Nil	Nil
	ii)	ADD: Provision made during the year		Nil	Nil
	iii)	Less: Write – off / write – back of excess provisions during the year		Nil	Nil
	iv)	Closing Balance		Nil	Nil

46. The Company had not taken any exposure in Derivatives during the financial year 2020-21.

47. Disclosure relating to Securitization:

i) The Company has not done securitization of any of its loans & advances to any organization during the financial year 2020-21 and there is no outstanding amount as on Balance Sheet date. Also, the Company has not sold its financial assets to any Securitization/Reconstruction Company for Asset Reconstruction. Further the Company has undertaken new assignment transactions during the Financial Year 2020-21.

ii) The Company has not purchased any non-performing assets (NPAs) from other NBFCs or financial institutions.

iii) Details of stock assigned / sold during the year

(₹ In Lakhs)

	Particulars	2020-21	2019-20
1	No of accounts sold	10,820	1,93,006
2	Aggregate outstanding	13,920	29,343
3	Aggregate consideration received	12,302	26,170

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iv) Co-origination done by the company with Banks

With a vision of empowering the AGRI, MSME segment and small businesses, Paisalo Digital Ltd. signed the first co origination loan agreement with the State Bank of India. Such a co-origination financing model is in lines with the Reserve Bank of India guidelines which will benefit the micro-borrowers through easy, hassle-free online loan with minimum turnaround time and quick disposal. Introducing a platform for the last mile customer, the loan ticket is designed at Rs 10,000 to 2 lakh. The purpose is to increase lending to the income generating priority sectors by capitalizing on Paisalo Digital's deep distribution network and SBI's low operating cost. The deal is designed in such a way that the company would be contributing 20% of the entire disbursement amount for the small loans, with SBI's contribution being 80%. Rate of interest charged by the bank will be the rate of interest being charged by banks on priority sector while the company will be allowed to charge ROI to such an extent that blended ROI will not increase priority sector criteria defined by RBI. In this way, the company will still be able to charge it's usual lending rate, combined with SBI's significantly low lending rate, which will help in drastically reducing the effective lending due to cost averaging. This will not only be helping the company to raise funds easily and reduce the cost of funding but also the borrowers as the blended rate of interest charged to the customer will be lower than the other MFIs in the market. The company had not only signed co-origination deals with SBI, but also with Bank of India, Bank of Baroda and Bank of Maharashtra as of now and is in talks with various other banks for the same.

RBI released new policy on co-lending dated 05 November 2020, wherein co-origination vide RBI circular dated 21 September 2018 was made a subset in the new policy vide RBI circular 05 November 2020 as per clarification received from RBI vide circular dated 02 December 2020.

The unhindered reach to the smallest customer on the socioeconomic ladder and low cost of operations of NBFCs coupled with low cost of funds of Banks, can be blended and benefit be passed on to the bottom of pyramid customer via Co-Lending only. The size of the bottom rung is mind-boggling and can be estimated to be around 40 crores of Indians waiting to be touched by the banking system on the credit side. State Bank of India with its penchant for being a partner of the Government's efforts to upgrade the economic life of the economically weakest has already showcased it , by partnering with a small NBFC like us.

The primary reason why loans upto INR 1,50,000 should be digitally processed and disbursed together under the existing 80-20 Co-Lending Model is because - it provides better monitoring and surveillance of the Borrower , a transparent credit process that enables a complete oversight on the operations of the NBFCs , greater reach and lower cost due to end to end digitalisation and better compliance control as required by RBI norms . Being fully digital, it is a scale able business model with end to end risk mitigation.

We truly believe that Co-Origination (now Co-Lending as per revised RBI Circular) in its content and structure as guided by RBI in 2018 Circular and implemented by SBI in letter and spirit ,by adopting a most transparent user friendly digital credit process, is the most revolutionary step in the interest of Smallest Loan Customers and Banks for loans upto INR 1,50,000.

V) Assets Eligible for Securitisation

Each bank provides their specific requirements on the basis of which a portfolio is segregated for securitization.

Minimum Holding Period

PDL securitize loans only after it have been held on its book for a minimum period as prescribed by intending bank. MHP counted from the date of full disbursement of loan and is defined with reference to the number of instalments to be paid prior to securitisation.

Minimum Retention Requirement (MRR)

The MRR is primarily designed to ensure that the originating NBFCs have a continuing stake in the performance of securitised assets so as to ensure that they carry out proper due diligence of loans to be securitised. In case of PDL where the portfolio offered for securitization is not having maturity of more than 24 months, the stipulated MRR is 5% of the assets to be securitised.

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NOTES FORMING INTEGRAL PART OF THE FINANCIALSTATEMENTS AS AT 31ST MARCH 2021

Process

On receiving the requirements from the Bank, PDL segregate a portfolio fulfilling all the stipulated conditions. Specified percentage of the said portfolio is sold to the Bank for an upfront payment and the same is de-recognised from PDL's Balance sheet. Remaining percentage of the portfolio stays on PDL's Balance Sheet as a normal asset.PDL act as a servicer for the part securitized with Bank to cover the collections from loan.

48. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as on 31st March 2021:

(₹ In Lakhs)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deposits	—	—	—	—	—	—	—	—	—	—
Advances	3833	3627	6250	7514	19643	44233	86266	18227	3863	**193456**
Investments (Bank FDR)	—	—	—	—	—	3253	34	—	—	**3287**
Borrowings	1536	267	340	140	10238	40423	18302	15904	31446	**118596**
Foreign Currency Assets	—	—	—	—	—	—	—	—	—	—
Foreign Currency Liabilities	—	—	—	—	—	—	—	—	—	—

49. Exposures:

a) Exposures to Real Estate Sector

(₹ In Lakhs)

[illegible]	[illegible]	[illegible]	[illegible]
Direct Exposure			
i)	Residential Mortgages		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	47	277
ii)	Commercial Real Estate		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	—	69
iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures		
	a) —	—	—
	b) —	—	—
Indirect Exposure		—	—

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NOTES FORMING INTEGRAL PART OF THE FINANCIALSTATEMENTS AS AT 31ST MARCH 2021

b) Capital Market Exposure

The company has not taken any exposure in capital market during the financial year 2020-21, and also the inventory of the company as at 31st March 2021 does not contain any exposure to capital market

c) Details of financing of parent company products: NIL

d) Details of Single Borrower Limit and Group Borrower Limit exceeded by NBFC

The company has adhered to the Prudential Exposure norms as prescribed by RBI and has not given any advances exceeding the limits as prescribed for Single borrower and Group Borrower.

e) Unsecured Advances

The unsecured advances outstanding as at Balance Sheet date are ₹ 2479 Lakhs. The Company does not have any loan or advances which are partially secured against any sort of licenses, rights, authorizations charged to the company.

50. Registration obtained from other financial sector regulators:

RBI Registration No.	:	B-14.02997
Company Identification No.	:	L65921DL1992PLC120483

The company has never been penalized for any non-compliance by financial sector regulators.

51. Bank borrowings of the Company has been assigned rating of "IVRA+/STABLE OUTLOOK" byInfomerics Valuation and Rating Pvt. Ltd. which denotes "Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk".

52. Provisions and Contingencies:

(₹ In Lakhs)

Break up of Provisions and Contingencies	2020-21	2019-20
Provisions for depreciation on investment	Nil	Nil
Provision towards NPA	134	89
Provision on Standard Accounts in default @5% *	Nil	602
Provision for Expected Credit Loss	368	266
Provision made towards income tax	1,913	1,940
Other provision and contingencies (Contingent Liability- in Arbitration matters) (Contingent Liability- Guarantee)	 17,265 9,491	 16,431 12,027
Provision for Standard Assets at the Balance Sheet date	775	693

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53. Unlisted Unsecured Non-Convertible Redeemable Debentures (NCDs):

Company has issued Unlisted Unsecured Redeemable INR Denominated Non-Cumulative Non-Convertible Debentures (NCDs) as under

(₹ In Lakhs)

Date of Allotment	Interest Rate (%)	Tenure	No. of NCDs	Face Value per NCDs	Amount
December 2020	12.00	120 Months	1	100.00	100.00
December 2020	12.00	36 Months	35	100.00	3500.00
February 2021	12.00	60 Months	23	100.00	2300.00

54. Concentration of Deposits, Advances, Exposures and NPAs:

a) Concentration of Deposits

The Company has not taken any deposits from public.

b) Concentration of Advances

(₹ In Lakhs)

Total Advances to twenty largest borrowers	50696
% of advances to twenty largest borrowers to total advances of the NBFC	26.21%

c) Concentration of Exposures

(₹ In Lakhs)

Total Exposure to twenty largest borrowers / customers	50696
% of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	26.21%

d) Concentration of NPAs

Provisioning for Substandard Assets/Doubtful Assets/Loss Assets has been made in compliance with the directions of Reserve Bank of India. As per decision of the Board of Directors in the cases where loan installments are overdue for more than 3 months and management is of the opinion that its recovery chances are very remote or negligible, the Company writes off these accounts (Net of Future Interest Charges) as bad debts. In all other cases where loan installments are overdue for more than 3 months the provisioning for non-performing assets is made in compliance with Non-Banking Financial Company Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions 2016, as applicable to the company. As per the RBI Directions dated 1st September 2016 updated as on 23rd February 2018 Company has made general provision of 0.40% of Standard assets. Other directives of Reserve Bank of India have been duly complied with. The details of top 3 NPA's written off during the year are given below:

(₹ In Lakhs)

1	Hindustan Infraprojects Pvt Ltd	382
2	Janki Devi	303
3	751 Films LLP	62
4	Hitkari Production and Creations	58

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e) Movement of NPAs

(₹ In Lakhs)

		Particulars	Current Year	Previous Year
(i)	Net NPAs to Net Advance (%)		0.57%	0.34%
(ii)	**Movement of NPAs (Gross)**			
	(a)	Opening balance	761.43	515.65
	(b)	Additions during the year	672.66	256.04
	(c)	Reductions during the year	39.50	10.26
	(d)	Closing balance	1394.59	761.43
(iii)	**Movement of Net NPAs**			
	(a)	Opening balance	594.06	437.38
	(b)	Additions during the year	608.80	180.97
	(c)	Reductions during the year	109.44	24.29
	(d)	Closing balance	1093.42	594.06
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**			
	(a)	Opening balance	167.38	78.27
	(b)	Provisions made during the year	134.32	90.69
	(c)	Write -back of excess provisions	0.52	1.59
	(d)	Write off	—	—
	(e)	Closing Balance	301.18	167.38

f) Sector wise NPAs (Write Offs)

Sr. No.	Sector	% Write off (Amount / Advance) 2020-21	2019-20
1	Agriculture & Allied activities	0.33	0.39
2	MSME	0.55	0.67
3	Corporate Borrowers	0.46	0.84
4	Services	0.37	1.68
5	Unsecured Personal Loans	0.00	0.00
6	Auto Loans	0.00	0.00
7	Other Personal Loans (LAP)	0.11	0.21
	Total	**1.83**	**3.79**

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55. The Company is domiciled in India and does not have any joint venture, associate or subsidiary abroad.

56. Off Balance Sheet SPVs sponsored:

The Company has not sponsored off Balance Sheet SPVs

57. Disclosures of Complaints:

a)	No. of complaints pending at the beginning of the year	—
b)	No. of complaints received during the year	7
c)	No. of complaints redressed during the year	7
d)	No. of complaints pending at the end of the year	—

58. Uncertainty relating to the global health pandemic from COVID-19 ("Covid-19"):

a) A deterioration of global economic conditions, central lockdown, state lockdown and curfews imposed by the central and state governments in an effort to slow the spread of coronavirus weighed on the domestic demand, supply and liquidity side due to disruption of business service offering, as we look forward to uncertainty due to the virus and economic macro and micro fluctuations, Paisalo remains resilient and maintains its strong CRAR.

During the ongoing global pandemic, we have been utilising and implementing alternative safe, secure and sterile work environment and arrangements. PAISALO has enabled its employees and business associates to work from home, including operations and call centre. We are constantly ensuring they continue to operate with proper and innovative technological tools so they can serve borrowers safely. Throughout the year we have had virtual sessions with our branches, employees and business associates, we have also continued to take appointments and proactively reach out to customers – helping them – often letting customers stay home by providing Door Step Sourcing and Servicing all the while maintaining Safe Distance and taking all necessary Non-Pharmaceutical Intervention. In addition, a vast majority of our branches, employees and business associates are equipped with all updated technology and are still functioning to provide needed credit to our borrowers. We have mobilized quickly and built new tools – digital and analog – to allow borrowers to request credit and ensure recovery.

The new frameworks introduced by the Government of India, Reserve Bank of India and Banks recognise the important role of the credit sector to deal with the economic effects of the Covid-19 outbreak, namely to channel aid to NBFCs like Paisalo, the frameworks makes clear that such aid is direct aid to the credit sector. So while holders of nbfc equity and debt have been selling these off over fears of weaker earnings and higher loan losses, that does not quite recognize what nbfc's are now becoming, which is pass-through vehicles for governments and big banks whose key value is that they have the local reach to households. This provides for funding and liquidity at Paisalo to be stable, given the well-established feet on ground presence, strong credit and risk assessment of the borrowers and continued support of our esteemed partner banks.

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The outbreak of Covid-19 pandemic across the globe & India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in economic activities. The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, the Company has offered a moratorium of six months on the payment of installments falling due between March 1, 2020 and August 31, 2020 to eligible borrowers. For all such loan asset accounts classified as standard and overdue as on February 29, 2020, where the moratorium is granted, the asset classification both, as per the RBI's Income recognition and asset classification norms and for determining the staging of such assets to determine the expected credit loss allowance as per the model approved by the Board of Directors of the Company, will remain at a standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification).

b) The Reserve Bank of India has issued a circular DOR.No.BP.BC.26/21.04.048/2020-21 dated 26 October 2020 on "Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (1.3.2020 to 31.8.2020).

The Government of India has announced the Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (1.3.2020 to 31.8.2020) (the 'Scheme') on October 23, 2020, which mandates ex-gratia payment to certain categories of borrowers by way of crediting the difference between simple interest and compound interest for the period between March 1, 2020 to August 31, 2020 by respective lending institutions.

The company has adjusted an amount of Rs. 30.61 Lakh in the borrower's accounts towards the 'Interest on interest' charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020 in conformity with the above circular.

c) The Reserve Bank of India has issued a circular DOR.STR.REC.4/21.04.048/2021-22 dated 07 April 2021 on "Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package"

All lending institutions shall immediately put in place a Board-approved policy to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020 in conformity with the above judgement.

The company has adjusted an amount of Rs. 457.53 Lakh in the borrower's accounts towards the 'Interest on interest' charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020 in conformity with the above judgement, out of which Rs. 446.30 Lakh is shown under the head exceptional items and Rs. 11.23 Lakh is shown as Amount receivable from Bank of Baroda under the current Assets head in respect of loan cases assigned to them.

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NOTES FORMING INTEGRAL PART OF THE FINANCIALSTATEMENTS AS AT 31ST MARCH 2021

59. Expected Credit Loss:

Comparison of Provisioning done under ECL model and under RBI requirements:

(₹ In Lakhs)

Classification as per Norms	Stage as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowance Provision required under Ind AS	Carrying Amount	Provision 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**	180942	1086	179856	721	362
	Stage 1	5208	313	4896	21	292
	Stage 2	5911	355	5556	24	331
Subtotal		**192061**	**1753**	**190308**	**768**	**985**
Non-Performing Assets (NPA)						
Substandard	**Stage 3**	672	134	538	67	67
Doubtful - up to 1 year	**Stage 3**	137	41	96	27	14
1 to 3 years	**Stage 3**	276	110	165	83	28
More than 3 years	**Stage 3**	309	155	155	124	31
Subtotal for doubtful		**723**	**306**	**416**	**234**	**72**
Subtotal for NPA		**1395**	**441**	**954**	**301**	**139**
Loss	**Stage 3**	3532	3532	—	3532	—
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset and Provisioning (IRACP) norms Classification						
	Stage 1	9491	119	9372	—	119
	Stage 2	—	—	—	—	—
	Stage 3	—	—	—	—	—
Subtotal		**9491**	**119**	**9372**	—	**119**
Total	**Stage 1**	195641	1517	194124	745	772
	Stage 2	5911	355	5556	24	331
	Stage 3	1395	441	954	301	139
	Total	**202946**	**2312**	**200634**	**1069**	**1243**
LESS : Provision for ECL previous year balance		—	266	—	—	—
Less : Provision for NPA		—	301	—	—	—
Less : Provision for Standard Assets		—	775	—	—	—
Excepted Credit Loss		—	969	—	—	—

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Schedule to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company(As required in Non-Banking Financial Company Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016:

(₹ In Lakhs)

PARTICULARS			2020	
LIABILITIES SIDE:				
1.	**Loans and advances availed by the NBFCs inclusive of interest Amount accrued thereon but not paid**		**Amount Outstanding**	**Overdue**
	(a)	Debentures		
		Secured	8600	—
		Unsecured	27900	—
		(other than falling within the meaning of public deposits*)		
	(b)	Deferred Credits	—	—
	(c)	Term Loans		
		Bank of India (Term Loan a/c)	173	—
		State Bank of India (Term Loan a/c)	3535	—
		Central Bank of India (Term Loan a/c)	232	—
		SIDBI (Term Loan a/c)	1255	—
	(d)	Inter-corporate loans and borrowing	5508	—
	(e)	Commercial Paper	—	—
	(f)	Other Loans (specify nature)		
		Bank of Baroda (WCDL a/c)	6000	—
		IDBI Bank (WCDL a/c)	1800	—
		State Bank of India (WCDL a/c)	2416	—
		The South Indian Bank Limited (WCDL a/c)	1350	—
		UCO Bank (WCDL a/c)	2220	—
		Punjab National Bank (WCDL a/c)	4249	—
		Central Bank of India (WCDL a/c)	7581	—
		Andhra Bank (WCDL a/c)	3000	—
		Bank of India (WCDL a/c)	2730	—
		Punjab National Bank (Cash Credit a/c)	1964	—
		Central Bank of India (Cash Credit a/c)	3458	—
		Bank of India (Cash Credit a/c)	1311	—
		Andhra Bank (Cash Credit a/c)	1997	—
		Corporation Bank (Cash Credit a/c)	6494	—
		Bank of Baroda (Cash Credit a/c)	3480	—
		United Bank of India (Cash Credit a/c)	4992	—
		UCO Bank (Cash Credit a/c)	1477	—
		IDBI Bank (Cash Credit a/c)	690	—
		Bank of Maharashtra(Cash Credit a/c)	4795	—
		State Bank of India (Cash Credit a/c)	1035	—
		The South Indian Bank Limited (Cash Credit a/c)	898	—

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(₹ In Lakhs)

				Union Bank of India	4992	—
				Assignment of Book Debts	—	—
				*Please see Note 1 below	—	—
2.	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)**					
	(a)			In the form of Unsecured debentures	—	—
	(b)			In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	—	—
	(c)			Other public deposits	—	—
				*Please see Note 1 below		
ASSETS SIDE:						
3.	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below)**					
		(a)		Secured	1,90,977	—
		(b)		Unsecured	2,479	—
4.	**Break -up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities**					
	(i)			Lease assets including lease rentals under sundry debtors		
		(a)		Financial lease	—	—
		(b)		Operating lease	—	—
	(ii)			Stock on hire including hire charges under sundry debtors		
		(a)		Assets on hire	—	—
		(b)		Repossessed Assets	—	—
	(iii)			Other loans counting towards AFC activities		
		(a)		Loans where assets been repossessed	—	—
		(b)		Loans other than (a) above	—	—
5.	**Break-up of Investments**					
	1			Current Investments		
				Quoted		
		(i)		Shares		
			(a)	Equity	—	—
			(b)	Preference	—	—
		(ii)		Debentures and Bond	—	—
		(iii)		Units of mutual funds	—	—
		(iv)		Government Securities	—	—
		(v)		Others (please specify)	—	—
				Unquoted		
		(i)		Shares		
			(a)	Equity (Group Companies) (Net)	—	—
			(b)	Preference	—	—
		(ii)		Debentures and Bonds	—	—

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(₹ In Lakhs)

		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Fixed Deposit with NBFC		—	—
			Fixed deposit with Bank's		—	—
			Interest accrued		—	—
	2	Long Term Investments				
		Quoted				
		(i)	Share			
			(a)	Equity	—	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (Please specify)		—	—
		Unquoted				
		(i)	Share			
			(a)	Equity- Subsidiary Company	4,224	—
			(b)	Equity- Other Company	2,390	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Investment in Partnership/LLP		—	—
			Fixed Deposit with Banks		32.87	—
			Interest accrued		0.24	—

(6) Borrower group-wise classification of assets financed as in (2) and (3) above
Please see Note 2

(₹ In Lakhs)

1	Related parties**				
	(a)	Subsidiaries	—	—	—
	(b)	Companies in the same group	—	—	—
	(c)	Other related parties	—	—	—
2	Other than related parties		1,90,977	2,479	1,93,456
	Total		**1,90,977**	**2,479**	**1,93,456**

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(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

			Market Value / Break up or fair value (Net of provisions)	Book Value (Net of provisions)
1	Related parties **			
	(a)	Subsidiaries	4,224	4,224
	(b)	Companies in the same group	—	—
	(c)	Other related parties	—	—
2	Other than related parties		—	—
	Total		**4224**	**4224**

** As per IND AS of ICAI.

(8) Other Information

			Amount
1	Gross Non-performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	1395
2	Net Non-Performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	1093
3	Assets acquired in satisfaction of debt		—

Notes:

1. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company-Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Direction, 2016.
2. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in column (5) above.

Signed in terms of our Report of even date

For D. TAYAL & JAIN.
Chartered Accountants
Firm Reg. No.011181C

(CA. DEEPAK TAYAL)
Proprietor
Membership No. 073102

Place : New Delhi
Date : 4th June 2021

For and on behalf of the Board

(ATUL KUMAR AGRAWAL)
Chief Financial Officer
PAN : ADOPA4603N

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

(HARISH SINGH)
Executive Director
DIN : 00039501

CREDIT POLICY

1. POLICY OVERVIEW

1.1 Preamble

1.1.1 The opening of the economy has resulted in entry of multinationals and participation of foreign institutional investors in the Indian corporate market. The business entities operating in India, to emerge successful, have to perceive and manage risks from a wider perspective of happenings in the world market. Any risk that overtakes the business entity automatically reflects on the lender's balance sheet. In the present scenario, when spreads are thinning and competition is acute, managing credit risk has become crucial.

1.1.2 Extending credit is a basic function of banking which involves risks. It is likely that some of the credit decisions may result in loss. PDL shall aim at managing risks in such a way that a healthy credit portfolio is built and returns are maximized.

1.1.3 In the current circumstances, PDL decided to upgrade its credit risk policy covering all activities where credit risk is assumed. This upgraded version of the credit policy shall enhance the risk management capabilities of PDL, making it possible to show a steady and healthy growth in its credit portfolio, resulting in overall improved performance.

1.2 Objectives

The Policy seeks to achieve the following broad objectives:

1.2.1 To establish PDL wide credit strategy in line with corporate business goals.

1.2.2 To encourage functionaries at different levels in PDL to assume reasonable credit risk so that returns can be maximized.

1.2.3 To achieve unity of direction in accomplishment of corporate goals at all levels in the area of overall credit management.

1.2.4 To adopt segmented approach in credit management through designated branches for catering to different categories of constituents so as to develop specialization and efficient credit operations.

1.2.5 To enlarge clientele base through aggressive marketing and achieve credit growth spread across the entire network of branches in tune with corporate business goals and credit strategy.

1.2.6 To have diversified and balanced growth of assets to ensure that no single category of assets adversely affects the overall performance of PDL

1.2.7 To have appropriate maturity profile of assets so as to have stability in Asset - Liability management.

1.2.8 To have appropriate mix of quality assets to achieve profitability goals

1.2.9 To have proper evaluation and appraisal standards for assessing and meeting the genuine credit needs of the customers and to avoid unviable proposals.

1.2.10 To establish an appropriate credit risk environment and control systems to manage credit risk inherent relating to on and off balance sheet activities.

1.2.11 To put in place Management Information System for early detection of problem accounts and for initiating remedial action in such cases, so as to contain delinquency and improve health of the credit portfolio.

1.2.12 To ensure compliance with all the directives / guidelines issued by the Government / Reserve Bank of India and other legal / regulatory requirements.

1.3 Scope

1.3.1 This document covers strategies and policies that govern credit risk of PDL Lending. Any exception or deviation from these policies and criteria shall be referred to Managing Director/ Operations and Finance Committee.

1.4 Modification and Review / Revision of the Policy

1.4.1 The Policy shall be modified to give effect to the changes in the extant guidelines / directives / instructions that may be advised by the Reserve Bank of India / Government of India from time to time, subject to reporting and approval of the Board.

1.4.2 The Policy shall also be reviewed / revised from time to time, in order to upgrade the credit risk management systems.

1.4.3 Any Other guidelines prescribed by the Regulator/ Government of India, from time to time, shall also be taken into consideration

1.5 Compliance

1.5.1 All the functional branches are expected to comply with the policy guidelines laid down in this document.

1.5.2 References/ clarifications if any, on the interpretation of any provisions of this policy may be made to Head Office, to clarify the provision and seek necessary approval from the Managing Director or from Executive Director in the absence of MD.

2. CREDIT STRATEGIES

2.1 Introduction

2.1.1 The credit strategies articulate PDL's approach towards the entire policy of credit management.

2.1.2 The strategy shall spell out the priorities in deployment of the funds mobilized and the overall management of the portfolios. The strategy shall clearly indicate the thrust areas for deployment of credit based on type, economic sector, geographical location, maturity, products and anticipated profitability.

2.2 Strategy for Credit Management

The overall strategy of PDL towards credit management shall be as under:

2.2.1 The credit plan shall budget for credit expansion during a financial year in tune with the planned resources position.

2.2.2 Considering the thinning spreads in lending to corporate sector in the recent past, credit expansion under commercial segment shall be under small and mid-size accounts.

2.2.3 PDL finance for real estate activities include advances secured by mortgages of real estate.

2.2.4 Exposure under this sector shall be taken in respect of constituents having good financial standing and/or good past track record.

2.2.5 It shall be the endeavor to expand the borrower clientele base through continued focus on retail lending and targeting small and medium sized entrepreneurs and large corporate having good financial standing and/or good past track record.

2.2.6 Further, innovative schemes may be formulated to elicit customer interest.

2.2.7 A well-diversified credit portfolio under different sectors /industries shall be built.

2.2.8 Credit shall be priced duly reckoning cost of funds, cost of services/ operating costs, risk premium, capital charge and margin of profit. The pricing shall further be subject to RBI guidelines / PDL's internal guidelines.

2.2.9 Marketing of credit - wholesale/ bulk/Small and Medium Enterprises/ retail shall be given due importance.

2.2.10 Prudential risk management practices in credit shall receive greater attention by timely identification, quantification, management and mitigation of various risks associated with credit, on a continuous basis.

2.2.11 PDL shall aim at "Quality credit Growth" resulting in higher earnings, shareholders value and overall growth.

2.2.12 The directives of the ALCO, issued from time to time, in respect of liquidity and interest rate risk management shall be complied with.

3. EXPOSURE NORMS

3.1 Introduction

Exposure Levels:

The primary guiding factors for fixing ceiling on exposures are the Prudential Exposure Norms prescribed by RBI.

Prudential Exposure Norms of RBI for Maximum Exposure:

Lend

15% of Own Funds : For Single Borrower
25% of Own Funds : For a Group

Invest in the shares

15% of Own Funds : For Single company
25% of Own Funds : For a Group

Lend & invest together

25% of Own Funds : For Single Borrower
40% of Own Funds : For a Group

Prudential Exposure Norms of RBI :

The sanctioned limits or outstanding, whichever are higher, shall be reckoned for arriving at the Credit Exposure Limit.

The guiding principle to determine whether a borrowing unit belongs to a particular Group would be (a) Commonality of Management and(b) Effective Control.

Exposures on FIs and Primary Dealers would be subject to single borrower exposure limits set within Prudential Exposure Norms.

Substantial Exposure Levels:

While Prudential exposure Norms of RBI would be the guiding factor for monitoring credit concentrations in terms of exposure as defined by RBI, the following levels of exposures will be deemed to be Substantial Exposures for triggering internal monitoring mechanism:

In Excess of:

15% of Own Funds : For Single Borrower
25% of Own Funds : For a Group

Substantial Exposure Norms are in-house norms set within the Prudential exposure Norms and are intended to help in monitoring credit concentrations.

These should not be deemed as a cap on further exposures and should not come in the way of booking quality business.

The deployment of credit shall be made in thrust areas/ sectors identified for the purpose. However, while taking credit exposures, as a prudential measure aimed at better risk management and avoidance of concentration of credit risks, the exposures shall be limited within RBI guidelines on prudential ceilings for individual / group borrowers.

3.2 Exposure Norms applicable to different categories of borrowers

3.2.1 Individuals as Borrowers:

3.2.1.1 Maximum aggregate credit facilities that can be sanctioned for an Individual borrower [personal loan] shall not exceed Rs. 50 crores.

3.2.1.2 Such exposures to Individuals shall be in the nature of personal and other loans for non-business purposes. Loans to individuals/ proprietary concerns for business and commercial purposes shall however be considered under the category of non-corporate borrowers.

3.2.2 Non-corporate Borrowers:

3.2.2.1 Maximum aggregate credit facilities that can be sanctioned to Non-Corporate borrowers shall be restricted to Rs. 100 crore in the case of Individuals (i.e. Proprietorship concerns) and Rs.150 crore in the case of other Non-corporate borrowers [other than individuals].

3.2.2.2 In respect of new clients\obligors, the aggregate PDL's exposure shall normally not exceed Rs.100 crore.

3.2.2.3 However, such ceiling shall be Rs.100 crores per borrower and Rs.125 crore for group in case of loan proposals emanating from Trust/ Society engaged in the activity of running hospital / educational institutions.

3.2.2.4 The above ceiling will also be applicable to the aggregate credit facilities sanctioned to different Partnership firms with common partners and to two or more sole proprietary business concerns with different trade names, but under the proprietorship of the same individual.

3.2.2.5 Providing any fresh credit facilities where HUF is shown as a partner in a partnership firm shall not be considered at all.

3.2.2.6 The Committee /Management/ Two Directors authorized for the purpose may approve the credit limits exceeding the above-prescribed limits on merits and with justifiable reasons.

3.2.3 Corporate Borrowers:

3.2.3.1 Maximum aggregate credit facilities that can be sanctioned to any corporate borrower shall be restricted to prudential exposure norms stipulated by the RBI. Capital funds for the purpose of computation of exposure ceilings shall be as defined under capital adequacy standards. Further, the exposure ceilings shall be calculated with reference to capital funds as published in the Audited Balance Sheet as at the end of 31st March every year. The infusion of capital either through domestic issue or overseas float after the published Audited Balance Sheet date shall also be taken into account for determining exposure ceilings.

3.2.4 Group:

3.2.4.1 For the purpose of identification of Group Accounts, the relevant information shall be ascertained from the application/ data furnished by the borrower to PDL. The Group may be determined on the basis of commonality of Management and effective control on the Management, which may be in the form of any/ more of the following:

3.2.4.1.1 Two concerns which have one or more common partner/ proprietor or their spouses;

3.2.4.1.2 Companies in the group shall mean an arrangement involving two or more entities related to each other through any of the following relationships: Subsidiary – parent (defined in terms of AS 21), Joint venture (defined in terms of AS 27), Associate (defined in terms of AS 23), Promoter-promotee (as provided in the SEBI (Acquisition of Shares and Takeover) Regulations, 1997) for listed companies, a related party (defined in terms of AS 18), Common brand name, and investment in equity shares of 20 per cent and above;

3.2.4.1.3 The proprietor/ partner of a firm, is a director in a Pvt. Ltd. Company or promoter director in a Public Limited Company or their spouses.

3.2.4.1.4 In case the Managing Member of a Association/ Society or Trustee of a Trust or Managing person of a Club is a proprietor/ Partner/ Director/ Karta of HUF/ Managing Member or Managing Person in any other constituent body of similar nature in the Firm/ Company/ Society/ Trust etc.

3.2.5 Review:

3.2.5.1 The implementation of the above prudential exposure management measures shall be reviewed annually.

3.2.6 Exemptions:

3.2.6.1 The following categories of exposures shall be excluded from the purview of the exposure ceiling:

a) Loan and/or investments in the Subsidiary(ies),

b) Entities notified by the any regulatory/government authorities,

4. CREDIT INVESTIGATION

4.1 Introduction

4.1.1 Whenever credit requests are to be considered, it is necessary to conduct a credit investigation before taking up such cases for evaluation. This process of preliminary study needs to be undertaken invariably before detailed evaluation.

4.2 Importance of Credit Investigation

4.2.1 Credit investigation shall be conducted, which is one of the basic and fundamental requirements of pre-sanction appraisal. The investigation unfolds valuable information viz., integrity, honesty, reliability, credit-worthiness, financial status, capacity, competence, experience etc., of prospective borrower, associate concerns, and the guarantor.

4.2.2 Credit investigation is also of immense use in post-sanction scrutiny and monitoring of borrower accounts.

4.2.3 **'Know Your Customer' (KYC)** principle, is equally applicable to borrower customers as per the KYC policy of PDL, through a proper credit investigation, PDL shall screen and disassociate itself from individuals / organizations involved in unethical practices, fraudulent activities and other crimes.

4.3 Process of Credit Investigation

4.3.1 Interview / discussion with the applicant:

Discussions with the First-time applicants borrower shall be carried out and the past track record, activities presently undertaken, associate/ group concerns, details about the proposed project such as infrastructure arrangements, forward and backward linkages, source of margin, arrangements for financial tie-up, procurement of raw material, selling and marketing arrangements, etc. shall be ascertained.

4.3.2 Industry Prospects:

Information, like present state and future prospects of the particular industry / activity in which the constituent is engaged duly taking in to account the market environment/ demand - supply position/major competitors/market share / position of the constituent in the respective industry, shall be ascertained.

4.3.3 Financial statements:

The applicable financial statements of the constituent, income / wealth tax returns / assessment orders of the constituent / guarantors, bank statements, stock statements shall be scanned through. These statements / documents shall throw light on growth in sales, profitability, cash accruals, tangible net worth position, investment in associates, term liabilities, repayment commitment under term loans in relation to cash accruals etc. The auditor's notes to the accounts shall reveal the accounting practices followed by the business entity, details of contingent liabilities including guarantee obligations, claims relating to income tax / sales tax / excise duty / custom duty pending in the courts / tribunals. The information gathered as above shall enable to get an idea on the business ethics adopted by the constituent and to take a decision whether or not to have dealings with the constituent. Information on the associates also may be ascertained.

4.3.4 Market information:

4.3.4.1 Opinion about the First-time applicant / associates shall be collected by making market enquiries.

4.3.4.2 In the case of small borrowers, it shall be ensured that the individual resides / undertakes activity within the command area and his address shall be confirmed. Further, discreet

enquiries shall be made with nearby residents / business establishments / employer / colleagues on the standing/ creditworthiness of the borrower.

4.3.5 Confidential opinion from existing Bankers:

4.3.5.1 The Confidential opinion/information from the existing Bankers shall be obtained mandatorily from the borrower where SMA reporting has happened in last six months. Any deviation in such practice shall be approved by higher authority.

4.3.6 Pre-Sanction visit to the applicant's place:

Pre-sanction visit to the First-time applicant's place shall be undertaken to confirm the existence of the unit as well as the assets offered as prime/ collateral security and their acceptability on need based.

4.3.7 Report from the credit information companies/credit bureaus:

Reports from credit information companies/credit bureaus shall be obtained while taking First time exposures.

4.3.8 Legal cases status if any

Latest status of any legal cases shall be obtained to assess risk impact.

4.3.9 Preparation of Credit Investigation / Due Diligence Report

After undertaking credit investigation and collecting information from various sources a due diligence report shall be prepared or informed telephonically to sanctioning officer by the investigator.

5. APPRAISAL / EVALUATION

5.1 Introduction

5.1.1 The appraisal / evaluation stage begins after a thorough credit investigation. The credit investigation process shall give comfort / confidence to go ahead with the Appraisal/ evaluation process.

5.1.2 The appraisal / evaluation process involves obtention of copies of all the required data from the borrower, and thereafter evaluating the various parameters viz., constitution, background and net worth of the promoters, purpose of the credit, working results, financial position, requirement of credit, repayment capacity, security, guarantee,

industry prospects, operations under the account, other ancillary business passed on to the Bank, etc.

5.2 Background

5.2.1 Educational / technical qualification/ age and experience of the applicant borrower and the promoters / directors managing the affairs of the firm / company shall be evaluated.

5.2.2 It shall be ensured that applicant borrower is regular in payment of statutory dues and adequacy of provisions in case of arrear by scrutinising documents like income tax / sales tax returns, assessment orders etc.

5.2.3 The fact that the name of the borrower or the name of the partner / director of borrower firm/ company is appearing in the defaulters' list/ caution advice circulated by RBI/ credit information companies / ECGC from time to time shall not be the sole reason for declining of any credit proposal, which otherwise conforms to the stipulated norms. While considering such proposals proper due diligence and cross verifications of the borrowing from other Banks shall be made. The justification/ specific reason for sanction of credit facilities in all such cases, vis-a-vis the fundamentals/ financials of the borrower/ guarantor, shall be clearly brought out in the appraisal note.

5.3 Purpose of the Credit

5.3.1 Purpose of the credit shall invariably be stated in all proposals. The same shall not violate any of the policy guidelines of PDL as well as the directives issued by the Government / RBI.

5.4 Analysis of Financial Statements

5.4.1 In respect of larger accounts under commercial segment the financial strength/ weakness of the constituent shall be analyzed from the financial statements by using ratio analysis and cash flow analysis as important tools. Though while appraising limits, Financial statements are being analysed, we haven't fixed any bench marks for approval/sanction of the loan.

5.4.2 Audited financial statements from the borrower for the latest three financial years shall be obtained.

5.4.3 Provisional financial statements shall be obtained in case the Audited statements are not ready / due as per respective statutory stipulation.

5.4.4 In order to evaluate the liquidity position, adequacy of net working capital (NWC) shall be studied.

5.4.5 Full details of other borrowings (including term loans) of the constituent shall be ascertained and it shall be ensured that the same are regular.

5.4.6 Ascertaining whether the borrowing entity is regular in payment of statutory dues and adequacy of provisions in case of any arrears.

5.4.7 Evaluating the level of inventory/stock and its demand supply ratio.

5.4.8 The position of creditors, average payment period and creditors outstanding beyond normal trade period shall be studied. Similarly, debtor's collection period/ debts outstanding for more than six months/ adequacy of collection machinery shall also be evaluated.

5.4.9 Auditors' notes to the accounts as regards contingent liabilities including claims not acknowledged as debt, guarantees executed on behalf of associate/ group companies, accounting practices followed and adverse comments if any shall be taken note for proper evaluation.

5.4.10 Wherever credit appraisal has been carried out on the basis of provisional financial statements, follow up shall be made and audited financial statements shall be obtained immediately on its finalization. Variations, if any, of the audited figures as against the provisional shall be reviewed with proper explanation with party and wherever warranted corrective action shall be initiated.

5.4.11 For small loans the credit assessment will be carried out the basis of the factors which include but not limited to:

- The Age of borrower(s): 18 to 75 year
- CRIF High Mark Score of 600+. FTB and exclusion codes -1, 0, 1, 13 and 15 to 18 i.e. no credit history also acceptable
- Indian Resident Only

5.5 Details of Group Concerns:

5.5.1 Endeavour shall be made to obtain and study the latest financial statements of all the Group concerns.

5.6 Evaluation and Assessment of limits:

5.6.1 Customer appraisal is a process of evaluating various risks such as Management risk, Business risk, Financial risk, Transaction risk, Security risk, Regulatory risk etc. for arriving at credit decision. In addition, the borrower grading used is an additional screen to evaluate the credit proposal.

5.6.2 Credit rating of constituent (if any) from credit rating agencies to be checked for any upgrade or downgrade to assess associated risks.

5.6.3 The financial indicators prescribed would be assessed and satisfactory banking conduct and standard asset classification of the potential obligor to be checked

5.6.4 For small businesses, the credit facility are normally assessed at 20% of acceptable projected turnover and linked to the borrower's operating cycle so that facilities are need based.

While assessing eligibility of borrower, any deviation in above risk factors and financial indicators can be relaxed only with the prior approval of next higher authority.

5.7 Pricing

5.7.1 Interest Rate and other charges would be as per the sanction terms as detailed in the Sanction Letter for the facility, duly acknowledged by the customer.

5.7.2 Increase in the Interest Rate/Fees/Charges to existing borrowers would be notified through our website/Account statements/email/SMS/notice at the branches, 30 days prior to the effective date of such increase.

5.7.3 In the event of default, the interest including penal interest shall be charged on overdue amount from the customers. The penal charges shall be communicated, by printing the same in BOLD letters in sanction letter as part of the sanction terms.

5.7.4 Penal other charges are leviable as a risk mitigating factor and not as a source of earning profit. These charges are leviable to ensure timely and regular repayment of monthly installments and further to force financial discipline among the borrowers and also to meet out PDL's own financial commitments to its bankers, although the past experience proves that the defaulters failing to pay principal will have no stone unturned to pay the even nominal late fee.

5.8 Recommendations

5.8.1 The appraisal memorandum shall contain specific recommendations as to whether or not to approve the credit facilities. Further, the all necessary covenants shall be stipulated to ensure that:

5.8.1.1 PDL funds are utilized for the purpose it is lent.

5.8.1.2 There is no diversion of funds.

5.8.1.3 The business entity maintains financial stability.

5.8.1.4 Securities stipulated are charged properly.

5.8.1.5 PDL is able to have proper monitoring and control over the exposure.

5.8.1.6 The borrower complies with laid down guidelines of PDL / regulatory requirements.

6. CREDIT APPROVAL

6.1 The structure, composition, functioning and the powers of the approval authority shall be prescribed with the approval of the Operations and Finance Committee of the Company.

6.2 The extant policies and procedures laid down by PDL and as amended from time to time, as on the date of credit approval shall be kept in view. Exceptions to the policy shall be considered only with the prior permission from the competent authority.

6.3 The scheme of delegation of credit approval powers shall be reviewed / revised periodically depending on business exigencies.

7. DOCUMENTATION AND ESTABLISHMENT OF FACILITIES

7.1 It shall be ensured that the contractual arrangements between PDL and the borrower are properly documented and executed. The detailed terms and conditions of credit approval shall be communicated to the customer in writing in the prescribed format in duplicate and obtain latter's concurrence for the same, in the copy of such communication and hold the same along with the documents.

7.2 The documents prepared/ obtained, executed shall be legally enforceable. The documents obtained shall bind the borrower/s, co-obligant/s, guarantor/s, third parties mortgaging pledging/ hypothecating their movable/immovable properties as securities for the credit facility as well as create an effective and enforceable charge over the securities given/ obtained for the facility.

7.3 Before obtaining any document or entering into any agreement, it shall be ensured that the constituent executing the documents is competent to enter into a legally valid and enforceable contract.

7.4 Documents shall be adequately stamped as required under the applicable Stamp Act/s, as the case may be.

7.5 The documents so executed shall be examined/ verified for correctness and completion in all respects vis-a-vis facilities extended, securities stipulated and the terms & conditions on which such credit has been approved.

7.6 It shall be ensured that the documents obtained are kept in force during the currency of the credit limit/s by obtaining periodic Acknowledgment of Debts.

7.7 Establishment of Facilities

7.7.1 The credit facility shall be made available to the constituent only after ensuring complete documentation and compliance with the terms of sanction.

7.7.2 The facility shall be released in the manner stipulated in the terms of credit approval ensuring end use of funds.

8. PROBLEM LOAN MANAGEMENT

8.1 Introduction

8.1.1 PDL undertakes credit exposure after subjecting every proposal to proper risk assessment and evaluation process and considering the same as an acceptable credit risk. In spite of following systematic credit appraisal & evaluation procedure, some of the borrower accounts may develop credit weaknesses on account of adverse internal or external factors. This results in drift in overall health of such accounts and the same turning into a problem credit.

8.2 Action points

8.2.1 PDL shall put in place a system wherein the potential problems could be recognized in the initial stage itself i.e., when the account starts showing first signs of weakness before turning into NPA

8.2.2 The occurrence of one or more of the following events shall be construed as an indication of the drift in the health of an account:

8.2.2.1. Return/bounce of EMI cheques issued by borrowers.

8.2.2.2. Poor financial performance in terms of declining sales and profits, cash losses, net losses, erosion of net worth, etc.

8.2.2.3. Incomplete documentation in terms of creation / registration of charge / mortgage etc.

8.2.2.4. Non-compliance of terms and conditions of sanction.

8.3 Recall/ Recovery action

8.3.1. In the case of problem accounts PDL shall initiate recovery action immediately.

8.3.2. The loan/advance shall be first recalled by issuing a demand cum recall notice/ Demand notice to the concerned parties.

8.3.3. In case the borrower fails to clear the dues within the given date or does not come up with a reasonable/ acceptable plan of action for repayment of the dues, PDL shall proceed with recovery action.

8.3.4. PDL shall invoke the guarantee.

8.4 Legal aspects

8.4.1. PDL may resort to resolve the dispute through mediation and conciliation process first.

8.4.2. The facility of arbitration shall be effectively used for quick and faster settlement of dues in small and mid-sized accounts wherever arbitration agreements have been obtained.

8.4.3. PDL may, in respect of totally unviable units, initiate action for winding up/ selling of the unit early, so as to recover whatever is possible through legal means before the security position becomes worse in terms of its value and sale ability

8.4.4. Steps shall be taken to file suit for recovery expeditiously in the court of Law.

8.4.5. PDL may also take recourse to criminal proceedings along with civil suit where misleading information has been furnished influencing PDL's credit decision and in case of value-less guarantees and diversion of funds.

9. RESTRICTIONS ON LENDING ACTIVITY

In conformity with the prevailing RBI guidelines, it shall be ensured that the following stipulations with regard to lending activities are adhered to:

9.1 No loans/ advances shall be granted against the security of PDL's own shares

9.2 No loans/ advances shall be granted against gold/ silver bullions.

9.3 No loans/ advances shall be granted to companies for buy-back of their own securities.

9.4 No loans / advances shall be granted against Certificate of Deposits.

9.5 No loans/ advances shall be granted against the security of partly paid shares.

9.6 No loans/advances shall be granted :

9.6.1. To partnership firms/ sole proprietor concern against the primary security of shares/ debentures,

9.6.2. For financing badla transactions.

10. POLICY ON SMALL/TINY CREDIT

10.1 The objective of Small/Tiny Credit is to provide credit at reasonable cost, to the hitherto neglected sections of the society whose economic operations are at subsistence level. Small/tiny credit shall cover production loan and other credit needs such as housing and shelter improvement.

10.2 The small/tiny credit shall be in the form of:

10.2.1 direct finance to SHGs

10.2.2 financing of SHGs through NGOs

10.2.3 financing through Micro Finance Institutions

10.2.4 direct finance to individuals

10.3 Credit assessment

10.3.1 The branch shall disburse the credit in bulk directly to the Group, which may be formal or informal.

10.3.2 Repeat loans can be considered on satisfactory track record.

10.3.3 In case, some members of SHGs require large loan than that to be covered under the savings related loaning, the SHG may appraise the requirement and recommend the proposal to PDL for direct lending by PDL to the concerned member. In such cases, SHG shall accept the responsibility for proper credit utilisation and repayment by the member and for monitoring the same. The purposes for which the group lends to the members shall be left to the common wisdom of the group.

10.3.4 Small/tiny credit may also be extended through other entities adopting Group Dynamics, such as Joint Liability Groups [JLGs], where functioning may be different from those commonly followed by SHGs.

11. POLICY ON REAL ESTATE ADVANCES

11. 1 Real Estate essentially covers residential housing, commercial offices and trading spaces, such as theatres and retail outlets. Real Estate business involves purchase, sale and development of residential and non-residential buildings. Real Estate industry is on the threshold of a growth explosion fuelled by the boom in infrastructure and other ancillary industries. A multiple of factors have been responsible for the boom in the housing industry; these include shift in government policies allowing tax breaks on housing loans, rise in disposable income, and fall in interest rates. The large-scale construction of multiplexes and malls throughout the country, and the rising demand for office space from IT/ITES has led to unprecedented growth in commercial real estate market. Banks / financial institutions /NBFCs have increasingly associated themselves in funding these activities and exposure on this sensitive sector has gone up substantially over the years.

11. 2 Objectives

The policy seeks to achieve the following broad objectives:

11.2. 1 To formulate suitable exposure norms for the industry and operate within the laid down norms.

11.2. 2 To establish an appropriate credit risk environment and control systems in PDL to manage credit risk inherent in financing the real estate business

11.2. 3 To put in place proper Management Information system for the orderly development of the portfolio.

11.2. 4 To ensure compliance with all the directives / guidelines issued by the Government / Reserve Bank of India and other legal / regulatory requirements.

11. 3 Review of the Portfolio

The credit department will review the "Real Estate Loan Portfolio" on annual basis.

11.3.1 The Credit Policy and Planning Section shall furnish to all the sanctioning sections/divisions/offices, the overall exposure of PDL on this sector at quarterly intervals.

11.3.2 While undertaking portfolio reviews, a study of the actual performance of the portfolio and its constituents shall be made in relation to the performance of the industry / sector / segment, future prospects, possible threats/ anticipated problems etc.

11.3.3 The existing accounts with internal credit ratings/grading below the acceptance level shall be reviewed and appropriate action shall be initiated, wherever necessary.

11. 4 Compliance

11.4.1 In case of any doubt about the applicability of any aspect of these policies to any situation, clarification / approval shall first be sought from Credit Division prior to committing.

11. 5 Classification of Advances Under Real Estate

The Real Estate portfolio shall be broadly classified as under:

11.5. 1 Residential Mortgages

11.5. 2 Commercial Real Estate

11.5. 3 Investments in Mortgage Backed Securities

11. 6 Exposure Norms

11.6.1 Exposure on Real Estate portfolio will be within the overall exposure norms of RBI for NBFCs. However, within such ceiling the Board will decide its exposure as a prudent business decision. The norms relating to the ceiling on the total amount of real estate loans, single/group exposure limits for such loans, margins, security, repayment schedule and availability of funds.

11. 7 Collaterals and Guarantee Standards

11.7. 1 Security:

11.7. 1.1 The real estate property offered as security shall be a free hold property with a clear marketable title. However, in exceptional cases, where the land is held on long term / perpetual lease basis, the proposal can be considered even on lease hold property subject to legal clearance.

11.7. 1.2 Normally equitable mortgage of the properties proposed to be acquired, developed, securitized from out of PDL finance shall be held as security, after due compliance with all legal formalities. However, credit department may, on case-to-case basis and on merits, permit security of alternate properties in exceptional cases. Based on the need felt, in addition to / or in lieu of equitable mortgage of land proposed to be developed, other properties in the name of the developer /other parties may also be obtained as security.

11.7. 1.3 The properties offered as security shall be preferably valued in accordance with the circle/market rate and will be reviewed once in three years and if there is a shortfall in the asset coverage ratio prescribed, the borrower shall be asked to replenish the same.

11.7. 2 Guarantee:

11.7. 2.1 In case of loans to partnerships, trusts and private limited companies, personal guarantee of partners, trustees and promoter directors respectively shall generally be obtained. However, wherever possible, a suitable third-party guarantee may be obtained depending upon the quantum of loan, security coverage and net-worth of the partners/ trustees/ directors.

11.7. 2.2 In all other cases, other than corporate, suitable third parties guarantee acceptable to PDL should invariably be obtained.

11.7. 2.3 Wherever third-party properties are offered as security, guarantee of the property owners shall be obtained.

11.7. 2.4 However, the sanctioning authority is empowered to waive or modify this clause on justifiable grounds

11. 8 Margins and Tenor

11.8.1 In respect of loans extended for development / construction of buildings, minimum margin as stipulated by PDL from time to time shall be maintained. Further, for arriving at need-based finance, the advance money / partial sale considerations expected to be received during the construction phase shall also be taken into account.

11.8.2 In respect of the stipulated margin, the promoter shall bring in at least 20% of total project cost from his own funds, excluding advances, if any received from the prospective customers.

11. 9 Risk Management

Following risks are associated with the development of commercial real estate / housing projects:

- Financial Risks
- Real Estate Price Risk
- Demand Risk

11.9. 1 Financial Risk:

11.9. 1.1 As the cash flows will accrue only after the project is completed, the developer may face financial crunch in completing the project if adequate resources are not raised and the project may ultimately become unviable. It is in this respect that it shall be ensured that the applicants have the capability to raise the resources from their own sources / borrowings or through advance money from the prospective customers.

11.9. 1.2 Self certified borrower's declaration / Chartered Accountant's Certificate be obtained as a proof of investments made into the business/ project, wherever required.

11.9. 2 Real Estate Price Risk:

11.9.2.1 Real Estate price cycles have the maximum impact on the margins of developers / builders/contractors, because land costs account for a large portion of the constructed property. Real estate prices in the past have fluctuated during the span of procuring land, commencing construction on a project and its eventual completion, thereby exposing project developers to volatility in land prices. Currently, real estate prices especially in the residential segment have stabilized and with prices expected to move up by 10 per cent over the medium term, the risk of real estate prices moving unfavorably is offset to a large extent.

11.9. 3 Demand Risk:

11.9. 3.1 Demand risk for residential developers / builders indicates the ability to sell properties based on location, brand, track record (quality and timeliness of completion). Most builders/developers have addressed this risk by undertaking market surveys, in order to assess the demand for their properties. Demand is also strongly influenced by policy decisions relating to housing sops.

11.9. 3.2 While entertaining proposals from developers, PDL shall keep in mind the reputation of the developers in the market, their past track, quality of work, demand for flats/space in the location and their ability to sell the flats.

11.9. 3.3 Each of these risks shall be addressed in the appraisal memorandum.

12. POLICY ON BULLET REPAYMENT LOAN:

12.1. Bullet repayment loans are provided to borrowers with requirement of finance to meet out working capital shortfall, capital intensive projects having long gestation, for project development which requires higher moratorium period in finance etc. Such loans have facility of repayment of whole principal at the end of maturity of loan period or before maturity after giving notice of one month to the company. Interest is being charged and payable monthly.

13. POLICY ON ADVANCES TO MICRO, SMALL & MEDIUM ENTERPRISES [MSMEs]

13.1 Introduction

13.1.1 This is a Policy enunciated for funding Micro, Small and Medium Enterprises [MSMEs] in PDL and formulation of a suitable risk framework for safeguarding the interests of PDL in this regard.

13.1.2 Micro, Small and Medium enterprises [MSMEs] are the growth engines of the Indian economy due to their ability to create jobs, foster entrepreneurship and to provide depth to the industrial base of the economy. With the opening of the Indian economy due to liberalization and globalisation, this vital sector of the economy is facing huge challenges and competition from the domestic as well as multi-national corporations.

13.2 Objectives

13.2.1 Hassle-free flow of credit to MSME sector

13.2.2 Encourage MSME by rationalizing interest rates

13.2.3 Higher emphasis on cluster approach, which is cost effective and risk mitigant.

13.3 Goal

13.3.1 Self-targets shall be fixed for financing to MSME sector at all levels.

13.3.2 All efforts will be made to ensure that credit is available to all segments of the MSME sector.

13.4 Strategies

13.4.1 With a view to frame a simple, comprehensive and more liberal policy for enhancing the flow of credit to both Small and Medium Enterprises, at highly competitive rates, by reducing the transaction costs, the overall strategies shall be implemented.

13.5 Review of the Portfolio

13.5.1 The Head Office shall annually review MSME portfolio.

13.5.2 The **Credit Division** shall furnish the overall exposure of PDL on this sector at quarterly intervals.

13.5.3 While undertaking portfolio reviews, a study of the actual performance of the portfolio and its constituents shall be made in relation to the performance of the industry/ sector/ segment, future prospects, possible threats/ anticipated problems etc.

13.5.4 During the review of the portfolio, if a significant number of borrowers accounts show signs of credit weakness, the acceptance weightage for taking exposures shall be increased to ensure that PDL's exposure is restricted to better rated constituents.

13.6 Overview of Micro, Small and Medium Enterprises [SMEs]

13.6.1 The Micro/ Small/ Medium (manufacturing) Enterprises are enterprises engaged in the manufacture/ production or preservation of goods and whose investment in plant and machinery stipulated as per MSME Act, irrespective of the location of the unit.

13.6.2 The Small & Medium (manufacturing) Enterprises are Enterprises engaged in the manufacture/ production or preservation of goods and those whose investment in plant and machinery stipulated as per MSME Act.

13.6.3 Micro/ Small/ Medium(service) Enterprises are Enterprises engaged in providing/ rendering of services and whose investments in equipment stipulated as per MSME Act.

13.6.4 Small & Medium (service) Enterprises, are Enterprises engaged in providing/ rendering of services and whose investment in equipment stipulated as per MSME Act.

13.7 Indirect Finance

13.7.1 Persons involved in assisting the decentralized sector in the supply of inputs and marketing of outputs of artisans, village and cottage industries.

13.7.2 Advances to co-operatives of producers in the decentralized sector, viz. artisans, village and cottage industries

13.8 Exposure Norms

13.8.1 The Micro, Small and Medium Enterprises shall receive due attention in credit deployment from the point of building up volumes with quality and also from the point of contributing for the development of Key sector of the national economy.

13.8.2 Following shall be the procedure for processing and sanctioning of the credit proposal:

13.8.2.1 Obtention of application for credit facilities from the borrowers in the prescribed format

13.8.2.2 Obtention of statement of assets and liabilities of the borrower/ proprietor/ directors/ partners, etc. and verifying the same with documentary evidence namely Income Tax Returns, Wealth Tax Returns, Sales Tax Returns etc.

13.8.2.3 Conducting preliminary investigations / due diligence

13.8.2.4 Scrutinizing the financial statements and other information submitted by the borrower to ascertain the feasibility, technical, financial and economic viability of the proposal.

13.8.2.5 Confirming that the proposal is within PDL's lending policy.

13.8.2.6 To ascertain whether the security offered is on PDL's approved list and its marketability, transferability, storage etc.

13.8.2.7 Pre-sanction inspection of the project preferably before sanction/ recommendation to the sanctioning authority

13.8.2.8 All loan applications submitted by MSME borrowers shall be mandatorily acknowledged.

13.9 Appraisal

All credit proposals received from the parties shall be properly appraised at the branch level taking into consideration the credit worthiness of the borrowers, their business experience and activities, the financial ratios of the borrowers, the purpose and need for the credit and giving justification for the proposed limit.

13.10 Credit Assessment of MSME Units shall be computed on any of the following methods

a.	Projected Turn over Method [PTM]
b.	Permissible Bank Finance Method [PBF]
c.	Cash Budget Method [CBM]
d.	Direct financing on internal assessment basis (DFM)

13.11 Rating/Grading

The Credit Rating/Grading Model, as applicable, covering borrowers rating shall be introduced. Borrower-wise Rating shall cover Industry, Business, Financials and Management aspects. The Credit Rating/Grading Model shall be utilized as a tool for individual credit selection, pricing, limiting exposure, maturity and portfolio analysis etc. Rating/Grading matrix given in Annex-I.

13.12 Collaterals & Guarantee

13.12.1 On the basis of good track record and financial position, the sanctioning authority may prescribe suitable requirement of collateral security for the loans on need based.

13.12.2 Wherever third-party properties are offered as security, guarantee of the property owners shall be obtained.

13.12.3 However, sanctioning authority is empowered to waive or relax guarantee on justifiable grounds.

13.13 Rate of Interest

13.13.1 Rate of interest on MSME advances shall be as decided by Management of the Company from time to time.

13.14 Penal Interest

13.14.1 Penal interest shall be charged at the rate prescribed in sanction letter/ loan agreement.

13.15 Repayment schedule

13.15.1 Repayment schedule shall be fixed taking into account surplus generating capacity, the break-even point, the life of the asset, the sustenance requirements etc., and not in an "ad hoc" manner.

13.16 Service Charges

13.16.1 The service/ processing charges shall be charged as per PDL's pricing norms as approved by Operations and Finance Committee from time to time.

13.17 Time norms for disposal of credit proposals

13.17.1 For MSE Unit:

Sl. No.	Exposures	Time norms
1	Loans upto Rs.25,000	Within 15 working days
2	Loans above Rs.25,000	Within 25 working days

13.17.2 For Medium Enterprises:

Sl. No.	Exposures	Time norms
1	Loans upto 2 crores	40 working days
2	Loans above 5 crores	48 working days

13.17.3 A provisional acknowledgment for receipt of all loan applications shall be given. The Branch concerned shall verify the loan applications within a period not exceeding 6 working days. If additional details / documents are required, the branch shall intimate the requirement to the borrowers immediately within this period. Where full details/ documents are available, the branch concerned shall submit the proposal with its recommendations to the higher authorities within 12 working days.

13.17.4 If any additional details / documents are required by sanctioning authority, the same shall be conveyed to the branches within 21 working days from the date of receipt of the proposal at the respective office to enable the branch to in turn convey the same to the applicant / borrower.

13.17.5 If all the requirements in respect of details / documents are complied with by the borrowers, the proposals concerned shall be acknowledged and the above time frame shall be adhered to for disposal of the proposal from the date of acknowledgment.

14. POLICY ON ADVANCE AGAINST PROPERTY

14. 1 Introduction

This is a policy enunciated for all purpose loan against mortgage of any immovable property. The loan can be obtained for any purpose against security of immovable property. Small entrepreneur can extend their business or start a new business against mortgage of immovable property.

14. 2 Objectives

14.2. 1 provide assistance to startup or extend business

14.2. 2 encourage small entrepreneur by rationalizing interest rates

14.2. 3 To establish an appropriate credit risk environment and control systems in PDL to manage credit risk inherent in financing the loan against property.

14.2. 4 To put in place proper Management Information system for the orderly development of the portfolio.

14.2. 5 To ensure compliance with all the directives / guidelines issued by the Government / Reserve Bank of India and other legal / regulatory requirements.

14. 3 Review of the Portfolio

14.3. 1 The Credit Department at the Head Office shall annually review the Loan against Property portfolio.

14.3. 2 The Credit Department shall furnish the overall exposure of PDL on this sector at quarterly intervals.

14.3. 3 While undertaking portfolio review, as study of the actual performance of the portfolio and its constituents shall be made in relation to the performance of the industry / sector / segment, future prospects, possible threats / anticipated problems etc.

14.3. 4 During the review of the portfolio, if a significant number of borrower accounts show signs of credit weakness, the acceptance weightage for taking exposures shall be increased to ensure that PDL's exposure is restricted to better rated constituents.

14. 4 Exposure Norms

14.4. 1 The small Entrepreneur shall receive due attention in credit deployment from the point of building up volumes with quality and also from the point of contributing for the development of key sector of the national economy.

14.4. 2 Following shall be the procedure for processing and sanctioning of the credit proposal:

14.4.2. 1 Obtention of application for credit facilities from the borrowers in the prescribed format.

14.4.2. 2 Obtention of statement of assets and liabilities of the borrower / proprietor / directors /partners, etc. and verifying the same with documentary evidence namely Income Tax Returns, Wealth Tax Returns, Sales Tax Returns etc.

14.4.2. 3 Conducting preliminary investigations / due diligence.

14.4.2. 4 Scrutinizing the financial statements and other information's submitted by the borrower to ascertain the feasibility, technical, financial and economic viability of the proposal.

14.4.2. 5 Confirming that the proposal is within PDL's lending policy.

14.4.2. 6 To ascertain whether the security offered is on PDL's approved list and its marketability, transferability, storage etc.

14.4.2. 7 Pre-sanction inspection of the project preferably before sanction / recommendation to the sanctioning authority.

14.4.2. 8 All loan applications submitted by borrowers shall be mandatorily acknowledged.

14. 5 Appraisal

14. 5.1 All credit proposal received from the parties shall be properly appraised at the branch level taking into consideration the credit worthiness of the borrowers, their business experience and activities, the financial ratios of the borrowers, the purpose and need for the credit and giving justification for the proposed limit.

14. 6 Rating/Grading

14. 6.1 The Credit Rating/Grading Model, as applicable, covering borrowers rating and facility-wise rating shall be introduced. Borrower-wise rating shall cover Industry, Business, Financials and Management aspects and whereas facility-wise rating shall cover type of facility and nature of security. The Credit Rating/Grading Model shall be utilized as a tool for individual credit selection, pricing, limiting exposure, maturity and portfolio analysis etc.

14. 7 Collaterals & Guarantee

14.7. 1 The property offered as security should have a clear marketable title. Normally equitable mortgage of the properties shall be held as security, after due compliance with all legal formalities.

14.7. 2 Wherever third party properties are offered as security, guarantee of the property owners shall be obtained.

However, sanctioning authority is empowered to waive or relax guarantee on justifiable grounds.

14. 8 Rate of Interest

14.8. 1 Rate of Interest on loan against property shall be as per the pricing policy of the Company as approved by the Operations and Finance Committee from time to time.

14. 9 Penal Interest

14.9. 1 Penal interest shall be charged at the rate prescribed in sanction letter/loan agreement.

14. 10 Repayment Schedule

14.10. 1 Repayment schedule shall be fixed taking into account regular generating capacity, the break-even point, the life of the asset, the sustenance requirements etc., and not in an "ad hoc" manner.

14. 11 Service Charges

14.11. 1 The service / processing charges shall be charged as per the pricing policy of the Company as approved by the Operations and Finance Committee from time to time.

14. 12 Time norms for disposal of credit proposals

14.12. 1 Loan proposal will be processed within 25 working days.

14.12. 2 A provisional acknowledgment for receipt of all loan applications shall be given. The Branch concerned shall verify the loan applications within a period not exceeding 6 working days. If additional details / documents are required, the branch shall intimate the requirement to the borrowers immediately within this period. Where full details/ documents are available, the branch concerned shall submit the proposal with its recommendations to the higher authorities within 7 working days.

14.12. 3 If any additional details / documents are required by sanctioning authority, the same shall be conveyed to the branches within 8 working days from the date of receipt of the proposal at the respective office to enable the branch to in turn convey the same to the applicant / borrower.

14.12. 4 If all the requirements in respect of details / documents are complied with by the borrowers, the proposals concerned shall be acknowledged and the above time frame shall be adhered to for disposal of the proposal from the date of acknowledgment.

15. POLICY ON CO-LENDING OF LOANS WITH BANKS FOR LENDING TO PRIORITY SECTOR

15.1. Introduction and Objective

15.1.1 Paisalo Digital Limited (hereinafter referred as 'PDL') a Systemically Important, Non-Deposit Taking, Non-Banking Financial Company (NBFC-ND-SI), registered with Reserve Bank of India as a Investment and Credit Company ("ICC"). PDL is a public limited company and its shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

15.1.2 PDL is engaged in lending to individuals, SSIs, SMEs and other manufacturing, trading and service sector entities and organisations for income generation activities. PDL depend for funding on sources like Capital & Reserves, Non-Convertible Debentures and Credit loan from Banks and other Financial Institutions.

15.1.3 PDL being a registered Non-Banking Financial Company, eligible for co-lending of loans with Bank(s) for lending to priority sector by enter into an agreement/master agreement with Bank(s) for this PDL is required to formulate a policy for Co-Lending Model of loans arrangement with Bank(s) in reference to Notification no. RBI/2020-21/63FIDD.CO.Plan.BC.8/04.09.01/2020-21 dated November 05, 2020 as issued by Reserve Bank of India which supersedes RBI's earlier Notification no. RBI/2018-19/49 FIDD.CO.Plan.BC.08 /04.09.01/2018-19 dated September 21, 2018 on co-origination of loans by Banks and NBFCs.

15.2 Preamble

This policy of Paisalo Digital Limited is being formulated pursuant to Notification issued by Reserve Bank of India on November 5, 2020 having reference no. RBI/2020-21/63, FIDD.CO.Plan.BC.No.8/04/09/01/2020-21 (CLM Guidelines) to formulate the broad guidelines for the Company to enter into the Arrangement with Bank(s) for lending to priority sector under "Co-Lending Model" (CLM).

15.3 Salient Features of Co-Lending Model are as under:

15.3.1 The primary focus of the revised scheme, rechristened as "Co-Lending Model" (CLM), is to improve the flow of credit to the unserved and underserved sector of the economy and make available funds to the ultimate beneficiary at an affordable cost, considering the lower cost of funds from Banks and greater reach of the NBFCs.

15.3.2 All Schedule Commercial Banks (excluding Regional Rural Banks; Small Finance Banks; Local Area Banks and Urban Co-operative Banks) are permitted to Co-lend with Registered NBFCs (including HFCs) under Co-Lending Model (CLM).

15.3.3 The Co-lending Banks will take their share of the individual loans on a back to back basis in their books. However, NBFCs shall be required to retain a minimum of 20 percent share of the individual loans on their books.

15.3.4 It will involve sharing of risks and rewards between the Bank and the NBFC for ensuring appropriate alignment of respective business objectives, as per the mutually decided agreement between the bank and the NBFC, *inter-alia*, covering the essential features as indicated below:

(i) Sharing of Risk & Rewards

(ii) Interest Rate

(iii) Know Your Customer (KYC)

(iv) Loan Sanction

(v) Common Account

(vi) Monitoring & Recovery

(vii) Security & Charge Creation

(viii) Provision / Reporting Requirement

(ix) Assignment / Change in Loan Limits

(x) Grievance Redressal

(xi) Business Continuity Plan

15.3.5 The Bank can claim priority sector status in respect of its share of credit while engaging in the Co-Lending Arrangement.

15.3.6 The Priority sector assets on Bank's Books should at all times be without recourse to the NBFC.

15.3.7 Based on respective interest rates and proportion of risk sharing, a single blended all-inclusive interest rate should be offered to the ultimate borrower.

15.3.8 RBI may call for information like loan details including interest rates and other charges, details of risk sharing arrangements, etc. as and when required.

15.3.9 While engaging for Co-Lending Arrangements, inter-alia, the Bank/NBFC is required to adhere to extant guidelines on outsourcing of financial services. Accordingly, though the NBFC is expected to source loans as per the mutually agreed parameters between the Bank and NBFC, Bank shall not outsource its part of credit sanction component to NBFC.

15.3.10 For any grievance redressal, any complaint registered by a borrower with the NBFC/ Bank shall also be shared with the Bank/NBFC; in case the complaint is not resolved within 30 days, the Borrower would have the option to escalate the same with the concerned Banking Ombudsman / Ombudsman for NBFCs.

15.3.11 The Bank / NBFC shall formulate a Board approved policy for entering into a Co-Lending Agreement with the NBFC/Bank.

15.3.12 The loans under the Co-Lending Model (CLM) shall be included in the scope of internal / statutory audit within the Banks and NBFCs to ensure adherence to their respective internal guidelines, terms of the agreement and extant regulatory requirements.

15.3.13 The Master Agreement may provide for the Banks to either mandatorily take their share of the individual loans originated by the NBFCs in their books as per the terms of the agreement, or to retain the discretion to reject certain loans after their due diligence prior to taking in their books, subject to the conditions.

15.4 This Policy of the Company shall be known as "Policy on Co-Lending of loans with Banks for lending to Priority Sector" and subject to the Notification FIDD.CO.Plan.581/04.09.001/2020-21 as issued by RBI on December 2, 2020, will supersede Company's previous policy named Policy on Co-origination of Loans with Banks for Lending to Priority Sector.

15.5 Applicability

15.5.1 The policy is applicable in case of following segments only:

i) Co-origination of loan with Scheduled Commercial Banks only, excluding SFBs, RRBs, UCBs and LABs and foreign banks (including WOS) with less than 20 branches.

ii) Lending to be made only to priority sector defined by RBI

15.6 Norms of Agreement between PDL and Co-Lender:

15.6.1 A Master Agreement shall be entered into between PDL and the Co-Lending Partner Bank(s) which shall inter-alia include, terms and conditions of the arrangement, the specific product lines and areas of operation, along with provisions related to segregation of responsibilities as well as customer interface and protection issues.

15.6.2 The Master Agreement may provide for the Banks to either mandatorily take their share of the individual loans, originated by PDL, in their books as per the terms of the agreement, or to retain the discretion to reject certain loans after their due diligence prior to taking in their books Accordingly, this policy of PDL is divided into two part:

(A) Where Bank mandatorily take their share for the individual loans as originated by PDL

(B) Where Bank retain the discretion to certain loans subject to its due diligence

PART – A

15.6.2.1 POLICY WHERE BANK MANDATORILY TAKE THEIR SHARE FOR THE INDIVIDUAL LOANS AS ORIGINATED BY PDL

Minimum required criteria would be followed for any arrangement of co-lending of loans with Bank(s) by PDL shall be:

15.6.2.1.1 SCOPE

The arrangement with Bank(s) will comply with the extant Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by Banks as issued by RBI vide Circular no. RBI/2014-15/497/DBR.No.BP.BC.76/21.04.158 /2014-15 dated March 11, 2015 and updated from time to time.

15.6.2.1.2 SHARING OF RISK & REWARDS

Generally, PDL will accept minimum 20% of credit risk by way of direct exposure on its book till maturity. However, Maximum Credit Risk would be decided on case to case/ arrangement basis by Managing Director or any other person, if so authorized by Managing Director.
The % of credit risk in all cases shall be guided by the terms of agreement PDL and Co-lender.

15.6.2.1.3 INTEREST RATE

- Subject to credit policy of the Company, as updated/amended from time to time, PDL shall offer its rate of interest on fixed/floating rate basis.
- PDL and the partnering bank shall have the flexibility of pricing their part of exposure in accordance with internal pricing strategies, however, the ultimate borrower shall be charged an all-inclusive interest rate.
- PDL shall charge an upfront specified percentage, as negotiated with partnering bank, towards its services viz. sourcing and collection.
- Upon repayment, the interest shall be shared between PDL and the bank in proportion to their share of credit and interest.
- Any negotiation on interest rate may be done by Managing Director or any other person, if so, authorized by Managing Director.

15.6.2.1.4 KNOW YOUR CUSTOMER

- PDL shall follow “Know Your Customer' (KYC) Guidelines” as issued by the Reserve Bank of India from time to time.
- Presently applicable circular for the same is RBI/2015-16/108 DNBR(PD) CC No. 051/03.10.119/2015-16 dated July 1, 2015.
- Link:

  https://rbidocs.rbi.org.in/rdocs/notification/PDFs/108KYF7989C864E6F41F1BE1B5326C9BA5212.PDF

15.6.2.1.5 CUSTOMER RELATED ISSUES

- PDL shall be the single point of interface for the customers and shall enter into a loan agreement with the borrower, which will clearly contain the features of the arrangement and the roles of responsibilities of PDL and co-lending Bank.

- All the details of arrangement shall be disclosed to the customer upfront and explicit consent of the borrower shall be taken on the same.

- The extant guidelines relating to customer service and fair practices code and the obligations enjoined upon the Banks and PDL therein shall be applicable mutatis mutandis in respect of loans given under the arrangement.

- Accounting shall be taken care by PDL and PDL should be able to generate a single unified statement of the customer, through appropriate information sharing arrangements with the bank.

15.6.2.1.6 LOAN SANCTION PROCESS

- By following the credit matrix as approved by Co-Lending Bank, PDL shall recommend each case to the Co-Lending Bank and shall ensure to seek approval from partnering bank via ex-ante due diligence by the Bank in all the cases where the master agreement entails a prior, irrevocable commitment on the part of the bank to take into its books its share of the individual loans as originated by the PDL.

- Loan agreement under this model would be tripartite in nature and will be finalized in consultation with respective Co-Lending Bank.

- Managing Director of the Company or any other officer, if so authorized shall finalize loan sanction process with Co-Lending Bank(s).

15.6.2.1.7 ESCROW ACCOUNT

- For better functioning and transparency escrow type common Bank Account(s) shall be opened by PDL for pooling respective loan contribution for the disbursal.

- All transactions (disbursements/ repayments) between the banks and PDL relating to CLM shall be routed through an escrow account maintained with the Banks, in order to avoid inter-mingling of funds. The Master Agreement shall clearly specify the manner of appropriation between the PDL and Co-Lending Bank.

15.6.2.1.8 MONITORING & RECOVERY

- There shall be a system for day to day monitoring of all the process viz. Loan Origination, Loan Management, Disbursements, Collection and Recovery in consultation with respective Co-Lending Bank(s).

- The loans under the CLM shall be included in the scope of internal/statutory audit to ensure adherence to our internal guidelines, terms of the agreement and extant regulatory requirements.

- Managing Director and any other officer of the Company, if so authorized, will discuss and finalize the system.

15.6.2.1.9 SECURITY & CHARGE CREATION

- PDL along with Co-Lending Bank, depending on terms of agreement, shall arrange for creation of security and charge as per mutually agreeable terms.

- PDL will share security and charge, if any, with the co-lending Bank as co-lender as per mutually agreeable terms.

- For any negotiation in this behalf may be done by Managing Director or any other officer of the Company, if so authorized by the Managing Director.

15.6.2.1.10 PROVISIONING & REPORTING REQUIREMENT

- PDL will follow provisioning requirement including NPA declaration on its share as directed by Reserve Bank of India applicable on NBFC-ND-SI from time to time.

- PDL will report to Credit Information Bureaus, under applicable law & regulations for its portion of lending.

15.6.2.1.11 ASSIGNMENT

- Assignments of PDL share under Co-lending arrangement can be done as per applicable RBI guidelines.

- Managing Director or any other officer of the company, if so authorized in this behalf, would be authorized to grant permission to Co-Lending Bank for assignment of receivables of Bank's share.

15.6.2.1.12 GRIEVANCE REDRESSAL

- With regard to grievance redressal, suitable arrangement must be put in place by the co-lenders to resolve any complaint registered by a borrower with the PDL/ Co-Lending Partner within 30 days, failing which the borrower would have the option to escalate the same with the concerned Banking Ombudsman/Ombudsman for NBFCs or the Customer Education and Protection Cell (CEPC) in RBI.

- PDL shall also evolve a system to share any grievance / complaint received with co-originating bank, with the consultation of respective bank.

15.6.2.1.13 BUSINESS CONTINUITY PLAN

- PDL will also formulate Business Continuity Plan in consultation and as per the requirement of the respective Bank.

- Managing Director or any other officer of the Company, if so authorized in this behalf will chalk out the business continuity plan with respective Bank.

PART – B

15.6.2.2 Policy where banks retain the discretion to certain loans subject to its due diligence:

Minimum required criteria would be followed for any arrangement of co-lending of loans with Bank(s) by PDL will be:

15.6.2.2.1 SCOPE

The arrangement with Bank(s) will comply with the extant guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by Banks as issued by RBI vide Circular no. RBI/2014-15/497/DBR.No.BP.BC.76/21.04.158 /2014-15 dated March 11, 2015 and updated from time to time.

The above said arrangement would be akin to Direct Assignment Transaction. Accordingly all the requirements in terms of guidelines on Transaction involving Transfer of Assets through Direct Assignment of Cash Flows and the Underlying Securities issued vide RBI Circular no. RBI/2011-12/540 DBOD.No.BP.BC-103/21.04.177/2011-12 dated May 07, 2012 and RBI/2012-

13/170 DNBS. PD.No. 301/3.10..01/2012-13 dated August 21, 2012 respectively as updated from time to time.

However, Minimum Holding Period (MHP) requirement would not be applicable in such transactions.

15.6.2.2.2 SHARING OF RISK & REWARDS

- Generally, PDL will accept minimum 20% of credit risk by way of direct exposure on its book till maturity. However, Maximum Credit Risk would be decided on case to case/ arrangement basis by Managing Director or any other person, if so authorized by Managing Director.

- The % of credit risk in all cases shall be guided by the terms of agreement PDL and Co-lender.

15.6.2.2.3 INTEREST RATE

- Subject to credit policy of the Company, as updated/amended from time to time, PDL shall offer its rate of interest on fixed/floating rate basis.

- The interest rate and service charges shall be offer as per PDL's pricing norms as approved by Operations and Finance Committee from time to time.

- PDL and the partnering bank shall have the flexibility of pricing their part of exposure in accordance with internal pricing strategies, however, the ultimate borrower shall be charged an all-inclusive interest rate.

- PDL shall charge an upfront specified percentage, as negotiated with partnering bank, towards its services viz. sourcing and collection.

- Upon repayment, the interest shall be shared between PDL and the bank in proportion to their share of credit and interest.

- Any negotiation on interest rate may be done by Managing Director or any other person, if so authorized by Managing Director.

15.6.2.2.4 KNOW YOUR CUSTOMER

- PDL shall follow "Know Your Customer' (KYC) Guidelines" as issued by the Reserve Bank of India from time to time.
- Presently applicable circular for the same is RBI/2015-16/108 DNBR(PD) CC No. 051/03.10.119/2015-16 dated July 1, 2015.
- Link:

  https://rbidocs.rbi.org.in/rdocs/notification/PDFs/108KYF7989C864E6F41F1BE1B5326C9BA5212.PDF

15.6.2.2.5 CUSTOMER RELATED ISSUES

- PDL shall be the single point of interface for the customers and shall enter into a loan agreement with the borrower, which will clearly contain the features of the arrangement and the roles of responsibilities of PDL and co-lending Bank.
- All the details of arrangement shall be disclosed to the customer upfront and explicit consent of the borrower shall be taken on the same.
- The extant guidelines relating to customer service and fair practices code and the obligations enjoined upon the Banks and PDL therein shall be applicable mutatis mutandis in respect of loans given under the arrangement.
- Accounting shall be taken care by PDL and PDL should be able to generate a single unified statement of the customer, through appropriate information sharing arrangements with the bank.

15.6.2.2.6 LOAN SANCTION PROCESS

- By following the credit matrix as approved by Co-Lending Bank, PDL shall recommend each case to the Co-Lending Bank for its final Sanction.
- Where partnering bank can exercise its discretion regarding taking into its books the loans originated by PDL as per the Agreement, the arrangement will be akin to a direct assignment transaction with the exception of Minimum Holding Period (MHP) which shall not be applicable in such

transactions undertaken in terms of this CLM. The MHP exemption shall be available only in cases where the prior agreement between the banks and NBFCs contains a back-to-back basis clause and complies with all other conditions stipulated in the guidelines for direct assignment.

- Loan agreement under this model would be bipartite/tripartite in nature and will be finalized in consultation with respective Co-Lending Bank.

- Managing Director of the Company or any other officer, if so authorized shall finalize loan sanction process with Co-Lending Bank(s).

15.6.2.2.7 <u>ESCROW ACCOUNT</u>

- For better functioning and transparency escrow type common Bank Account(s) shall be opened by PDL for pooling respective loan contribution for the disbursal.

- All transactions (disbursements/ repayments) between the banks and PDL relating to CLM shall be routed through an escrow account maintained with the Banks, in order to avoid inter-mingling of funds. The Master Agreement shall clearly specify the manner of appropriation between the PDL and Co-Lending Bank.

15.6.2.2.8 <u>MONITORING & RECOVERY</u>

- There shall be a system for day to day monitoring of all the process viz. Loan Origination, Loan Management, Disbursements, Collection and Recovery in consultation with respective Co-Lending Bank(s).

- The loans under the CLM shall be included in the scope of internal/statutory audit to ensure adherence to our internal guidelines, terms of the agreement and extant regulatory requirements.

- Managing Director and any other officer of the Company, if so authorized, will discuss and finalize the system.

15.6.2.2.9 SECURITY & CHARGE CREATION

- PDL along with Co-Lending Bank, depending on terms of agreement, shall arrange for creation of security and charge as per mutually agreeable terms.
- PDL will share security and charge, if any, with the co-lending Bank as co-lender as per mutually agreeable terms.
- For any negotiation in this behalf may be done by Managing Director or any other officer of the Company, if so authorized by the Managing Director.

15.6.2.2.10 PROVISIONING & REPORTING REQUIREMENT

- PDL will follow provisioning requirement including NPA declaration on its share as directed by Reserve Bank of India applicable on NBFC-ND-SI from time to time.
- PDL will report to Credit Information Bureaus, under applicable law & regulations for its portion of lending.

15.6.2.2.11 ASSIGNMENT

- Assignments of PDL share under Co-lending arrangement can be done as per applicable RBI guidelines.
- Managing Director or any other officer of the company, if so authorized in this behalf, would be authorized to grant permission to Co-Lending Bank for assignment of receivables of Bank's share.

15.6.2.2.12 GRIEVANCE REDRESSAL

- With regard to grievance redressal, suitable arrangement must be put in place by the co-lenders to resolve any complaint registered by a borrower with the PDL/ Co-Lending Partner within 30 days, failing which the borrower would have the option to escalate the same with the concerned Banking Ombudsman/Ombudsman for NBFCs or the Customer Education and Protection Cell (CEPC) in RBI.
- PDL shall also evolve a system to share any grievance / complaint received with co-originating bank, with the consultation of respective bank.

15.6.2.2.13 BUSINESS CONTINUITY PLAN

- PDL will also formulate Business Continuity Plan in consultation and as per the requirement of the respective Bank.

- Managing Director or any other officer of the Company, if so authorized in this behalf will chalk out the business continuity plan with respective Bank.

15.7 Any other Matter will be decided by the Operations and Finance Committee of the Board.

15.8 Review and Revision of Policy:

The Policy will be reviewed and revised and got approved by the Board of Directors as and when required.

16. FAIR PRACTICES CODE FOR LENDING

16.1 This is a compulsory Code which sets minimum standards of business practices for the Company to follow when it deals with customers. It provides protection to the customers and explains how Company is expected to deal in their business operations.

16.2 The Code does not replace or supersede regulatory or supervisory instructions of the Reserve Bank of India (RBI) and we will comply with such instructions/directions issued by RBI from time to time. Provisions of the Code may set higher standards than what is indicated in the regulatory instructions and such higher standards will prevail as the Code represents best practices voluntarily agreed to by us as our commitment to the customers.

17. GRIEVANCES

17.1 All grievance redressal mechanism will be followed as given in the FPC of PDL.

18. MANAGEMENT INFORMATION SYSTEMS

18.1 A suitable software shall be developed, if required to cater to the needs of customers, PDL and Nodal Agencies which are monitoring the performance of borrowers.

19. DELEGATION OF POWERS

19.1 Lending powers shall be exercised severally or jointly by Managing Director (MD), Executive Director Operations (ED Operations), Chief Operating Officer (COO) and Chief Financial Officer (CFO) in following manner:

Sr. no.	Amount for Sanctioning of Loan	Sanctioning Authority
1	Upto Rs. 50 Lakh	Parameter Based Auto sanction through system.
2	More than Rs. 50 Lakh to Rs. 5 Crore	Credit Head/ ED/MD/ COO
3	More than Rs. 5 Crore	Any two from MD, ED, COO and CFO out of two one should be MD or ED

20. NORMS FOR RESTRUCTURING OF ADVANCES

PDL comply with all prudential norms i.e. the institutional/organizational framework for CDR mechanism and SME debt restructuring mechanism as per as per Annex-4 of DBOD.No.BP.BC.1/21.04.048/2013-14 dated July 1, 2013 to all restructurings including those under CDR Mechanism

21. OTHER COMPLIANCES

21.1. Loan facilities to the physically / visually challenged

PDL shall extend products and facilities including loan facilities to physically / visually challenged applicants and it shall not discriminate on grounds of disability. All branches of PDL shall render all possible assistance to such persons for availing of the various business facilities. PDL has included a suitable module containing the rights of persons with disabilities guaranteed to them by the law and international conventions, in all the training programmes conducted for their employees at all levels. Further, PDL has ensured redressal of grievances of persons with disabilities under the Grievance Redressal Mechanism already set up by them.

21.2. Submission of data to Credit Information Companies (CICs) and data format

21.2.1. PDL is member of all CICs and submit data (including historical data) to them.

21.2.2. PDL keep the credit information maintained by it, updated regularly on a monthly basis or at such shorter intervals as mutually agreed upon between the credit institution and the credit information company; and take all such steps which may be necessary to ensure that the credit information furnished by it, is update, accurate and complete.

21.2.3. PDL complied with the instructions contained in the RBI's circular DBOD.No.CID.BC.127/20.16.056/2013-14 dated June 27, 2014 and as amended from time to time; laying down instructions regarding the following:

(i) Creating Awareness about Credit Information Report (CIR);
(ii) Usage of CIR in all Lending Decisions and Account Opening;
(iii) Populating Commercial Data Records in Databases of all CICs;
(iv) Standardization of Data Format;
(v) Constitution of a Technical Working Group;
(vi) Process of Rectification of Rejected Data;
(vii) Determining Data Quality Index;
(viii) Calibration of Credit Score and Standardizing Format of CIR;
(ix) Best practices for Banks/FIs. 73

PDL also comply with the directive issued under CICRA Sec 11(1) by the Bank vide DBR.No.CID.BC.59/20.16.056/2014-15 dated January 15, 2015.

21.2.4. Implementation of Green Initiative of the Government

PDL is taking proactive steps for increasing the use of electronic payment systems, elimination of post-dated cheques and gradual phase-out of cheques in their day to day business transactions which would result in more cost-effective transactions and faster and accurate settlements.

21.2.5. Reset of Credit Enhancement

PDL complied with the Guidelines on reset of credit enhancement as well as for securitization transactions undertaken by it which were issued to banks (also applicable to NBFCs) vide circular DBOD.No.BP.BC-25/21.04.177/2013-14, dated July 1, 2013 and amended from time to time. The guidelines cover in detail the manner in which such reset could be carried out subject to the conditions prescribed therein.

21.3. Filing of records of mortgages with the Central Registry

PDL is regularly filing and registering the records of equitable mortgages created in their favour on or after 31 st March 2011 with the Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI) and also registering the records with the Central Registry as and when equitable mortgages are created in their favour.

21.4. PDL comply with the Framework for Revitalizing Distressed Assets in the Economy for early Recognition of Financial Distress, Prompt Steps for Resolution and Fair Recovery steps. Further PDL ensures to follow any further modification, guidelines, circular dated October 21, December 22, 2014, June 8, 2015, September 24, 2015 and February 25, 2016 or any future changes issued by RBI in this regard.

21.5. Rounding off transactions to the Nearest Rupee

PDL shall round off all transactions amount, including payment of interest on NCDs/ charging of interest on advances, to the nearest rupee, i.e. fractions of 50 paise and above shall be rounded off to the next higher rupee and fractions of less than 50 paise shall be ignored. It shall be ensured that cheques/ drafts issued by clients containing fractions of a rupee shall not be rejected.

21.6. Need for public notice before Closure of the Branch / Office

PDL shall give at least One month public notice prior to the date of closure of any of its branches / offices on the website of the Company .

21.7. Migration of Post-dated cheques (PDC)/Equated Monthly Installment (EMI) Cheques to Electronic Clearing Service (Debit)

PDL ensures not to obtain any additional cheques, if any, from customers in addition to ECS (Debit) mandates, Considering the protection available under section 25 of the Payment and Settlement Systems Act, 2007 which accords the same rights and remedies to the payee (beneficiary) against dishonour of electronic funds transfer instructions on grounds of 77 insufficiency of funds as are available under section 138 of the Negotiable Instruments Act, 1881.

Cheques complying with CTS-2010 standard formats alone shall be obtained in locations, where the facility of ECS/RECS is not available.

21.8. Disbursal of loan amount in cash

PDL ensure compliance with the requirements under sections 269SS and 269T of the Income Tax Act, 1961, as amended from time to time and shall not disburse any loan more than Rs 10,000 in cash in any manner.

21.9. Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs

PDL shall comply with the Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, in this regard to avoid any key risks in outsourcing being it Strategic Risk, Reputation Risk, Compliance Risk, Operational Risk, Legal Risk, Exit Strategy Risk, Counterparty Risk, Country Risk, Contractual Risk, Access Risk, Concentration and Systemic Risk, PDL has decided to not to outsource any of its financial services being it application processing (Loan origination), document processing, marketing and research, supervision of loans, data processing and back office related activities, besides others.

PDL further re-iterate that it shall not outsource core management functions including Internal Audit, Strategic and Compliance functions and decision-making functions such as determining compliance with KYC norms for opening loan accounts, according sanction for loans (including retail loans).

PAISALO DIGITAL LTD.

SHAREHOLDING PATTERN

30.06.2023

Home Validate

General information about company	
Scrip code	532900
NSE Symbol	PAISALO
MSEI Symbol	NOTLISTED
ISIN	INE420C01059
Name of the company	Paisalo Digitial Limited
Whether company is SME	No
Class of Security	Equity Shares
Type of report	Quarterly
Quarter Ended / Half year ended/Date of Report (For Prelisting / Allotment)	30-06-2023
Date of allotment / extinguishment (in case Capital Restructuring selected) / Listing Date	
Shareholding pattern filed under	Regulation 31 (1) (b)
Whether the listed entity is Public Sector Undertaking (PSU)?	No

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Sr. No.	Particular	Yes/No	Promoter and Promoter Group	Public shareholder	Non Promoter- Non Public
1	Whether the Listed Entity has issued any partly paid up shares?	No	No	No	No
2	Whether the Listed Entity has issued any Convertible Securities ?	No	No	No	No
3	Whether the Listed Entity has issued any Warrants ?	No	No	No	No
4	Whether the Listed Entity has any shares against which depository receipts are issued?	Yes	No	No	Yes
5	Whether the Listed Entity has any shares in locked-in?	Yes	Yes	No	No
6	Whether any shares held by promoters are pledge or otherwise encumbered?	Yes	Yes		
7	Whether company has equity shares with differential voting rights?	No	No	No	No
8	Whether the listed entity has any significant beneficial owner?	Yes			

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Table I - Summary Statement holding of specified securities

Note : Data will be automatically populated from shareholding pattern sheet - Data Entry Restricted in this sheet

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rightsheld in each class ofsecuritiies(IX)				No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting (XIV) Rights			Total as a % of (A+B+C)										Shareholding (No. of shares) under		
								Class eg: X	Class eg:y	Total						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(A)	Promoter & Promoter Group	6	145515430			145515430	46.24	14,55,15,430.00		145515430.00	32.41				46.24	26100000	17.94	31700000	21.78	145515430			
(B)	Public	11370	169198610			169198610	53.76	169198610.00		169198610.00	37.68				53.76					169178550	0	0	0
(C)	Non Promoter- Non Public	1	0		134307950	134307950		134307950		134307950.00	29.91									134307950			
(C1)	Shares underlying DRs	1	0		134307950	134307950		13,43,07,950.00		134307950.00	29.91									134307950			
(C2)	Shares held by Employee Trusts																						
	Total	11377	314714040		134307950	449021990	100	449021990.00		449021990.00	100.00				100	26100000	5.81	31700000	7.06	449001930	0	0	0

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Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities(IX)				No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (XI)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (XI) (a)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting (XIV)Rights			Total as a % of Total Voting rights					No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Shareholding (No. of shares) under		
								Class eg: X	Class eg:y	Total											Sub-category (i)	Sub-category (ii)	Sub-category (iii)
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group																						
(1)	Indian																						
(a)	Individuals/Hindu undivided Family	3	73286400			73286400	23.29	73286400.00		73286400	16.32				23.29	0	0.00	0	0.00	73286400			
(b)	Central Government/ State Government(s)																						
(c)	Financial Institutions/ Banks																						
(d)	Any Other (specify)	3	72229030			72229030	22.95	72229030.00		72229030	16.09				22.95	26100000	36.14	31700000	43.89	72229030			
	Sub-Total (A)(1)	6	145515430			145515430	46.24	145515430.00		145515430	32.41				46.24	26100000	17.94	31700000	21.78	145515430			
(2)	Foreign																						
(a)	Individuals (NonResident Individuals/ Foreign Individuals)																						
(b)	Government																						
(c)	Institutions																						
(d)	Foreign Portfolio Investor																						
(e)	Any Other (specify)																						
	Sub-Total (A)(2)																						
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	6	145515430			145515430	46.24	145515430.00		145515430	32.41				46.24	26100000	17.94	31700000	21.78	145515430			
	Details of Shares which remain unclaimed for Promoter & Promoter Group																						
B	Table III - Statement showing shareholding pattern of the Public shareholder	Note : Kindly show details of shareholders having more than one percentage of total no of shares. Please refer software manual.																					
(1)	Institutions (Domestic)																						
(a)	Mutual Funds																						
(b)	Venture Capital Funds																						
(c)	Alternate Investment Funds																						
(d)	Banks	1	4400152			4400152	1.40	4400152		4400152	0.98				1.40					4400152	0	0	0
(e)	Insurance Companies	2	40234853			40234853	12.78	40234853		40234853	8.96				12.78					40234853	0	0	0
(f)	Provident Funds/ Pension Funds																						
(g)	Asset reconstruction companies																						
(h)	Sovereign Wealth Funds																						
(i)	NBFCs registered with RBI	1	415000			415000	0.13	415000		415000	0.09				0.13					415000	0	0	0
(j)	Other Financial Institutions																						
(k)	Any Other (specify)																						
	Sub-Total (B)(1)	4	45050005			45050005	14.31	45050005		45050005	10.03				14.31					45050005	0	0	0
(2)	Institutions (Foreign)																						
(a)	Foreign Direct Investment																						
(b)	Foreign Venture Capital Investors																						
(c)	Sovereign Wealth Funds																						
(d)	Foreign Portfolio Investors Category I	56	59217570			59217570	18.82	59217570		59217570	13.19				18.82					59217570	0	0	0
(e)	Foreign Portfolio Investors Category II	4	3471748			3471748	1.10	3471748		3471748	0.77				1.10					3471748	0	0	0
(f)	Overseas Depositories (holding DRs) (balancing figure)																						
(g)	Any Other (specify)																						
	Sub-Total (B)(2)	60	62689318			62689318	19.92	62689318		62689318	13.96				19.92					62689318	0	0	0
(3)	Central Government / State Government(s)																						
(a)	Central Government / President of India																						
(b)	State Government / Governor																						
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter																						
	Sub-Total (B)(3)																						
(4)	Non-institutions																						
(a)	Associate companies / Subsidiaries																						
(b)	Directors and their relatives (excluding independent directors and nominee directors)																						
(c)	Key Managerial Personnel																						
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)																						
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'																						
(f)	Investor Education and Protection Fund (IEPF)	1	5870			5870	0.00	5870		5870	0.00				0.00					5870	0	0	0
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	10846	14322538			14322538	4.55	14322538		14322538	3.19				4.55					14302478	0	0	0
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	21	10737197			10737197	3.41	10737197		10737197	2.39				3.41					10737197	0	0	0
(i)	Non Resident Indians (NRIs)	104	572561			572561	0.18	572561		572561	0.13				0.18					572561	0	0	0
(j)	Foreign Nationals																						
(k)	Foreign Companies																						
(l)	Bodies Corporate	130	34975108			34975108	11.11	34975108		34975108	7.79				11.11					34975108	0	0	0
(m)	Any Other (specify)	204	846013			846013	0.27	846013		846013	0.19				0.27					846013	0	0	0
	Sub-Total (B)(4)	11306	61459287			61459287	19.53	61459287.00		61459287	13.69				19.53					61439227	0	0	0
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+(B)(4	11370	169198610			169198610	53.76	169198610		169198610	37.68				53.76					169178550	0	0	0

Details of the shareholders acting as persons in Concert for Public

Details of Shares which remain unclaimed for Public

C	Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder																						
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	1	0		134307950	134307950		134307950		134307950	29.91									134307950			
(2)	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021																						
	Total NonPromoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	1	0		134307950	134307950		134307950.00		134307950	29.91									134307950			
	Total (A+B+C2)	11376	314714040			314714040	100.00	314714040.00		314714040	70.09				100.00	26100000	8.29			314693980	0	0	0
	Total (A+B+C)	11377	314714040		134307950	449021990	100.00	449021990.00		449021990	100.00				100.00	26100000	5.81	31700000	7.06	449001930	0	0	0

Disclosure of notes on shareholding pattern	Add Notes	
Disclosure of notes in case of promoter holiding in dematerialsed form is less than 100 percentage	Add Notes	
Disclosure of notes in case of public share holding is less than 25 percentage	Add Notes	
Disclosure of notes on shareholding pattern for company remarks explanatory	Add Notes	

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Table VI - Statement showing foreign ownership limits		
Particular	Approved limits (%)	Limits utilized (%)
As on shareholding date	100.00	43.89
As on the end of previous 1st quarter	100.00	44.02
As on the end of previous 2nd quarter	100.00	43.65
As on the end of previous 3rd quarter	100.00	43.45
As on the end of previous 4th quarter	100.00	43.42

Notes :-

1) "Approved Limits (%)" means the limit approved by Board of Directors / shareholders of the Listed entity. In case the listed entity has no Board approved limit, provide details of sectoral / statutory cap prescribed by Government / Regulatory Authorities

2) Details of Foreign ownership includes foreign ownership / investments as specified in Rule 2(s) of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, made under the Foreign Exchange Management Act, 1999.

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Searial No.	Name of the Shareholders (I)	PAN (II)	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(Xi)(a) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Reason for not providing PAN	Shareholder type
						No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)			
						Class eg:X	Total									
A1(a)	Individuals/Hindu undivided Family															
	Add Delete															
1	SUNIL AGARWAL	AAUPA1817D	52851400	52851400	16.79	52851400.00	52851400.00	11.77	16.79	0	0.00	0	0.00	52851400		Promoter
2	SUNEETI AGARWAL	BCLPA7860C	3583000	3583000	1.14	3583000.00	3583000.00	0.80	1.14	0	0.00	0	0.00	3583000		Promoter Group
3	SANTANU AGARWAL	BCLPA7959L	16852000	16852000	5.35	16852000.00	16852000.00	3.75	5.35	0	0.00	0	0.00	16852000		Promoter Group
4	RAJ AGARWAL	ABHPA1452A	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0		Promoter Group
5	PURUSHOTTAM AGRAWAL	AAUPA2480L	0	0	0.00	0.00	0.00	0.00	0.00	0	0.00	0	0.00	0		Promoter Group
	Click here to go back	Total	73286400	73286400	23.29	73286400.00	73286400.00	16.32	23.29	0	0.00	0	0.00	73286400		

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Searial No.	Category	Name of the Shareholders (I)	PAN (II)	No. of the Shareholders (I)	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Reason for not providing PAN	Shareholder type
								No of Voting (XIV) Rights		Total as a % of Total Voting rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)			
								Class eg: X	Total									
A1(d)	Any Other (specify)																	
	Add Delete																	
1	Bodies Corporate	EQUILIBRATED VENTURE CFLOW PRIVATE LIMI	AADCB4322L	1	50554220	50554220	16.06	50554220.00	50554220.00	11.26	16.06	8700000	17.21	31700000	62.70	50554220		Promoter Group
2	Bodies Corporate	PRI CAF PRIVATE LIMITED	AACCD7138D	1	11269200	11269200	3.58	11269200.00	11269200.00	2.51	3.58	8700000	77.20	0	0.00	11269200		Promoter Group
3	Bodies Corporate	PRO FITCCH PRIVATE LIMITED	AACCB3258N	1	10405610	10405610	3.31	10405610.00	10405610.00	2.32	3.31	8700000	83.61	0	0.00	10405610		Promoter Group
Click here to go back			Total	3	72229030	72229030	22.95	72229030.00	72229030.00	16.09	22.95	26100000	36.14	31700000	43.89	72229030		

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Searial No.	Name of the Shareholders (I)	PAN (II)	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form (XIV)	Reason for not providing PAN	Sub-categorization of shares		
						No of Voting (XIV) Rights		Total as a % of Total Voting rights				Shareholding (No. of shares) under		
						Class eg: X	Total					Sub-category (i)	Sub-category (ii)	Sub-category (iii)
B1(e)	Insurance Companies													
	Add Delete	Disclosure of shareholder holding more than 1% of total number of shares												
1	SBI LIFE INSURANCE CO. LTD	AAFCS2530P	35998031	35998031	11.44	35998031.00	35998031.00	8.02	11.44	35998031		0	0	0
	Click here to go back	Total	35998031	35998031	11.44	35998031.00	35998031.00	8.02	11.44	35998031		0	0	0

Home Validate

Searial No.	Name of the Shareholders (I)	PAN (II)	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of equity shares held in dematerialized form (XIV)	Reason for not providing PAN	Sub-categorization of shares		
						No of Voting (XIV) Rights		Total as a % of Total Voting rights				Shareholding (No. of shares) under		
						Class eg: X	Total					Sub-category (i)	Sub-category (ii)	Sub-category (iii)
B4(I)	Bodies Corporate													
	Add Delete	Disclosure of shareholder holding more than 1% of total number of shares												
1	ZEAL PROFESSIONAL SERVICES PRIVATE LIMI	AABCK2396P	9471608	9471608	3.01	9471608.00	9471608.00	2.11	3.01	9471608		0	0	0
	Click here to go back	Total	9471608	9471608	3.01	9471608.00	9471608.00	2.11	3.01	9471608		0	0	0

SUNIL AGARWAL
Address : S-204, Greater Kailash, Part–2, Delhi-110048

Date: 12/09/2023

To
Paisalo Digital Limited
CSC, Pocket 52, CR Park,
Near Police Station
New Delhi-110019

Sub.: Consent for proposed issue of Non-Convertible Debentures ("Issue") by Paisalo Digital Limited ("Company")

Dear Sir/Madam,

With respect to proposed issue of Non-Convertible Securities by the Company Paisalo Digital Limited on private placement basis and listing of the same on BSE Limited ("**Stock Exchange**") and Resolution passed by the Board of Directors of the Company on May 11, 2023, I, Mr. Sunil Agarwal, Managing Director and CEO, hereby give my consent to include my name and following information in the general information document and the relevant key information document (collectively "**Issue Documents**") prepared pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulation**") for the purpose of the Issue by the Company:

a)	Name	:	Sunil Agarwal
b)	Designation	:	Managing Director and CEO
c)	Address	:	S-204, Greater Kailash, Part–2, Delhi-110048
d)	DIN	:	00006991
e)	PAN	:	AAUPA1817D
f)	Email	:	sunil@paisalo.in
g)	Telephone No.	:	9837000008
h)	Date of Appointment	:	05/03/1992
i)	Details of Other Directorship	:	a) Pro Fitcch Private Limited b) Pri Caf Private Limited c) Aanjneya Motor Private Limited d) Nupur Finvest Private Limited e) R N R Automate Private Limited f) Repartee Infrastructures Private Limited g) Equilibrated Venture Cflow Private Limited h) Radiance Techno Powers Company Private Limited i) SCS Education Foundation j) Raj Shiksha Foundation

I hereby authorise you to deliver this letter of consent to Stock Exchange, SEBI and/or any regulatory, statutory, governmental, or legal authority, as may be required.

I further accorded my consent to inform about any change in the above details, if any until the date when the non-convertible debentures commence trading on Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the non-convertible debentures commence trading.

I also confirm the reliance on the consent letter by the Company for the purpose of the aforesaid proposed issue.

Thanking you

Sunil Agarwal
DIN: 00006991

SANTANU AGARWAL
S-204, Greater Kailash, Part–2, Delhi-110048

Date: 12/09/2023

To
Paisalo Digital Limited
CSC, Pocket 52, CR Park,
Near Police Station
New Delhi-110019

Sub.: Consent for proposed issue of Non-Convertible Debentures ("Issue") by Paisalo Digital Limited ("Company")

Dear Sir/Madam,

With respect to proposed issue of Non-Convertible Securities by the Company Paisalo Digital Limited on private placement basis and listing of the same on BSE Limited ("**Stock Exchange**") and Resolution passed by the Board of Directors of the Company on May 11, 2023, I, Mr. Santanu Agarwal, Deputy Managing Director, hereby give my consent to include my name and following information in the general information document and the relevant key information document (collectively "**Issue Documents**") prepared pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulation**") for the purpose of the Issue by the Company:

a)	Name	:	Santanu Agarwal
b)	Designation	:	Deputy Managing Director
c)	Address	:	S-204, Greater Kailash, Part–2, Delhi-110048
d)	DIN	:	07069797
e)	PAN	:	BCLPA7959L
f)	Email	:	santanu@paisalo.in
g)	Telephone No.	:	9718559595
h)	Date of Appointment	:	06/05/2022
i)	Details of Other Directorship	:	a) Equilibrated Venture Cflow Private Limited b) Pro Fitcch Private Limited c) Pri Caf Private Limited d) Aanjneya Motor Private Limited e) R N R Automate Private Limited f) Radiance Techno Powers Company Private Limited

I hereby authorise you to deliver this letter of consent to Stock Exchange, SEBI and/or any regulatory, statutory, governmental, or legal authority, as may be required.

I further accorded my consent to inform about any change in the above details, if any until the date when the non-convertible debentures commence trading on Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the non-convertible debentures commence trading.

I also confirm the reliance on the consent letter by the Company for the purpose of the aforesaid proposed issue.

Thanking you

Santanu Agarwal
DIN: 07069797

HARISH SINGH
88, Surya Nagar, Agra-282002

Date: 12/09/2023

To
Paisalo Digital Limited
CSC, Pocket 52, CR Park,
Near Police Station
New Delhi-110019

Sub.: **Consent for proposed issue of Non-Convertible Debentures ("Issue") by Paisalo Digital Limited ("Company")**

Dear Sir/Madam,

With respect to proposed issue of Non-Convertible Securities by the Company Paisalo Digital Limited on private placement basis and listing of the same on BSE Limited ("**Stock Exchange**") and Resolution passed by the Board of Directors of the Company on May 11, 2023, I, Mr. Harish Singh, Executive Director, hereby give my consent to include my name and following information in the general information document and the relevant key information document (collectively "**Issue Documents**") prepared pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulation**") for the purpose of the Issue by the Company:

a)	Name	:	Harish Singh
b)	Designation	:	Executive Director
c)	Address	:	88, Surya Nagar, Agra-282002
d)	DIN	:	00039501
e)	PAN	:	AFLPS7753Q
f)	Email	:	harish@paisalo.in
g)	Telephone No.	:	9837044455
h)	Date of Appointment	:	01/08/2008
i)	Details of Other Directorship	:	a) Nupur Finvest Private Limited b) Saadhvi Cinfra Projects Private Limited

I hereby authorise you to deliver this letter of consent to Stock Exchange, SEBI and/or any regulatory, statutory, governmental, or legal authority, as may be required.

I further accorded my consent to inform about any change in the above details, if any until the date when the non-convertible debentures commence trading on Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the non-convertible debentures commence trading.

I also confirm the reliance on the consent letter by the Company for the purpose of the aforesaid proposed issue.

Thanking you

Harish Singh
DIN: 00039501

ANOOP KRISHNA
Flat No 1502, Tower 5 Crescent Bay,
Jerbai Wadia Road Bhoiwada,
Mahatma Phule Education Society, Parel Mumbai-400012

Date: 1/09/2023

To
Paisalo Digital Limited
CSC, Pocket 52, CR Park,
Near Police Station
New Delhi-110019

Sub.: **Consent for proposed issue of non-convertible debentures ("Issue") by Paisalo Digital Limited ("Company")**

Dear Sir/Madam,

With respect to proposed issue of Non-Convertible Securities by the Company Paisalo Digital Limited on private placement basis and listing of the same on BSE Limited ("**Stock Exchange**") and Resolution passed by the Board of Directors of the Company on May 11, 2023, I, Mr. Anoop Krishna, Executive Director, hereby give my consent to include my name and following information in the general information document and the relevant key information document (collectively "**Issue Documents**") prepared pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulation**") for the purpose of the Issue by the Company:

a)	Name	:	Anoop Krishna
b)	Designation	:	Executive Director
c)	Address	:	Flat No 1502, Tower 5 Crescent Bay, Jerbai Wadia Road Bhoiwada, Mahatma Phule Education Society, Parel Mumbai-400012
d)	DIN	:	08068261
e)	PAN	:	AEMPK2813B
f)	Email	:	anoopkrishna.ranchi@gmail.com
g)	Telephone No.	:	9650288551
h)	Date of Appointment	:	23/02/2018
i)	Details of other Directorship	:	None

I hereby authorise you to deliver this letter of consent to Stock Exchange, SEBI and/or any regulatory, statutory, governmental, or legal authority, as may be required.

I further accorded my consent to inform about any change in the above details, if any until the date when the non-convertible debentures commence trading on Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the non-convertible debentures commence trading.

I also confirm that reliance on the consent letter by the Company for the purpose of the aforesaid proposed issue.

Thanking you

Anoop Krishna
DIN: 08068261

NARESH KUMAR JAIN
B-2 Sector-26, Noida-201301

Date: 12/09/2023

To
Paisalo Digital Limited
CSC, Pocket 52, CR Park,
Near Police Station
New Delhi-110019

Sub.: Consent for proposed issue of Non-Convertible Debentures ("Issue") by Paisalo Digital Limited ("Company")

Dear Sir/Madam,

With respect to proposed issue of Non-Convertible Securities by the Company Paisalo Digital Limited on private placement basis and listing of the same on BSE Limited ("**Stock Exchange**") and Resolution passed by the Board of Directors of the Company on May 11, 2023, I, Mr. Naresh Kumar Jain, Independent Director, hereby give my consent to include my name and following information in the general information document and the relevant key information document (collectively "**Issue Documents**") prepared pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulation**") for the purpose of the Issue by the Company:

a)	Name	:	Naresh Kumar Jain
b)	Designation	:	Independent Director
c)	Address	:	B-23, Sector-26, Noida-201301
d)	DIN	:	01281538
e)	PAN	:	AACPJ6845N
f)	Email	:	nkjain1953@gmail.com
g)	Telephone No.	:	9818348811
h)	Date of Appointment	:	14/08/2014
i)	Details of Other Directorship	:	a) Optiemus Infracom Limited b) Global Finserve LLP c) Model Economic Township Limited

I hereby authorise you to deliver this letter of consent to Stock Exchange, SEBI and/or any regulatory, statutory, governmental, or legal authority, as may be required.

I further accorded my consent to inform about the any change in the above details, if any until the date when the non-convertible debentures commence trading on Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the non-convertible debentures commence trading.

I also confirm the reliance on the consent letter by the Company for the purpose of the aforesaid proposed issue.

Thanking you

Naresh Kumar Jain
DIN: 01281538

GAURI SHANKAR
Flat P-4, 16th Floor, Tower-L, Amarpali Sapphire,
Sector-45, Gautam Buddha Nagar, Noida-201301

Date: 12/09/2023

To
Paisalo Digital Limited
CSC, Pocket 52, CR Park,
Near Police Station
New Delhi-110019

Sub.: **Consent for proposed issue of Non-Convertible Debentures ("Issue") by Paisalo Digital Limited ("Company")**

Dear Sir/Madam,

With respect to proposed issue of Non-Convertible Securities by the Company Paisalo Digital Limited on private placement basis and listing of the same on BSE Limited (**"Stock Exchange"**) and Resolution passed by the Board of Directors of the Company on May 11, 2023, I, Mr. Gauri Shankar, Independent Director, hereby give my consent to include my name and following information in the general information document and the relevant key information document (collectively **"Issue Documents"**) prepared pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**"SEBI NCS Regulation"**) for the purpose of the Issue by the Company:

a)	Name	:	Gauri Shankar
b)	Designation	:	Independent Director
c)	Address	:	Flat P-4, 16th Floor, Tower-L, Amarpali Sapphire, Sector-45, Gautam Buddha Nagar, Noida-201301
d)	DIN	:	06764026
e)	PAN	:	AAMPS2022G
f)	Email	:	gaurishankar25@hotmail.com
g)	Telephone No.	:	9999743583
h)	Date of Appointment	:	22/07/2017
i)	Details of Other Directorship	:	a) PNC Infratech Limited b) Usha Financial Services Limited c) Universal Fingrowth Private Limited

I hereby authorise you to deliver this letter of consent to Stock Exchange, SEBI and/or any regulatory, statutory, governmental, or legal authority, as may be required.

I further accorded my consent to inform about any change in the above details, if any until the date when the non-convertible debentures commence trading on Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the non-convertible debentures commence trading.

I also confirm the reliance on the consent letter by the Company for the purpose of the aforesaid proposed issue.

Thanking you

Gauri Shankar

Gauri Shankar
DIN: 06764026

RAMAN AGGARWAL
D-15, Ground Floor, Near Savitri Cinema,
Greater Kailash Enclave 2, Greater Kailash, Delhi- 110048

Date: 12/09/2023

To
Paisalo Digital Limited
CSC, Pocket 52, CR Park,
Near Police Station
New Delhi-110019

Sub.: Consent for proposed issue of Non-Convertible Debentures ("Issue") by Paisalo Digital Limited ("Company")

Dear Sir/Madam,

With respect to proposed issue of Non-Convertible Securities by the Company Paisalo Digital Limited on private placement basis and listing of the same on BSE Limited ("**Stock Exchange**") and Resolution passed by the Board of Directors of the Company on May 11, 2023, I, Mr. Raman Aggarwal, Independent Director, hereby give my consent to include my name and following information in the general information document and the relevant key information document (collectively "**Issue Documents**") prepared pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulation**") for the purpose of the Issue by the Company:

a)	Name	:	Raman Aggarwal
b)	Designation	:	Independent Director
c)	Address	:	D-15, Ground Floor, Near Savitri Cinema, Greater Kailash Enclave 2, Greater Kailash Delhi- 110048
d)	DIN	:	00116103
e)	PAN	:	AACPA8986F
f)	Email	:	ramanagg65@gmail.com
g)	Telephone No.	:	9810016667
h)	Date of Appointment	:	15/10/2019
i)	Details of other Directorship	:	a) Emerald Finance Limited b) Association Of Leasing And Financial Services Companies c) Finance Industry Development Council

I hereby authorise you to deliver this letter of consent to Stock Exchange, SEBI and/or any regulatory, statutory, governmental, or legal authority, as may be required.

I further accorded my consent to inform about any change in the above details, if any until the date when the non-convertible debentures commence trading on Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the non-convertible debentures commence trading.

I also confirm the reliance on the consent letter by the Company for the purpose of the aforesaid proposed issue.

Thanking you

Raman Aggarwal
DIN: 00116103

NISHA JOLLY
D-503, Kaveri Apartments, Alaknanda, Delhi-110019

Date: 12/09/2023

To
Paisalo Digital Limited
CSC, Pocket 52, CR Park,
Near Police Station
New Delhi-110019

Sub.: Consent for proposed issue of Non-Convertible Debentures ("Issue") by Paisalo Digital Limited ("Company")

Dear Sir/Madam,

With respect to proposed issue of Non-Convertible Securities by the Company Paisalo Digital Limited on private placement basis and listing of the same on BSE Limited ("**Stock Exchange**") and Resolution passed by the Board of Directors of the Company on May 11, 2023, I, Mrs. Nisha Jolly, Independent Director, hereby give my consent to include my name and following information in the general information document and the relevant key information document (collectively "**Issue Documents**") prepared pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulation**") for the purpose of the Issue by the Company:

a)	Name	:	Nisha Jolly
b)	Designation	:	Independent Director
c)	Address	:	D-503, Kaveri Apartments, Alaknanda, Delhi-110019
d)	DIN	:	08717762
e)	PAN	:	AAHPJ7463R
f)	Email	:	nishajolly5@gmail.com
g)	Telephone No.	:	9891053870
h)	Date of Appointment	:	30/05/2020
i)	Details of Other Directorship	:	Nupur Finvest Private Limited

I hereby authorise you to deliver this letter of consent to Stock Exchange, SEBI and/or any regulatory, statutory, governmental, or legal authority, as may be required.

I further accorded my consent to inform about any change in the above details, if any until the date when the non-convertible debentures commence trading on Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the non-convertible debentures commence trading.

I also confirm the reliance on the consent letter by the Company for the purpose of the aforesaid proposed issue.

Thanking you

Nisha Jolly

Nisha Jolly
DIN: 08717762

VIJUY RONJAN
R-145, Ground Floor,
Greater Kailash, Part 1, Delhi- 110048

Date: 12/09/2023

To
Paisalo Digital Limited
CSC, Pocket 52, CR Park,
Near Police Station
New Delhi-110019

Sub.: **Consent for proposed issue of Non-Convertible Debentures ("Issue") by Paisalo Digital Limited ("Company")**

Dear Sir/Madam,

With respect to proposed issue of Non-Convertible Securities by the Company Paisalo Digital Limited on private placement basis and listing of the same on BSE Limited ("**Stock Exchange**") and Resolution passed by the Board of Directors of the Company on May 11, 2023, I, Mr. Vijuy Ronjan, Independent Director, hereby give my consent to include my name and following information in the general information document and the relevant key information document (collectively "**Issue Documents**") prepared pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulation**") for the purpose of the Issue by the Company:

a)	Name	:	Vijuy Ronjan
b)	Designation	:	Independent Director
c)	Address	:	R-145, Ground Floor, Greater Kailash, Part 1, Delhi- 110048
d)	DIN	:	09345384
e)	PAN	:	ADDPR5287Q
f)	Email	:	vijuyronjan@gmail.com
g)	Telephone No.	:	7300167777
h)	Date of Appointment	:	08/10/2021
i)	Details of other Directorship	:	a) Akara Capital Advisors Private Limited b) Integro Finserv Private Limited c) Platinum Industries Limited

I hereby authorise you to deliver this letter of consent to Stock Exchange, SEBI and/or any regulatory, statutory, governmental, or legal authority, as may be required.

I further accorded my consent to inform about any change in the above details, if any until the date when the non-convertible debentures commence trading on Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the non-convertible debentures commence trading.

I also confirm the reliance on the consent letter by the Company for the purpose of the aforesaid proposed issue.

Thanking you

Vijuy Ronjan
DIN: 09345384

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

Date: 7.09.2023

To
Paisalo Digital Limited
CSC, Pocket 52, CR Park,
Near Police Station
New Delhi-110048

Sub.: Consent to use our details in disclosure documents for proposed issue of non-convertible debentures ("Issue") by Paisalo Digital Limited ("Company")

Dear Sir/Madam,

This is with reference to request of the Company to give consent to use our name being included as the previous statutory auditor of the Company and to include the auditor's report dated May 6, 2022 and May 11, 2023 for the financial year 2021- 22 and 2022-23 respectively, prepared in accordance with the Indian accounting standards and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulations**") in the general information document and the relevant key information document(s) (collectively "**Issue Documents**") for the purpose of the Issue by the Company on private placement basis to be filed on the BSE Limited ("**Stock Exchange**"). We hereby consent that the following details along with any information as required to be disclosed pursuant to SEBI NCS Regulations with respect to us may be disclosed:

a)	Name of the firm	:	Manish Goyal & Co.
b)	Firm Registration	:	006066C
c)	Address	:	F-6, First Floor, Friends Trade Centre, 66, Nehru Nagar, Agra – 282 002
d)	Date of Appointment	:	30/09/2022
e)	Logo	:	MANISH GOYAL & CO. CHARTERED ACCOUNTANTS
f)	Telephone Number	:	0562 4032000
g)	Email	:	manishgoyalfca@gmail.com
h)	Peer Review Number	:	013438
i)	Contact Person	:	CA Manish Goyal

We confirm that neither we, nor our affiliates have been engaged in or interested in the formation or promotion, or in the management, of the Company, and neither we nor any of our affiliates have any material pecuniary interest in the Company.

We confirm that we will immediately inform the Company of any change, additions or deletions in respect of the matters covered in this certificate till the date when the Issue commence trading on Stock Exchange, if we become aware of the same. In the absence of any such communication from us, the above information should be taken as updated information until commencement of trading of the non-convertible debentures on the Stock Exchange.

This certificate has been issued at the request of the Company for use in connection with the Issue and may accordingly be relied on by the Company and the legal counsel appointed in relation to the Issue, and may, inter alia, be submitted to the Stock Exchange and/or any other regulatory/statutory/governmental or any other authority, and be produced in any actual/potential proceeding or actual/potential dispute relating to or connected with the Issue Documents or otherwise in connection with the Issue.

Thanking you

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA MANISH GOYAL)
Partner
Membership No. 074778

PHONE-: (0562) 4032000, 2852560, 2524553
MOBILE-: 91-97600 20853; E-MAIL-: MANISHGOYALFCA@GMAIL.COM
AGRA | LUCKNOW | NOIDA | MORADABAD

D. Tayal & Jain, Chartered Accountants
G-3, Ganpati Royale Building, 30, Surya Nagar, Agra-282002
Phone : +91 562 4060087, +91 9897070087 E-mail : catayaldeep@gmail.com

Date: 01-09-2023

To
Paisalo Digital Limited
CSC, Pocket 52, CR Park,
Near Police Station
New Delhi-110048

Sub.: Consent to use our details in disclosure documents for proposed issue of non-convertible debentures ("Issue") by Paisalo Digital Limited ("Company")

Dear Sir/Madam,

This is with reference to request of the Company to give consent to use our name being included as the previous statutory auditor of the Company and to include the auditor's report dated June 4, 2021 for the financial year 2020- 21 prepared in accordance with the Indian accounting standards and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulations**") in the general information document and the relevant key information document(s) (collectively "**Issue Documents**") for the purpose of the Issue by the Company on private placement basis to be filed on the BSE Limited ("**Stock Exchange**"). We hereby consent that the following details along with any information as required to be disclosed pursuant to SEBI NCS Regulations with respect to us may be disclosed:

a)	Name of the firm	:	D. Tayal & Jain,
b)	Firm Registration	:	011181C
c)	Address	:	G-3, Ganpati Royale, 30, Surya Nagar, Agra – 282 002
d)	Date of Appointment	:	08/09/2020
e)	Logo	:	-
f)	Telephone Number	:	(0562) 4060087
g)	Email	:	catayaldeep@gmail.com
h)	Peer Review Number	:	012348
i)	Contact Person	:	CA Deepak Tayal

We confirm that neither we, nor our affiliates have been engaged in or interested in the formation or promotion, or in the management, of the Company, and neither we nor any of our affiliates have any material pecuniary interest in the Company.

We confirm that we will immediately inform the Company of any change, additions or deletions in respect of the matters covered in this certificate till the date when the Issue commence trading on Stock Exchange, if we become aware of the same. In the absence of any such communication from us, the above information should be taken as updated information until commencement of trading of the non-convertible debentures on the Stock Exchange.

This certificate has been issued at the request of the Company for use in connection with the Issue and may accordingly be relied on by the Company and the legal counsel appointed in relation to the Issue, and may, inter alia, be submitted to the Stock Exchange and/or any other regulatory/statutory/governmental or any other authority, and be produced in any actual/potential proceeding or actual/potential dispute relating to or connected with the Issue Documents or otherwise in connection with the Issue.

Thanking you

For D. Tayal & Jain
Chartered Accountants
Firm Reg. No. 011181C

D. TAYAL & JAIN Chartered Accountants AGRA M.No. 073102

(CA DEEPAK TAYAL)
Proprietor
Membership No. 073102

PAISALO
EASY LOAN आसान लोन

Date: 20-09-2023

To
BSE Ltd
P.J. Towers, Dalal Street Fort
Mumbai 400001

Ref: **Application for In-principle Approval for listing of Non-Convertible Debt Securities (NCDs) to be issued on private placement basis amounting to INR 50 Cr.**

Dear Sir/Madam,

Statement containing Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number and Passport Number of the promoter and Permanent Account Number of Directors:

Promoter's Details	Name	Mr. Sunil Agarwal
	Permanent Account Number	AAUPA1817D
	Aadhaar Number	925201437150
	Driving License Number	UP8019890006336
	Bank Account Number	ICICI Bank Account No.-628701527981
	Passport Number	Z5352520

	Name of Directors	**DIN**	**Permanent Account Number**
Directors' Permanent Account Number	Mr. Sunil Agarwal	00006991	AAUPA1817D
	Mr. Santanu Agarwal	07069797	BCLPA7959L
	Mr. Harish Singh	00039501	AFLPS7753Q
	Mr. Anoop Krishna	08068261	AEMPK2813B
	Mr. Naresh Kumar Jain	01281538	AACPJ6845N
	Mr. Gauri Shankar	06764026	AAMPS2022G
	Mr. Raman Aggarwal	00116103	AACPA8986F
	Mrs. Nisha Jolly	08717762	AAHPJ7463R
	Mr. Vijuy Ronjan	09345384	ADDPR5287Q

For Paisalo Digital Limited
MANENDRA SINGH
Digitally signed by MANENDRA SINGH
Date: 2023.09.20 20:47:43 +05'30'
Manendra Singh
Company Secretary

BSE - INTERNAL