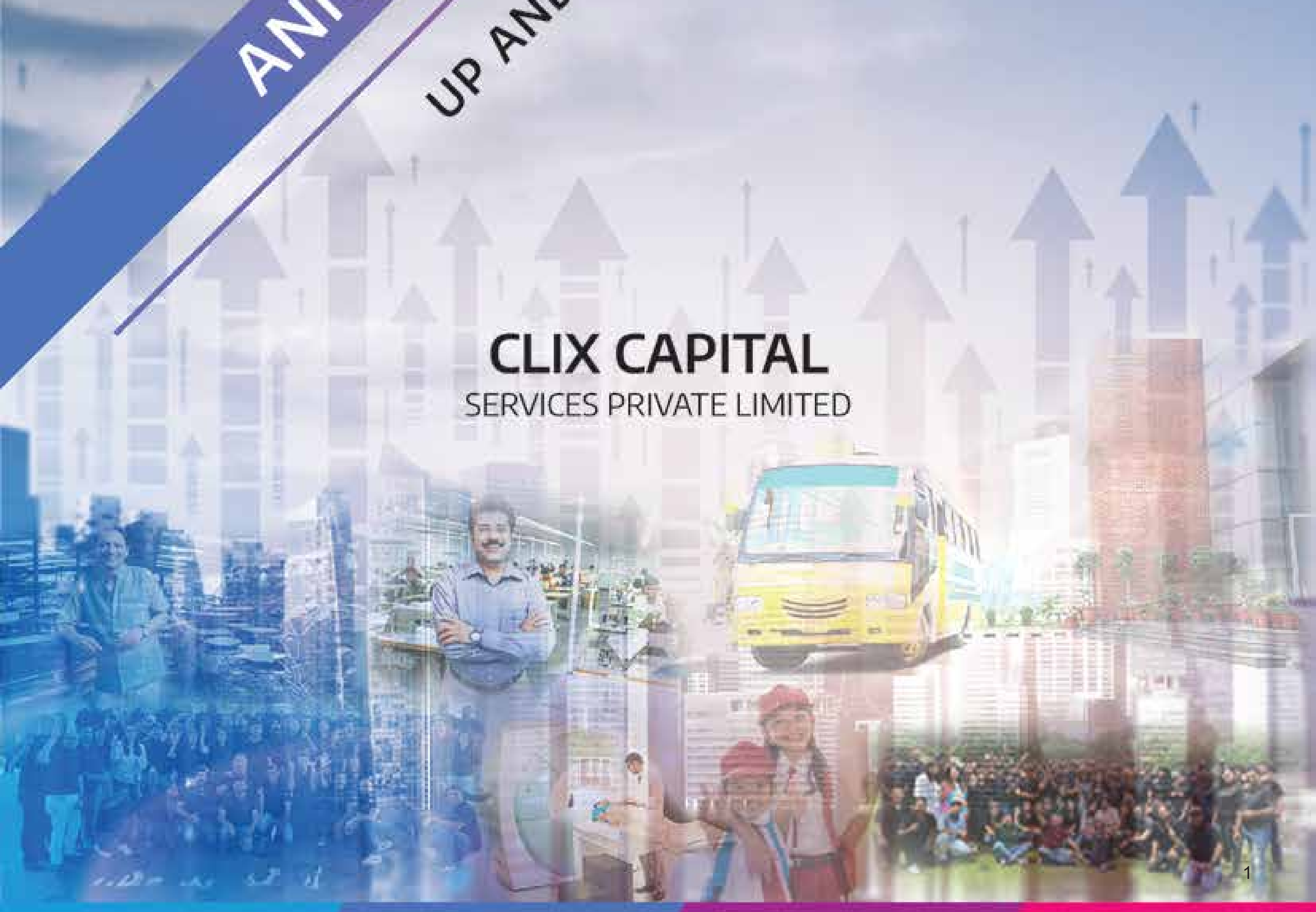
ANNUAL REPORT 2022-23

UP AND UPWARDS

CLIX CAPITAL

SERVICES PRIVATE LIMITED



"Arise, awake, and stop not till the goal is reached."
-Swami Vivekananda

CONTENTS

MEET
CLIX CAPITAL

Company with a purpose

Clix Capital is one of the fastest-growing NBFCs & focuses on leveraging technology and deep analytics to offer innovative lending solutions to India's thriving SME sector through collateral free business loans.

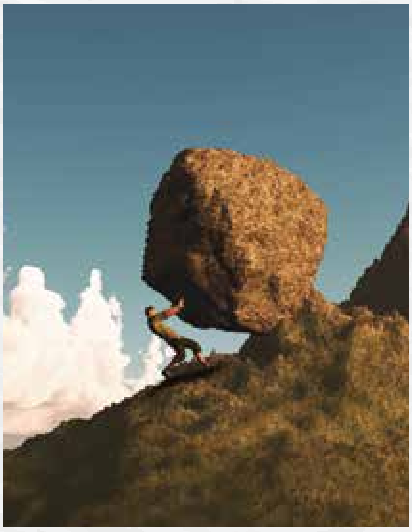
The company is led by its CEO, Rakesh Kaul, who has an illustrious track record in the financial services industry. Co-founded by Industry veterans Mr. Pramod Bhasin and Mr. Anil Chawla, 2016, through the acquisition of the lending and leasing business of GE Capital, the company is backed by AION Capital Partners Limited, a private equity fund that is an affiliate of Apollo Global Management, LLC.

VALUES THAT DRIVE US EACH DAY

Curiosity

Fosters out-of-the-box thinkers through continuous questioning & learning.

Grit



Empowers us to rebound from setbacks with resilience.

Deep Care

We stand together with unwavering support, being with each other as pillars of strength.

Willingness to take Risk

Inspires us to explore uncharted realms with enthusiasm.

Drive to Win

Driven by innovation, pushing boundaries to deliver fresh ideas/ solutions.

“ Incredible things in the business world are never made by a single person but by a team”
– Steve Jobs

HEALTHCARE EQUIPMENT FINANCE

The healthcare industry has seen significant advancements in technology, leading to an increasing demand for state-of-the-art equipment.

Acquiring expensive healthcare equipment can be a financial challenge for medical institutions.

Clix Capital healthcare equipment finance have emerged as a crucial solution, enabling healthcare providers to access to the latest medical technology without compromising on quality or patient care.

Loans and leases upto 15 Cr. |
24 hrs approval upto 1 Cr. |
Upto 100% LTV |
PAN India |
Hassle Free Documentation

COLLATERAL FREE BUSINESS LOANS

The Indian MSME sector has been a key contributor to the economy, accounting for around 29% of GDP, 50% of exports and employing over 120 million people. Yet the sector suffers from a vast credit gap of $400 billion, according to the World Bank.

Clix Capital is on a mission to bring financial inclusion to the sector by empowering unserved entrepreneurs across sectors.

Loans upto 50 Lacs |
Hassle Free digital process |
Flexible Tenure

K-12 LOANS

There is an unmet need for high quaity education among the population of children aged 5 to 17 in India, as Lakhs of private schools long for funds to enhance infrastructure, facilities and resources. Majority of them are in tier-2 and tier-3 towns.

Clix Capital remains commited to helping these institutions match up with modern trends.

Loans upto 7.50 Cr. |
Long tenure of up to 10 years |
Minimal Documentation

MICRO LOANS AGAINST PROPERTY

Clix Capital supports individuals with the spirit to make a mark despite all challenges by offering easy and affordable loans against properties. With us, worrying about funds is their last worry as they fuel MSME dreams and revive from the aftereffects of the COVID-19 pandemic.

Loan up to 1.50 Cr
Tenures Up to 15 yrs
Easy Paperwork

CLIX CAPITAL'S GROWTH TRAJECTORY

TEST & LEARN

LAYING FOUNDA
KEY GROWTH BU

~800 Crs
AUM

~60%
Coporate Book

4
Locations

2016
- Clix started operations
- Healthcare book (HFS) inherited from GE

2017
Started lending to MSME & K-12 Schools

2018
Started Consumer Lending

2019
Started Lending via Digital Partnership model
First in Industry

2020

ATION FOR
UINESSESS

BREAKOUT GROWTH

2023 & Beyond

- Favorable unit Economics
- Significance distribution expansion
- Sustainable NM > 8% @ scale

Strengthned MSME & Consumer Loans

2021

Learnings from Covid

As on March 2023

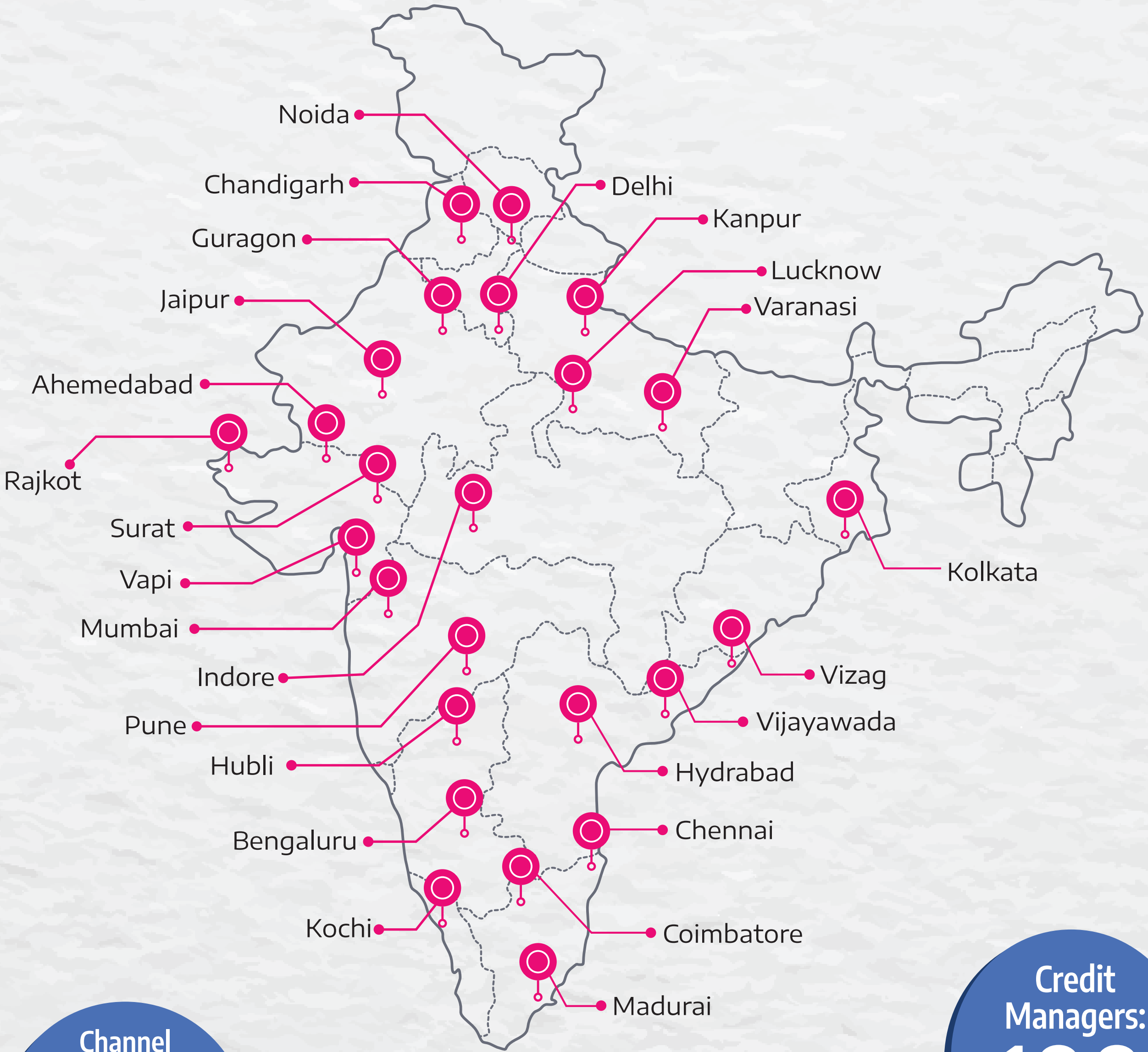
~4300 Crs AUM

~98% Retail Book

21 Locations

Full Year Profitability Acheived

Retalization Journey of CLIX



Credit Managers: 100

Channel Partners: 115

Total Employees: 580+

Sales Tele-Callers: 120

Sales managers: 250

Total Disbursements: 19k Crs+

Total Customers Served: 10 Lakhs+

Collection Managers: 100

Cities: 27

Active Customers: 2 Lakhs +

OEMs & Distributors: 80+

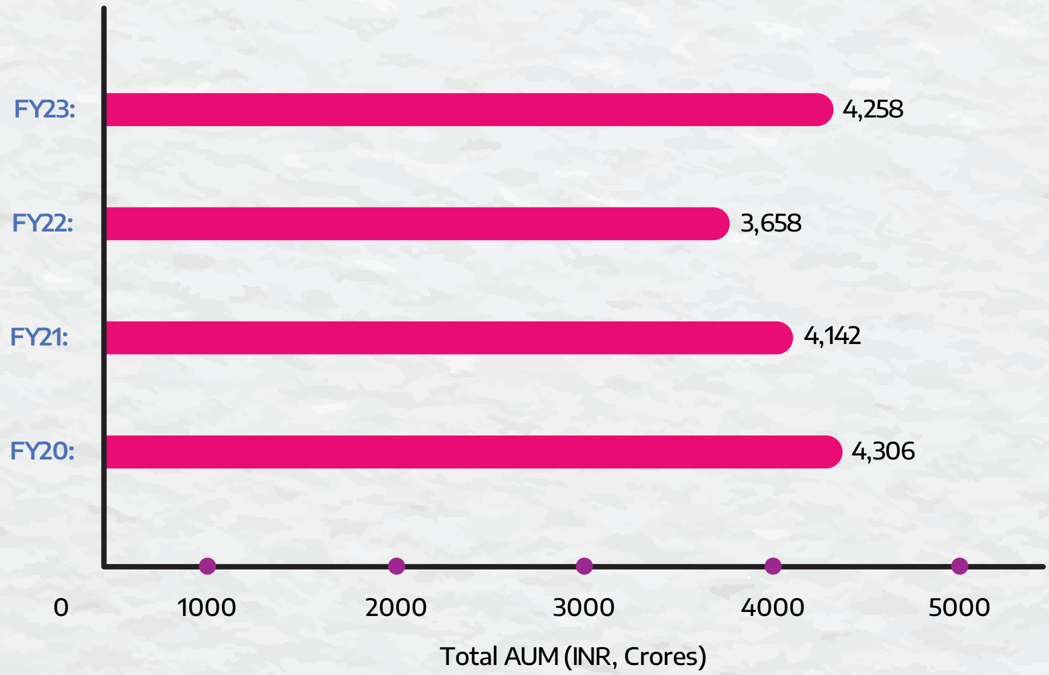
PIVOTED TO STRONGER & PROFITABLE GROWTH

AUM & Disbursments	Portfolio Quality	Financial Strength
₹ 4258 Crs AUM +65% Core AUM growth	2.48% GNPA vs 4.99% '22 Core Book @ 1.1%	₹ 2,025 Crs Net Worth CRAR ~37.08%
98% Retail	~1.6% NNPA 37% PCR Coverage	28 Crs PAT
3583 Crs Disbursal	101% Collection Efficency March '23	~2.3x Tangible Leverage 41 Lenders

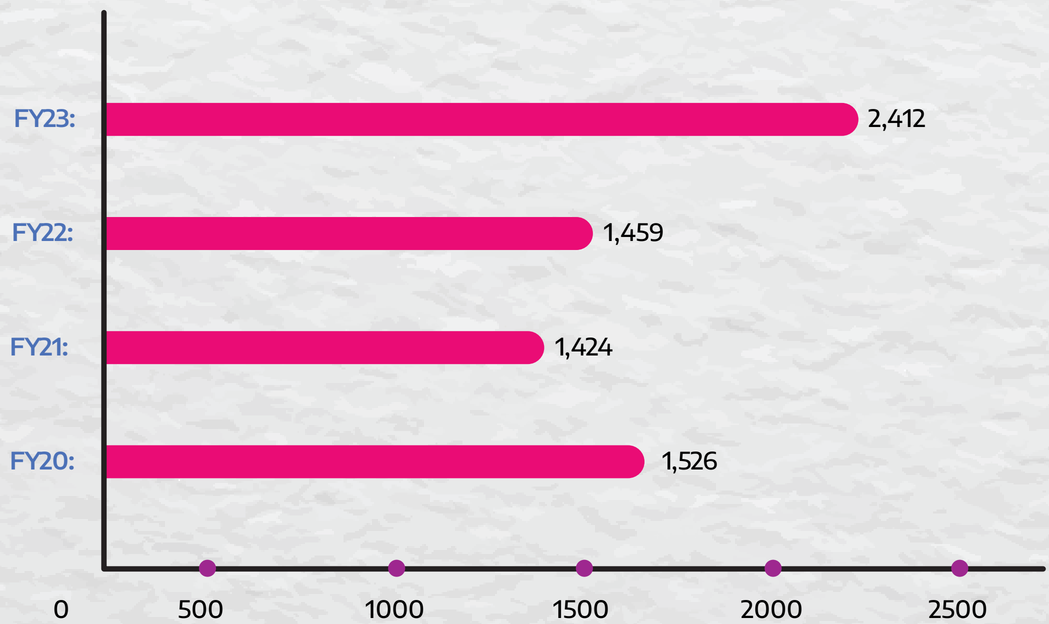
*Before Execptional Items MAT Credit w/off INR 20.5 Cr

CLIX CAPITAL
CONSOLIDATED BASIS

ASSETS UNDER MANAGEMENT

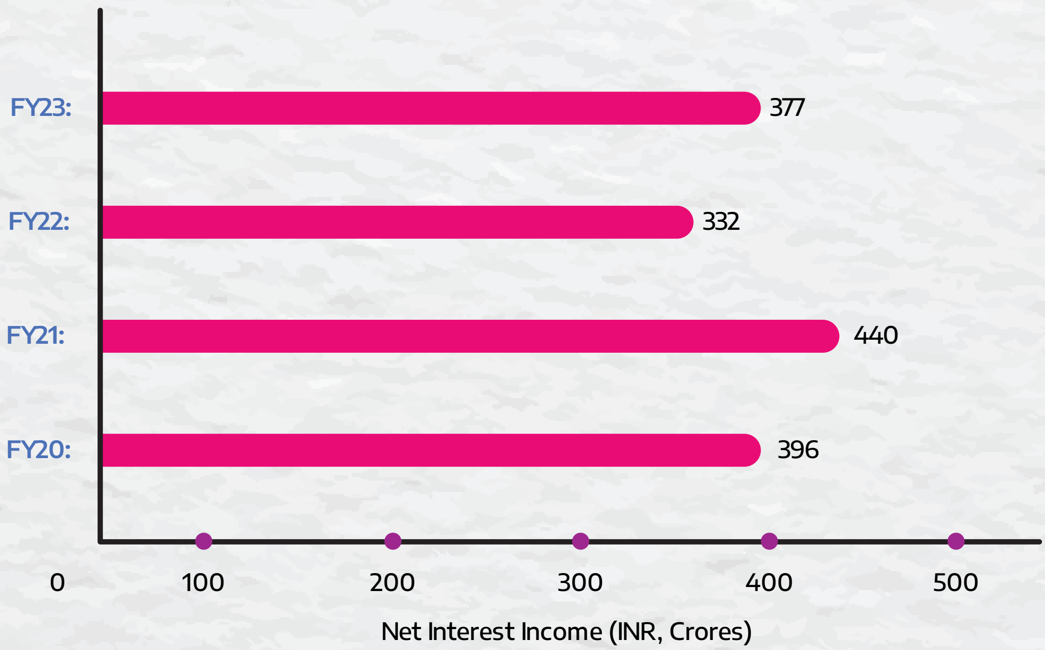


ASSETS UNDER MANAGEMENT (CORE PRODUCT)

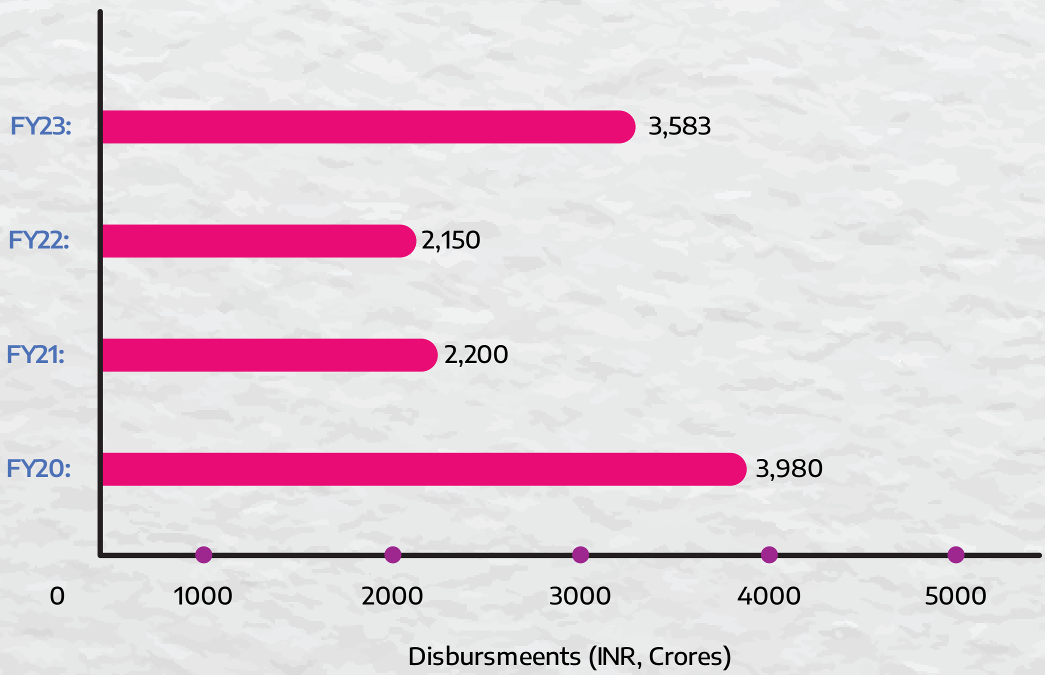


(K-12, Healthcare Finance, Loan Against Property, Unsecured Business Loans)

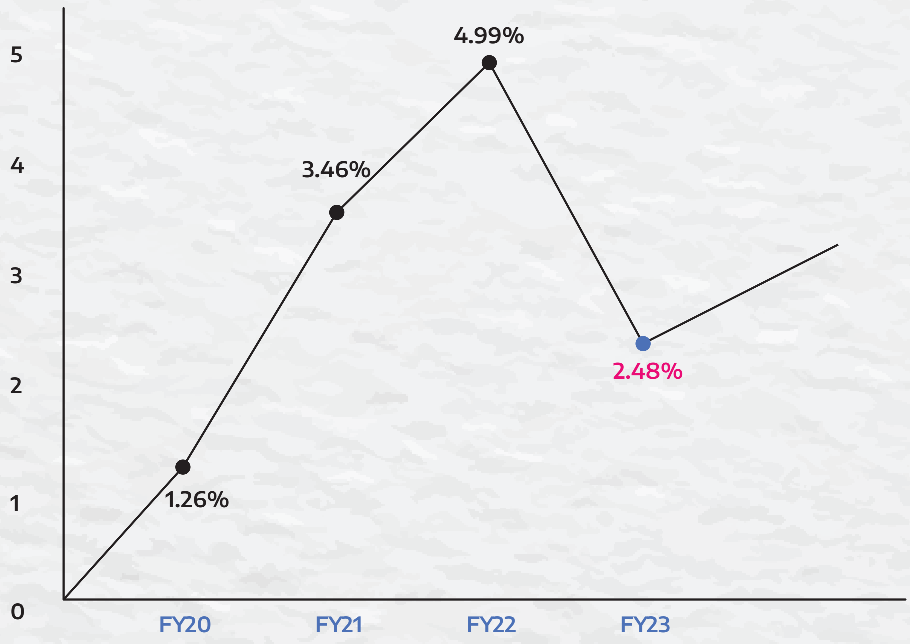
NET INTEREST INCOME



DISBURSMENTS

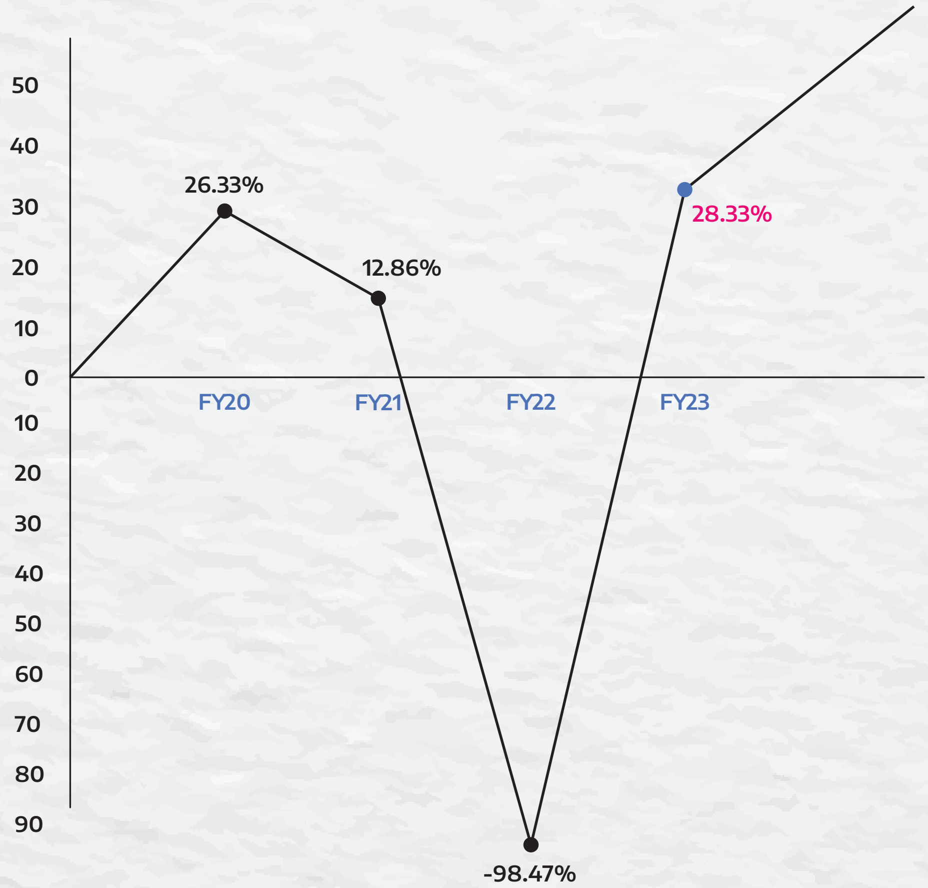


GROSS NON-PERFORMING ASSETS (GNPA)

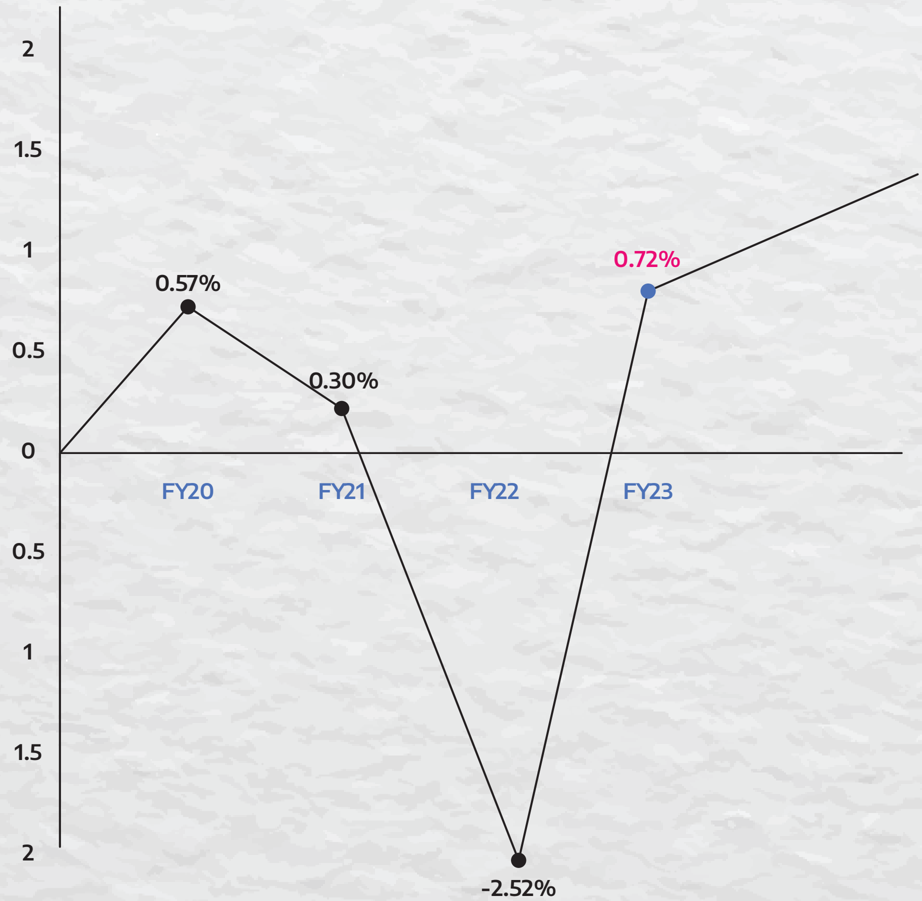


NET NON-PERFORMING ASSETS (NNPA)

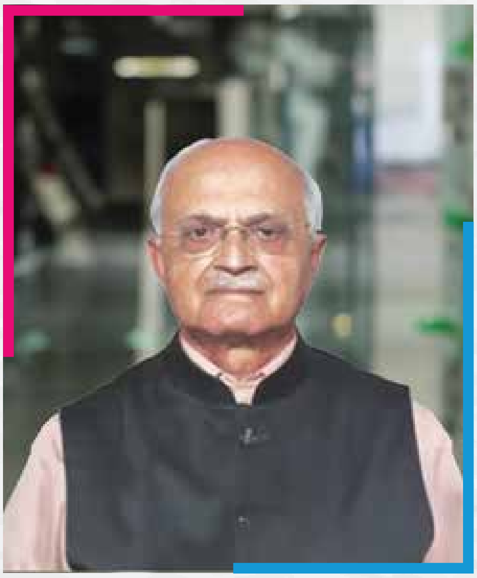
NET PROFIT



RETURN ON AVERAGE AUM



CHAIRMAN'S MESSAGE



Dear Shareholders,

During the past year, Indian Economy showed great resilience in meeting challenges of combating Covid 19 . India was able to administer2.2 billion doses of covid vaccination, which was a record in itself. Indian economy continued to grow at a healthy pace and has now become the 5th largest economy in the world. India's presidency of G20 has further raised its stature globally.

In this background, Clix Capital was able to achieve a higher growth trajectory and played a valuable part in meeting the financial needs of the MSME Sector. While the company made a profit of INR 45 Crore, it continues to retain its increasing commitment to excellence, the infusion of young and talented minds, and maintaining a quality portfolio, a controlled NPA, and better returns for the shareholders.

Having recently joined the Board I look forward to being part of Clix Capital's growth story and contribute the benefits of my experience for the success of the company. A few other eminent persons Ms. Anuradha Bajpai and Mr. Ajay Candade have also joined the Board of Clix Capital, and the company will immensely benefit from their deep understanding of the financial sector. The Company is truly poised for attaining greater heights in the coming years.

Warm regards,

Chander Mohan Vasudev

Chairman, Clix Capital Services Pvt Ltd.

> "I would like to extend my appreciation to the dedicated team members, valued clients, business partners, and all stakeholders for their support and trust in Clix Capital. Together, we shall forge ahead, empowering dreams and creating a brighter tomorrow for all."

DIRECTOR'S MESSAGE

Dear Stakeholders,

Today, I am filled with immense joy and pride to share the remarkable achievements of Clix Capital Services Pvt Ltd, fuelled by the thriving Indian economy and our unwavering dedication to support it. Despite the numerous challenges that have surfaced in the ever-changing global landscape, including higher inflation and multiple repo rate revisions by the RBI, we have remained steadfast in our commitment to success.

The fiscal year 2022–23 has been a testament to the indomitable spirit of the Clix Capital family. We have not only weathered the storm but have also emerged stronger, demonstrating resilience, adaptability, and a clear sense of purpose. It is with great pleasure that I announce a staggering 45% growth in our book size and a 150% jump in profits while maintaining the quality of our books and improving them by 50%.

At Clix Capital, we believe that growth is not just a mere objective, but a journey. Throughout this journey, we have focused our efforts on enhancing customer experience, driving product innovations, and forging valuable partnerships. By strategically aligning ourselves with the goal of supporting company profitability, we have paved the way for sustainable and impactful growth.

> I am also delighted to announce that we have inducted three Independent Directors on the Board of the Company who have indepth industry knowledge and I am sure their contributions will take the Company to new heights of success following the high levels of governance. I will be passing on the baton of Chairmanship to the responsible and capable hands of Mr. C. M. Vasudev.

None of these achievements would have been possible without the support and trust of our esteemed shareholders, investors, team members and valued customers. To our dedicated partners and regulatory authorities, I extend my heartfelt gratitude for your constant encouragement and collaboration. Together, we have built a robust ecosystem that propels Clix Capital towards further success.

Considering the above we look ahead with confidence that Clix Capital will continue to thrive and make a positive impact on India's growth story.

Warm regards,

Pramod Bhasin

Director, Clix Capital Services Pvt Ltd.

CEO'S MESSAGE

Dear Stakeholders,

As we propel forward with COVID-19 challenges in our rearview mirrors, it fills me with immense pride to have witnessed the incredible turnaround of the company with its resilient performance. Clix Capital has proven its mettle by adapting swiftly to the changing landscape, innovating our product offerings, and maintaining a pristine quality book that has now created a sense of confidence in our lenders after impressive growth and recovery.

Further, the Indian MSME sector has displayed incredible tenacity, driving economic growth and job creation and contributing significantly to our nation's progress. However, access to finance remains a persistent challenge, hindering their full potential. At Clix Capital, we have recognised this issue and made all-out efforts to play a pivotal role in addressing it. We pivoted to creating innovative financial products, streamlined processes, hired the right talent across all verticals, and deployed a state-of-the-art AI and ML-driven risk-tech platform, ensuring that customers get the support they need to thrive.

As a part of a global ecosystem, we have also faced our fair share of trials and tribulations. The difficult times are now behind us, and I assure you that we have emerged stronger and more focused. Clix Capital has turned a corner and is now poised to soar to new heights by doubling our profits and significantly improving on all our performance metrics.

I extend my heartfelt gratitude to each one of you for your unwavering support and belief in Clix Capital.

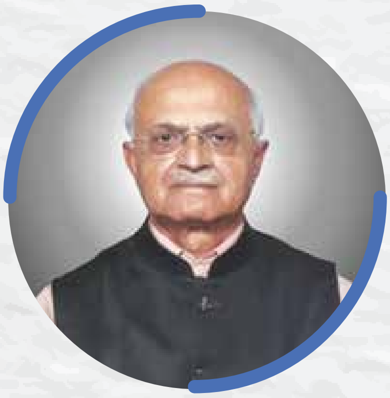
> We have not only weathered the storm of the pandemic but have also excelled in ensuring a smooth management of our loan portfolios.

Warm regards,

Rakesh Kaul

CEO & WTD, Clix Capital Services Pvt Ltd.

BOARD
OF DIRECTORS



Chander Mohan Vasudev
Independent Director & Chairman

Experience: 30+ Years
Former Secretary in MoF GoI, Board Member in multiple PSU Banks, Central Board of RBI, ED at World Bank

Pramod Bhasin
Director

Experience: 30+ Years
Founder & former CEO Genpact, Head GE Capital India & Asia

Anil Chawla
Director

Experience: 30+ Years

Former CEO DE Shaw Private Equity India, Leadership Positions in GE Comm. Finance & American Express Bank

Rakesh Kaul

CEO & Director

Experience: 25 Years

Leadership Positions with Citigroup and RHB Bank in India & Asian Markets

Utsav Baijal

Director

Experience: 21+ Years

McKinsey and Bain Capital Senior Partner & Head at Apollo Global Management India Pvt. Equity

Steve Martinez

Director (till 31st July, 2023)

Experience: 25+ Years

Senior Partner & Asia Pacific Head – Apollo Management, Head of the Hong Kong office

Kaushik Ramakrishnan

Director

Experience: 15+ Years

Principal at Apollo Global Management India Pvt. Equity

Anuradha Bajpai
Independent Director

Experience: 30+ Years
Leadership positions in the Stat Audit team Of Deloitte, Haskins and Sells for clients like Merrill Lynch, Morgan Stanley, WPP Group and others

Ajay Candade
Independent Director

Experience: 20+ Years
Partner & Founder at Fractal Growth Partners, Board Observer at multiple corps, worked with KKR Private equity, McKinsey

Aditya Gupta
Director

Experience: 19 years
Worked in ICICI Bank UK PLC, HSBC and ABN AMRO Bank.

MANAGEMENT TEAM

Gagan Agarwal

Chief Finance Officer

Experience: 18 Years

Worked with Indifi, Home Credit and GE Capital Ltd.

Santwana Periwal

Chief Human Resource Officer

Experience: 21 Years

Worked with Max Life Insurance, Idea Cellular & Salto De Fe.

Vijaykumar Ramakrishna

Chief Technology Officer

Experience: 25 Years

Worked with Deutsche Bank, Yes Bank and Bandhan Bank.

Vikram Rathi

Chief Risk Officer

Experience: 21 Years

Worked with GE Money, Barcalys Bank, Tata International.

Vishal Jain

Chief Collection Officer

Experience: 20 Years

Worked with ICICI Bank

Prakash Shetty

Head – Operation & Compliance

Experience: 24 Years

Worked with GE Money and GE Capital

Sanjay Rajpal

Head – Legal, Internal Audit & Infra

Experience: 25 Years

Worked with D. E. Shaw and GE Capital

Aparna Bihany

Head – Unsecured MSME Loans

Experience: 18 Years

Worked with ICICI Bank and IndusInd Bank

Pankaj Bansal

Head – Secured MSME Loans

Experience: 17 Years

Worked with Deloitte & Standard Chartered Bank

CORPORATE INFORMATION

Registrar & Transfer Agents:
Link Intime India Pvt. Ltd, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai – 400 083

Registered office:
Plot No. 23, 5th Floor, Aggarwal Corporate Tower, Govind Lal Sikka Marg, Rajendra Place New Delhi - 110008

Corporate Office:
901B, 9th Floor, Two Horizon Centre, DLF Phase – V, Gurgaon – 122 002

Trustee:
Catalyst Trusteeship Limited
Sameer Trikha
Delhi Office: 910-911, 9th Floor, Kailash Building, 26,Kasturba Gandhi Marg, New Delhi –110001

Bankers:
FEDERAL BANK
Federal Bank, Corporate Banking, Mumbai
5th Floor, C Wing, Laxmi Towers, BKC Mumbai 400 051

BANK OF BARODA
Bank of Baroda C-8, Laxmi Tower, 2nd Floor,G Block, Bandra Kurla Complex,Bandra (East), Mumbai - 400 051
G Block, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

SBI BANK
Backbay Reclamation Branch
Nariman Point, Mumbai

IDFC First Bank
2ND FLOOR , EXPRESS BUILDING, 9-10 BAHADUR SHAH ZAFAR MARG,NEW DELHI - 110002

SIDBI
SIDBI Tower' 15, Ashok Marg, Lucknow 226001, Office at C-11, G Block, Swavalamban Bhavan, Bandra Kurla Complex, Bandra East, Mumbai 400051

CORPORATE SOCIAL RESPONSIBILITY

Clix Capital has always been determined to uphold the fundamental values on which our organization is built, and we believe that success is not solely measured in financial gains but also in the positive impact we create on society. We firmly believe that businesses have the power and responsibility to be agents of change, to uplift and empower communities, and to drive sustainable development.

Therefore, Corporate Social Responsibility (CSR) became an essential aspect of our operations, which embarked us on a series of impactful activities in partnership with premier NGOs in 2022–23.

In FY 22-23, our CSR activities revolved around three key pillars of society:

Education

Environment

Healthcare

Our esteemed partners to bring alive our dream of giving back to society:

iamgurgaon
Work Together. Make a Difference

Celebrating Simple Joys
MUSKaaN
NGO empowering the differently abled

HelpAge India

IamGurgaon: Eco-restoration Efforts

Theme: Environment

Oxy-van

Revival of Aravalli Oxy-van Forest to bring resilience to climate impacts-extreme heat and rainfall flactuations. Continuous collaboration with IAG to see the impact.

Project Outcome:

-Awakening a responsible, aware and vigilant populace

-To make our city, Gurgaon, a better place.

-Restoring Gurgaon's green habitat that has been lost to rampant urbanization.

Revival of the lost greenery through afforestation efforts by planting 1000 saplings of indigenous plant varieties.

MUSKAAN- Celebrating Smiles

Project Highlights

-The goal is to empower intellectually disable adults by training in 'vocational, life skills and providing regular work opportunities.

-Develop prevocational skills which will facilitate learning of the vocational activities.

-Strengthen fine and gross motor skills

-Enhance cognitive & communication skills

-Train to identify emotions and other needs of one-self and others

-Develop an understanding of the demands of social and work environment and work ethics

-Apply leamt concepts in work situations.

-Create work opportunities for differently abled.

Impact Achieved

1.Students who were enrolled in the Training group were
placed in Supported Work Centre or moved to the Work
Readiness Program and some were moved to the high
support needs group.

2. Students under employment training were placed in the F&B or laundry services sector.

3. A one on one intervention program for students was started to address and channelize their emotional needs. Additionally, a program for Cognitive enhancement through digital board has also been intoduced.

HelpAge India

HelpAge India is a national-level organization that has been providing multi-faceted care (advocacy, consultation, medical, etc) to destitute elderly since 1978. This initiative provided primary healthcare services to needy and disadvantaged older persons regularly through a Mobile Healthcare Unit (MHU).

What Do We Hope To Achieve?

-Primary health care to 1,500 unique beneficiaries in a year

-15,000 treatments in a year

-To ensure lack of accessibility does not impede timely medical attention

Scope of Work

-Free treatment & essential medicines
-Local awareness on hygiene
-Referrals for higher order treatment
-Home visits for the bedridden

1. 2340 destitute elderly treated at 31 vulnerable locations across western and central Mumbai. Additionally, destitute elderly were referred for higher order treatments and home visits were also made.

2. Specialised health camp was organized, walking stickswere distributed, numerous elderly counselled, and diabetes, hypertension, fatigues, etc treated after identifying disease patterns and administering medicines on a routine basis.)

"A leader is one who knows the way, goes the way, and shows the way."
– John C. Maxwell

BOARD'S REPORT

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 29th Annual Report on the business of the Company together with the Audited Financial Statements for the financial year ("FY") ended March 31, 2023.

FINANCIAL RESULTS

The summary of the Company's financial performance, both on a consolidated and standalone basis, for FY22 as compared to the previous FY i.e., FY22 -23 is given below:

Year	2022-2023 (in Rs. Crores)		2021-2022 (in Rs. Crores)	
	Consolidated	Standalone	Consolidated	Standalone
Total Income	732.82	706.4	685.85	663.5
Less: Total Expenses	674	652.21	-814.42	-787.08
Profit before exceptional item and Tax	58.82	54.19	-128.57	-123.58
Exceptional item	-20.54	-20.54	Nil	Nil
Profit before tax	38.28	33.65	-128.57	-123.58
Less: Tax expenses	9.95	9.24	-30.1	-30.27
Profit after tax from continuing operation	28.33	24.41	-98.47	-93.31

The Company during the year 2022-23 has registered a Profit of Rs. 28.33 Cr against a loss of Rs. 98.47 Cr in FY 2021-2022.

In line with its conservative approach, the Company continues to strengthen its provisioning norms beyond the RBI regulations by provisioning based on the experience and emerging trends.

Being a NBFC, the Company's revenue is substantially, interest income from its customers. The disbursement in SME/consumer lending segment has increased.

APPROPRIATIONS

The Company due to the loss in financials has not transferred any amount (previous year Rs.1.79 Cr.) to Special Reserve created u/s 45-IC of the Reserve Bank of India Act, 1934 ("RBI Act").

COST RECORDS

The Company is not required to maintain cost records as per the provisions of Section 148(1) of the Companies Act, 2013 ("the Act").

DIVIDEND

During the Financial Year, the Directors have not recommended any interim or final dividend.

SHARE CAPITAL

During the year under review the amalgamation of Clix Finance India Private Limited (CFIPL), wholly owned subsidiary into the Company was approved by the Central Government Regional Director (Northern Region) consequent to which the Authoised Share Capital of the CFIPL was merged into the Authorised Capital of the Company and thus, it increased from 216,00,00,000 equity shares of Rs. 10 each to 336,10,00,000 equity shares of Rs. 10 each. The details of the amalgamation have been given at point 63 of notes to the Financial Statements.

Additionally, on March 31, 2023, 100 equity shares of Rs. 10/- were allotted under Employees Stock Option Plan 2017 of the Company, as a result of which, the paid up share capital of the Company increased from 1435,99,35,430/- divided into 143,59,93,543 equity shares of Rs. 10/- each to Rs. 1435,99,36,430/- divided into 143,59,93,643 equity shares of Rs. 10/- each.

CAPITAL ADEQUACY RATIO

As at March 31, 2023, Company's Capital Adequacy Ratio (CAR) stood at 37.08 % of which Tier-I capital was 38.45 % and Tier-II capital was (1.38 %) As per regulatory norms, the Company has complied with the minimum stipulated capital adequacy ratio.

ORDERS PASSED BY THE REGULATORS

During the year, no significant or material orders were passed by the regulators or courts or tribunals against the Company.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes in commitments of settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the Company, sale or purchase of capital assets or destruction of any assets etc., if any, affecting the financial position of the Company which have occurred between the end of the financial year and the date of the report.

CREDIT RATINGS

The Company has obtained rating for its borrowings from CARE Ratings Limited. The long term rating from Acutie Rating & Research Limited was obtained during the year at ACUITE AA-/ Negative. CARE Ratings Limited review and reaffirmed the rating on various debt instrument of the Company and revised the outlook as below:

Name of the Credit Rating Agency	Name	Designation	Rating Assigned
CARE	Bank Lines - Long Term (LT) & Short Term (ST)	2900	CARE A for LT / A1 for ST
CARE	Commercial paper	300	CARE A1
CARE	Non convertible debentures	795	CARE A
CARE	Principal Protected Market Linked Debenture	486	CARE PP MLD

DIRECTORS

In compliance with the requirements of SEBI LODR (Listing Obligated Disclosure Requirements Regualtions), the Board had on 31st March, 2023, appointed (3) Three Independent Directors Mr. Chander Mohan Vasudev, also designated w.e.f. 31st March 2023 as the Chairman of the Board, Ms. Anuradha

The composition of the Board meets the requirement of provisions of Section 149 of the Act and Regulation 17 of the SEBI {Listing Obligation & Disclosure Requirements} Regulations (SEBI LODR) with a proper blend of Executive, Non- executive, Independent & Non-Independent Directors.

The complete list of Directors is provided under the Corporate Governance Report forming part of this Report.

DECLARATION OF INDEPENDENCE FROM INDEPENDENT DIRECTORS.

All the Independent Directors had confirmed that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Independent Directors fulfil the conditions specified in Companies Act, 2013 read with the Schedules and Rules made thereunder as well as in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent from Management.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and the SEBI LODR, the Board has carried out annual evaluation of its own performance, Individual Directors Performance, Chairman of the Board and Performance of all Committees of Board.

The process of the annual performance evaluation broadly comprises:

Board and Committee Evaluation:
Evaluation of the Board as a whole and the Committees is done by the individual Directors/ members, followed by submission of collation to Nomination and Remuneraion Committee for discussion and feedback to the Board.

Non-Executive Director Evaluation:
Evaluation done by Board members excluding the Director being evaluated is received and individual feedback is provided to each of the director as per policy for performance evaluation of the Board / its committees/Director approved by the (Nomination & Remuneration Committee) NRC/Board.

Chairperson/Whole Time Director & Chief Executive Officer Evaluation:
Evaluation as done by the individual Directors is submitted to the Chairperson of the Nomination and Remuneraion Committee and who then presents the feedback at the Nomination and Remuneraion Committee Meeting and subsequently at the Board meeting.

All Directors have expressed their satisfaction with the evaluation process.

BOARD MEETINGS

The Board met eight times during the year. The details of the meetings and attendance thereof are reported in the Corporate Governance Report annexed as an Annexure II to this report.

AUDIT COMMITTEE (AC)

The Company has constituted an AC in terms of the requirements of the Companies Act,2013 SEBI LODR and RBI regulations. The details of its composition, meetings and attendance thereat, are disclosed in the Corporate Governance Report (Annexure II to this report).

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

The Company has in place Corporate Social Responsibility Committee as per the provisions of Section 135 read with Companies (Corporate Social Responsibility) Rules, 2014 of the Companies Act. The Company has created provision, identified projects, allocated work contract to three NGOs for carrying out CSR activities on behalf of the Company. Detailed information on CSR Policy, its salient features, CSR initiatives undertaken during the year, details pertaining to spent and unspent amount forms part of Annual Report on CSR activities.
The CSR policy of the Company is placed on the website and can be accessed through https://www.clix.capital/wp-content/uploads/2023/06/8.-CCSPL_Corporate-Social-Responsibility-Policy_26May2023_clean.pdf

The details of composition, meetings and attendance thereat of the CSR Committee are mentioned in the Corporate Governance Report forming part of this Report.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Company has formed a NRC (Anil Chawla, Utsav Baijal, Kaushik Ramakrishnan) as per the RBI Regulations, SEBI LODR and Companies Act.

The details of composition, meetings and attendance thereat of the Committee are mentioned in the Corporate Governance Report forming part of this Report as Annexure II.

BOARD COMMITTEES CONSTITUTED UNDER RBI GUIDELINES

ASSET - LIABILITY COMMITTEE (ALCO) -

In accordance with the Circular No. DOR.NBFC (PD) CC. No.102/03.10.001/2019-20, the Board of Directors had re-constituted the Asset - Liability Committee (ALCO) to review Asset Liability Management risks and opportunities. The Committee met four times during the year.

The composition of the Asset - Liability Committee is as under:

S.No	Name	Designation
01.	Rakesh Kaul	Chief Executive Officer & Wholetime Director
02.	Gagan Aggarwal*	Chief Financial Officer
03.	Vikram Rathi	Chief Risk Officer
04.	Dhairya Parikh	Head - Treasury
05.	Naman Jain	AVP – Treasury
06.	Ankit Aggarwal	AVP – Treasury
07.	Shivam Miglani	AM - Treasury

*Appointed w.e.f. 14th November, 2022

RISK MANAGEMENT COMMITTEE-

The Risk Management Committee was constituted as required by RBI and SEBI LODR. The Risk Management Committee met Two (2) times during the year.

The composition of the Risk Management Committee is as under:

S.No	Members of Risk Management Committee	Designation
01.	Anil Chawla	Non Executive Director
02.	Utsav Baijal	Non Executive Director
03.	Kaushik Ramakrishnan	Non Executive Director
04.	Ajay Bharat Candade*	Independent Director

*Appointed as a member w.e.f. 31st March, 2023

FIT AND PROPER CRITERIA & CODE OF CONDUCT

All the Directors meet the fit and proper criteria stipulated by RBI & SEBI. Further, the Directors and senior management of the Company have affirmed compliance with the Code of Conduct of the Company. The Fit and Proper Criteria for Directors Policy adopted by the Company is posted on the website of the Company https://www.clix.capital/wp-content/uploads/2023/06/Code-of-Conduct-for-Directors.pdf

KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following were the Key Managerial Personnel of the Company

(1) Rakesh Kaul - Whole Time Director & Chief Executive Officer (CEO)

(2) Gagan Aggarwal - Chief Financial Officer (CFO)

(3) Ashhish Kr. Paanday- Company Secretary (CS)* (Upto 6th March, 2023)

*Appointed w.e.f. 14th November, 2022

The Nomination and Remuneration Committee (NRC) of the Board has devised a policy for selection and appointment of Directors, Key Managerial Personnel and other Senior Management Employees and their remuneration, which has been adopted post the approval of the Board.

CHANGE IN BUSINESS AND OUTLOOK

The Company is an NBFC with focus on lending to MSMEs and retail borrowers. The Company continues to lend these sectors strengthening the same on the foundations of technology, analytics and robust risk management system in the current year. Details on the business have been given in Management Discussion and Analysis Report (MDA)

DETAILS OF SUBSIDIARY COMPANY

The Company has one subsidiary Clix Housing Finance Limited. The Board of Directors of the Company at its meeting held on May 30, 2022, had approved the merger of Clix Hosuing Finance Limited into Company. The said Merger is subject to Regulatory approvals. As required under Rule 5 and Rule 8(1) of the Companies (Accounts) Rules, 2014, a report on the performance and financial position of subsidiary of the Company had been appended as Annexure-III to this report. The highlight of performance of the business of the subsidiary and the contribution thereof is given as a part of Management Discussion and Analysis Report which forms part of this Report.

DEPOSITS

The Company has not accepted any deposits from the public as defined in the Non-Banking Financial Companies (Reserve Bank of India) directions, amended till date. Further, the Company being a private company cannot accept deposit from the public.

STATUTORY AUDITOR

Pursuant to the provisions of Section 139(2) of the Act and the rules made thereunder and the directions of the RBI vide Notification Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021, the Board of Directors of the Company had, on 30th May, 2022 appointed M/s Brahamayya and Co. as the statutory auditor of the Company for a period of 3 years, effective April 01, 2022. Thereafter, the Shareholders of the Company had confirmed the aforesaid appointment in their meeting held on 30th September, 2022.

AUDITOR'S REPORT

The Auditor's Report to the Members for the year under review is unmodified. The Notes to the Accounts referred to in the Auditor's Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Act.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the statutory auditor has not reported, any instance of fraud committed against the Company by its officers or employees to the Audit and Risk Management Committee, under Section 143 (12) of the Companies Act, 2013.

ACCOUNTING TREATMENT

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and other provisions of the Act. The details of the accounting treatment followed during the financial year are mentioned in Notes to Financial Statement.

SECRETARIAL AUDITOR

Pursuant to the provision of Section 204 of the Act, The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the company had appointed M/s VKC and Associates, Company Secretaries (ICSI Firm Registration No. P2018DE077000) to undertake the secretarial audit of the company for Financial Year 2022- 2023. The Secretarial Audit Report as given by the Secretarial Auditor in the form of MR-3 is appended as Annexure IV to this Report. The Secretarial Audit Report is self explanatory and does not contain any qualification, reservation or adverse remark.

INTERNAL FINANCIAL CONTROLS

The Company has in place an adequate internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance processes. The framework is commensurate with the nature of the business and size of its operations. Internal auditing at the Company involves the utilization of a systematic methodology for analyzing business processes or organizational problems and recommending solutions to add value and improve the organization's operations. The audit approach verifies compliance with the regulatory, operational and system related procedures and controls.

The Company has established risk based internal audit functions, as defined by the RBI, for the FY 2022- 2023 and onwards.

During the year, such controls were tested and no reportable material weakness in the design/operation observed as per the provision of Rules 8(5) of the Companies (Accounts) Rules, 2014.

REGULATORY GUIDELINES

The company continues to comply with all the applicable regulations/ guidelines/ directions prescribed by the Reserve Bank of India (RBI) from time to time

SECRETARIAL STANDARD

The Company has complied with Secretarial Standard issued by the Institute of Company Secretaries of India related to Board/ Committee Meetings and General Meetings.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Board of Directors confirm that, to the best of its knowledge and belief:

(1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(2) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for that period;

(3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(4) The Directors have prepared the annual accounts on a going concern basis;

(5) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

(6) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering that the Company is an NBFC carrying out lending activities, the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to Rule 8(3) of the Companies (Accounts) Rules, 2014 are not relevant the operations. Although the operations of the Company require normal consumption of electricity, the Company is still taking all necessary steps to reduce the consumption of energy and technology absorption.

EXPENDITURE IN FOREIGN CURRENCY ARE AS FOLLOWS:

During the year under review, the Company incurred:
Expenditure in Foreign currency (in Lakhs) – Rs.758 on account of Information & Technology cost (previous year Rs.848 Lakhs).

ESOP SCHEME

The Board and Shareholders of the Company had approved and adopted Employee Stock Options Scheme/Plan under Section 62(1)(b) of the Companies Act, 2013, wherein employees of the Company are entitled to participate in this scheme. The Shareholders of Company in the Annual General Meeting held on 28th December, 2020 has amended the Employee Stock Option Scheme with respect to implementation of the Scheme from Direct method to Company sponsored Trust method. The disclosures relating to rule 8(13) of Companies (Share Capital and Debenture Rules), 2014 are given in the Note no. 42 of Financials. Since there was no exercise of options during the period under the review, therefore the disclosures regarding the exercise of options are not applicable.

TRANSFER OF FUNDS IN IEPF

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

EXTRACT OF ANNUAL RETURN

The Annual Return of the Company in Form MGT- 7 in accordance with Section 92(3) of the Companies Act, 2013 is available on the website of the Company i.e. https://www.clix.capital/investors.com

VIGIL MECHANISM

The Company has a Whistle Blower Policy as per the requirement of Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI LODR. The policy adopted by the Company is framed in context of the statutory requirements. The said policy is available on the website of the company and can be accessed through https://www.clix.capital/wp-content/uploads/2023/06/32.-vigil-mechanism-clix-capital_26May2023_clean-2.pdf

RISK MANAGEMENT

Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Risk Management in the Company covers amongst others, credit, market, operational and fraud risk along with appropriate collections policies. The Risk Management Committee (RMC) assists the Board in its overseeing key credit risks and resultant compliances. The RMC reviews portfolio performance, monitors risk tolerance limits, reviews risk exposures related to specific issues. The Company continues to invest in talent, processes and emerging technologies for building a robust and a forward-looking culture towards risk management.

GENERAL MEETINGS

Number of meetings of the Shareholders:
During the year, the Shareholders met Two (2) times:-

Sr.No	Type of Meeting	Date of Meeting
1.	Annual General Meeting	September 30, 2022
2.	Extra-ordinary General Meeting	February 24, 2023

PARTICULARS OF LOANS, GUARANTEES/INVESTMENTS

The Company is registered as a Non-Banking Financial Company with the Reserve Bank of India. Hence provisions related to Loans, Guarantees/Investments under Section 186 of the Companies Act, 2013 are not applicable. However, the details of loans, guarantees and investments are mentioned under the relevant head of the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts or arrangements with related parties, entered into or modified during the financial year, were on arm's length basis and in ordinary course of business. The Audit Committee has given omnibus approval for said transactions which, thereafter, are noted int the subsequent meeting of the Committee.

No material contracts/arrangements with related party was entered into during the year under review. Accordingly, no transactions are being reported in Form AOC-2. In line with the requirements of the Act and RBI Directives, the Company has formulated a Policy on Related Party Transactions which is also available on Company's website, the link to which is (https://www.clix.capital/wp-content/uploads/2023/06/31.-Clix-Capital-Related-Party-policy_26May2023_clean.pdf).

The policy intends to ensure that proper approval, reporting and disclosure processes and identification of material related party transactions, as required under the Companies Act and SEBI LODR, is in place for all transactions between the Company and related parties.

The Directors draw attention of the members to Note No. 35 to the financial statement that sets out related party disclosures.

PARTICULAR OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company but they shall be provided free of cost to the members on the written request to the Company Secretary.

MANAGERIAL REMUNERATION

The Company has paid the managerial remuneration to its directors according to the provisions of the Companies Act, 2013 and the disclosure relating to the remuneration paid is given in the RPT section under Note No. 35 of the Financial Statements.

DISCLOSURES UNDER PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE ACT, 2013

The Company has in place a Policy for prevention of Sexual Harassment, in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints. All employees (Permanent, contractual, temporary, trainees) are covered under the policy. The Company conducts mandatory sessions for employees to build awareness amongst employees about the Policy and the provisions of Prevention of Sexual Harassment of Women at Workplace Act.

The Company did not receive any complaints regarding sexual harassment during FY 2022-2023.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is annexed as Annexure V to this Annual Report.

CORPORATE GOVERNANCE

The Company has a strong and committed corporate governance framework, which encompasses policies, processes and people, by directing, controlling and managing activities with objectivity, transparency and integrity.

The Company is committed to ensure fair and ethical business practice, transparent disclosures and reporting. The focus of the Company is on statutory compliance, regulations and guidelines and ethical conduct of business throughout the organization with primary objective of enhancing stakeholder's value while being a responsible corporate citizen.

DETAILS OF DEBENTURE TRUSTEE

The Debenture Trustee acting for the Debentureholders is Catalyst Trusteeship Limited having its office at GOA House, Plot No. 85 Paud Road, Pune 411038 Contact No.- 0120- 25280081 Email Id; dt@ctltrustee.com.

ACKNOWLEDGEMENTS

The Directors wish to place on record their heartfelt appreciation for the efforts of the Company's employees and the co-operation extended by the customers, suppliers, bankers and all other business associates for their continued support and wish that this support will continue in the road ahead with the same commitment towards the growth of the Company.

For and On Behalf of
Clix Capital Services Private Limited

Rakesh Kaul
CEO & Whole Time Director
DIN: 03386665

Anil Chawla
Director
DIN: 00016555

Date: 9th August, 2023
Place: Gurgaon

ANNEXURE- I

ANNUAL REPORT ON CSR ACTIVITIES

Brief outline on CSR Policy of the Company. The policy articulates Company's approach and commitment to sustainable and inclusive social development by improving quality of life of the communities it serves.

Composition of CSR Committee:

Sl.No	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Pramod Bhasin	Chairman/ Non- Executive Director	1	1
2.	Anil Chawla	Non- Executive Director	1	1
3.	Utsav Bailjal	Non- Executive Director	1	1
4.	Kaushik Ramakrishnan	Non- Executive Director	1	1

Note: Post the induction of the Independent directors on the Board of Directors of the Company it is proposed to have one Independent Director as the member of CSR Committee.

The web-link providing Composition of CSR committee, CSR Policy and CSR projects approved by the board is provided in the Board Report.

The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014: Not Applicable

Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year: Not Applicable

Average net profit of the company as per section 135(5):

a) Two percent of average net profit of the company as per section 135(5): N.A.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: N.A.

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c). net profit of the company as per section 135(5): Nil

8. (a) CSR amount spent or unspent for the financial year:

Total Amount spend in the Financial Year (in Rs.)	Amount Unspent (in Rs)				
	Total Amount transferred to Unspend CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
55,00,360	68,32,429		-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No	Nameof the Project	Item from the list of activities in Schedule VII to the Act.	Local/ area (Yes/ No).	Location of the project	Project Duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
1.	I am Gurgaon	Protection of flora and fauna Item No. IV of Schedule VII	Yes	Gurugram	3 Years	20,00,000	19,84,000	16,000	No	I am Gurgaon
2.	Help age India	Promoting preventive healthcare. Item\ No. I of Schedule VII.	No	Mumbai	3 Years	28,32,720	14,16,360	14,16,360	No	Help age India
3.	Muskaan Paepid	Employment enhancing skill development. Item No. II of Schedule VI	No	Delhi	3 Years	25,00,000	21,00,000	4,00,000	No	Muskaan Paepid
	Total					63,32,720	55,00,360	18,32,360		

(c) Details of CSR amount spent against other than ongoing projects for the financial year: None

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 55,00,360

(g) Excess amount for set off, if any : None

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No	Preceeding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per second provision to section 135(6)			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of Transfer	
1.	2019-20	Nil	-	-	-	-	-
2.	2020-21	Nil	-	-	-	-	-
3.	2021-22	31,00,000	14,16,360	-	-	-	16,83,640
	Total	31,00,000	14,16,360	-	-	-	16,83,640

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1.	001	IamGurgaon	2021-22	Ongoing	20,00,000	19,84,000	19,84,000	Ongoing
2.	002	Muskaan	2021-22	3 Years	25,00,000	21,00,000	21,00,000	Ongoing
3.	003	Helpage India	2021-23	3 Years	28,32,720	14,16,360	14,16,360	Ongoing
	Total				73,32,720	55,00,360	55,00,360	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(a) Date of creation or acquisition of the capital asset(s): Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Rakesh Kaul
(CEO& Wholetime Director)
DIN: 03386665

Pramod Bhasin
(Chairman CSR Committee)
DIN: 01197009

Date: 9th August, 2023
Place: Gurgaon

ANNEXURE- II

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an insight into the management of affairs of the Company. It implies governance with the highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics for efficient and ethical conduct of business. It is about meeting the strategic goals responsibly and transparently, while being accountable to the stakeholders. At Clix Capital Services Private Limited ("the Company"), we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business.

The Company's Corporate Governance philosophy oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. This philosophy is achieved by strong emphasis on the core values being Customer first, transparency, integrity and professionalism.

The Company continually works towards implementing robust, resilient and best-in-class corporate practices in every facet of its operations and in all spheres of its activities, thereby generating higher returns and maximizing shareholder value.

BOARD OF DIRECTORS

At Clix Capital, we believe that a diversified, active and well-informed Board is necessary to ensure highest standards of Corporate Governance. We believe that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The statutory and other significant and material information is placed before the Board to enable it to discharge its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's corporate governance philosophy. The Company's policy is to have an appropriate blend of Independent and Non-Independent Directors to maintain the independence of the Board and to separate the Board functions of governance and management.

COMPOSITION OF THE BOARD

As on March 31, 2023, the Company's Board consists of 9 (Nine) Directors, which includes 1 (one) Executive Director, 5 (Five) Non- Executive Directors and 3 (Three) Non-Executive, Independent Directors

Title	Name of Director & DIN	Category #	Details of Attendance: No. of Board Meeting		Directorships in other listed entities including this entity		Committee Memberships/ Chairmanships in other public limited companies	
			Held	Attended	Directorship	Independent	Membership	Chairmanship
Mr.	Pramod Bhasin 01197009	Chairman & NED	8	6	2	2	2	Nil
Mr.	Anil Chawla 00016555	NED	8	4	1	1	1	Nil
Mr.	Rakesh Kaul 03386665	ED	8	8	1	1	Nil	Nil
Mr.	Utsav Baijal 02592194	NED	8	6	1	1	1	Nil
Mr.	Kaushik Ramakrishnan 08303198	NED	8	8	1	1	1	Nil
Mr.	Steve Martinez 06765499	NED	8	4	1	1	Nil	Nil
Mr.	Chander Mohan Vasudev* 100143885	ID	8	NA	2	2	2	Nil
Mr.	Ajay Bharat Candade* 07090569	ID	8	NA	1	1	1	Nil
Mrs.	Anuradha Bajpai* 07128141	ID	8	NA	2	2	Nil	3
Mr.	Sanjiv Mishra 03511635**	NED	8	5	Nil	Nil	Nil	Nil
Mrs.	Rashmi Mohanty***	WTD	8	4	-	-	-	-

Chairperson /Executive (ED)/ Non-Executive (NED)/ Independent (ID)/ Nominee (ND)/ Wholetime Director (WTD)

* Appointed w.e.f. 31st March, 2023

** Resigned w.e.f. 31st March, 2023

*** Resigned w.e.f. 20th October, 2022

Note:

None of the Directors holds office as a director, including alternate director, in more than twenty (20) Companies at the same time. None of them has directorships in more than ten (10) Public Companies. For reckoning the limit of Public Companies, directorships of Private Companies that are either Holding or Subsidiary Company of a Public Company are included.

As per declarations received, none of the Directors serves as an Independent Director in more than seven (7) Listed Companies.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013 ("Act") along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act and that they are independent of the management.

Notwithstanding the number of directorships, as given above, the outstanding attendance record and participation of the directors in Board/Committee meetings indicate their commitment and ability to devote adequate time to their responsibilities as the Company's fiduciaries.

NUMBER OF BOARD MEETINGS

During the Financial Year 2022-23, Eight (8) meetings of the Board of Directors were held and the maximum time gap between two consecutive meetings did not exceed one hundred and twenty (120) days. Board Meeting dates were May 30, 2022, June 23, 2022, August 10, 2022, September 22, 2022, November 14, 2022 , December 2, 2022, February 13, 2023 and February 27, 2023.

INFORMATION SUPPLIED TO THE BOARD

Agenda papers along with the necessary documents and information are circulated to the Board and the members of the Board Committee(s) well in advance before each meeting of the Board and Committee(s) thereof. In addition to the general business items, the following items/ information is regularly placed before the Board and/or Committees to the extent applicable:

- Annual operating plans and budgets and any updates;
- Capital Budgets and any updates;
- Quarterly, half yearly and annual results of the Company;
- Minutes of meetings of Audit Committee and other Committees of the Board of Directors;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Any material defaults in financial obligations to and by the Company for sub stantial non payments;
- Strategic business proposal or activities to be undertaken;
- Purchase and disposal of major fixed assets;
- Sale of material nature of investments and assets, which are not in the normal course of Business;
- Reports on Internal Controls Systems, Internal Audit Reviews and Statutory Audit reviews etc.;
- Related Party Transactions;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders' Services; and
- Internal Audit Plan/ Calendar etc.

All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting. The quantum and quality of information supplied by the management to the Board goes well beyond the minimum requirements stipulated under the Act, Secretarial Standards on Meetings of the Board of Directors issued by The Institute of Company Secretaries of India and as per the requirements of the SEBI Listing Regulations, wherever applicable.

BOARD LEVEL COMMITTEES

I. AUDIT COMMITTEE:

During the year under review, the Audit Committee met 5 (Five) times, i.e. on May 30, 2022, August 10, 2022, September 22, 2022, November 14, 2022 & February 13, 2023. The composition of the Audit Committee as on date of this Report and the attendance details of the meetings held during the FY 2022-23 are, given below:

Members of Audit Committee	Designation	Total No. of Meeting held in FY	Meeting Attended
Pramod Bhasin#	Chairman	5	4
Utsav Baijal*	Member	5	5
Kaushik Ramakrishnan*	Member	5	5
Anil Chawla *	Member	5	2
Anuradha Bajpai **	Chairman	5	NA
Chander Mohan Vasudev**	Member	5	NA

*ceased to be member of the Committee w.e.f. 31st March, 2023

** inducted in the Audit Committee w.e.f. 31st March, 2023

Ceased to be the Chairman of Committee w.e.f. 31st March, 2023

The composition of the Audit Committee is in line with the provisions of Companies Act, 2013, NBFC Regulations and SEBI Listing Regulations, as applicable. All the Members have the ability to read and understand financial statements and have relevant finance and / or audit experience.

Terms of reference:

The Board has adopted an Audit Committee Charter which defines the composition of the Audit Committee, its authority, role, responsibilities and powers and reporting functions in accordance with the Act and SEBI Listing Regulations and Guidelines issued by the Reserve Bank of India (“RBI”). The responsibilities of the Audit Committee, inter alia, include:

• To review the financial reporting process, the system of internal financial controls, the audit process, the Company’s process for monitoring compliance with laws and regulations and the Code of Conduct of the Company;

• To recommend the appointment, remuneration and terms of appointment of Auditors of the Company and discuss with Auditors the nature and scope of their audit before commencement;

• To review and monitor the Auditor’s independence and performance, and effectiveness of Audit process;

- To examine the financial statement, financial results and the Auditors' report thereon;
- To approve transactions or any subsequent modification to the transactions of the Company with related parties;
- To scrutinize inter-corporate loans and investments;
- To approve payment to Statutory Auditors for any other services rendered by the statutory Auditors;
- To evaluate internal financial controls and risk management systems;
- To monitor end use of funds raised through public offers and related matters;
- To review the functioning of and compliance with the Company's Whistle Blower Policy;
- To review the performance of statutory and internal auditors and adequacy of the internal control systems;
- To review findings of internal investigations, frauds, irregularities etc. and
- To review Internal Audit Plan/ Calendar etc.

II. ASSET LIABILITY COMMITTEE

During the year under review, the Asset Liability Committee (ALCO) met 4 (Four) times, i.e. on June 27, 2022, September 27, 2022, December 23, 2022 & March 29, 2023. The composition of the ALCO Committee as on date of this Report and the attendance details of the meetings held during the FY 2022-23 are, given below:

Members of Audit Committee	Designation	Total No. of Meeting held in FY	Meeting Attended
Rakesh Kaul	Member	4	4
Gagan Aggarwal*	Member	4	2
Vikram Rathi	Member	4	4
Vijay Kumar Ramakrishna	Member	4	2
Dhairya Parikh	Member	4	4
Ruchika Sharma	Member	4	4
Naman Jain	Member	4	4
Ankit Aggarwal	Member	4	4
Shivam Miglani	Member	2	2
Rashmi Mohanty**	Member	2	2

* Inducted as member w.e.f. 23rd December, 2022
** Ceased to be a member w.e.f. 20th October, 2022

Terms of reference:

The responsibilities of the ALM Committee, inter alia, include:

• To check the Asset Liability mismatches, interest risk exposure, etc;

• To help the Company to improve the overall system for effective risk management in various portfolios held by the Company;

• Compliance with RBI Prudential Norms / directions / guidelines for asset liability management; and

• Debt Composition and plan of the Company for fund raising.

III. RISK MANAGEMENT COMMITTEE

During the year under review, the Risk Management Committee met 2 (Two) times, i.e. on February 13, 2023 & March 31, 2023.

Members of Risk Management Committee	Designation	Total No. of Meeting held in FY	Meeting Attended
Anil Chawla	Chairman	2	2
Utsav Baijal	Member	2	2
Kaushik Ramakrishnan	Member	2	2
Ajay Bharat Candade*	Member	2	NA

* Appointed as member w.e.f. 31st March, 2023

Terms of reference:

The responsibilities of the Risk Management Committee, inter alia, include:

• To assist the Board in its oversight of various risks;

• To formulate a detailed Risk Management Policy and oversee implementation of the same, including evaluating the adequacy of risk management systems;

• To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company

• To review the appointment, removal and terms of remuneration of the Chief Risk Officer; and

• To review and analyse risk exposure related to specific issues and provide oversight of risk across the organization.

IV. NOMINATION & REMUNERATION COMMITTEE -

During the year under review, the Nomination & Remuneration Committee met once on May 30, 2022. The composition of the Nomination & Remuneration Committee as on date of this Report and the attendance details of the meetings held during the FY 2022- 23 are, given below:

Members of Nomination And Remuneration Committee	Designation	Total No. of Meeting held in FY	Meeting Attended
Pramod Bhasin*#	Chairman	1	1
Utsav Baijal	Member	1	1
Sanjiv Misra#	Member	1	1
Anil Chawla#	Member	1	Nil
Chander Mohan Vasudev**	Chairman	1	NA
Ajay Bharat Candade***	Member	1	NA

*Ceased to be the chairman w.e.f. March 31, 2023.
** Appointed as Chairman w.e.f. March 31, 2023.
*** Appointed as Member w.e.f. March 31, 2023.
#Ceased to be the member w.e.f. March 31, 2023.

Terms of reference:

The responsibilities of the Nomination & Remuneration Committee, inter alia, include:

- To formulate and recommend to the Board of Directors the Company's policies, relating to the remuneration for the Directors, Key Managerial Personnel and Other Employees, criteria for determining qualifications, positive attributes and independence of a director;
- To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;
- To identify persons who are qualified to become Directors and who might be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- To extend the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- To carry out evaluation of every Director's performance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees; and
- To devise a policy on "Board diversity".

REMUNERATION POLICY

The remuneration paid to the Executive Director(s) is approved by the Nomination & Remuneration Committee and endorsed by the Board of Directors of the Company, in line with the approval granted by the shareholders of the Company. At the Board Meeting, only the Non-Executive Directors participate in the business pertaining to the approval of the remuneration to be paid to the Executive Director. The remuneration is fixed considering various factors such as qualification, experience, prevailing remuneration in the industry and the current financial position of the Company.

V. IT STRATEGY COMMITTEE:

During the year under review, the members of the IT Strategy Committee met twice on October 11, 2022 and March 30, 2023. The composition of the IT Strategy Committee as on date of this Report and the attendance details of the meetings held during the FY 2022-23 are, given below:

Members of of IT Strategy Committee	Designation	Total No. of Meeting held in FY	Meeting Attended
Vijay Kumar Ramakrishnan	Chief Technology Officer (CTO)	2	2
Rakesh Kaul	Chief Executive Officer	2	2
T. Prakash Shetty	Principal Officer	2	2
Vikram Rathi	Chief Risk Officer	2	2
Gagan Aggarwal*	Chief Financial Officer	1	-
Rashmi Mohanty**	Chief Financial Officer	1	1

*Inducted as member in the Committee w.e.f. 14th November, 2022

**Ceased to be member of the Committee w.e.f. 20th October, 2022

Terms of reference

The responsibilities of the IT Strategy Committee, inter alia, include:

• Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;

• To review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance

• Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business

• Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;

• Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;

• Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

• Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;

• Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;

• To ensure that NBFC's business continuity preparedness is not adversely compromised on account of outsourcing. NBFCs are expected to adopt sound business continuity management practices as issued by RBI and seek proactive assurance that the outsourced service provider maintains readiness and preparedness for business continuity on an ongoing basis.

COMMITTEE OF DIRECTORS

The Board has further delegated certain powers to the Committees for dealing with routine matters of the Company on day to day basis and the matters relating to allotment, transfer, transmission, transposition, issue of new/duplicate share certificates, matters relating to borrowing, investment of surplus funds, opening and closure of Bank accounts, allotment of NCDs, issue of commercial paper (CP) & other debt instrument and all other matters as prescribed and delegated to the Committee by the Board from time to time. These Committees generally meet as and when required to deal with the business delegated to them.

As on March 31, 2023, the Company is in compliance with all the mandatory requirements specified in Regulation 17 to 27 of SEBI Listing Regulations except Regulations 17(1)(b), Regulation 19(1) (b) and 23 which have been made applicable to the Company as a High Value Debt Listed Entity. The Company has been providing the necessary explanation in the quarterly compliance report on Corporate Governance submitted to the Stock Exchanges.

NUMBER OF EQUITY SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON- EXECUTIVE DIRECTORS

None of the Non executive Directors of the Company hold any shares or convertible instruments in the Company as on March 31, 2023.

INDEPENDENT DIRECTORS

In accordance with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation (LODR), the Board of Directors of the Company, having a non executive Chairman was required to have atleast 1/3rd directors as the Independent Directors. Accordingly, on 31st March, 2023 three eminent directors were inducted on the Board of the Company viz. Mr. Chander Mohan Vasudev, Ms. Anuradha Bajpai and Mr. Ajay Bharat Candade.

It has been confirmed by all the three Independent Directors that they do not have a material pecuniary relationship or transactions with the Company or its subsidiaries, during the two immediate preceding financial years or during the current financial year

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as an Independent Director on the Board. The Committee inter alia considers qualification, positive attributes, area of expertise and number of Directorship(s) and Membership(s) held in various committees of other Companies and determining Directors' independence.

MEETING OF INDEPENDENT DIRECTOR'S

Schedule IV of the Act and the Rules made thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of the Management. At such meetings, the Independent Directors discuss, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, board movements, human resource matters and performance of the executive members of the Board, including the Chairman. As the Independent Director were appointed on the last date of the Financial Year, no separate meeting of Independent Directors could be conducted/ was required to be conducted.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The performance evaluation criteria for Independent Directors is based on various factors which includes participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

PECUNIARY RELATIONSHIP OF DIRECTOR

There is no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company, apart from the sitting fees and commission, if any, received by them for attending the Meetings of the Board and Committee(s) thereof.

SUBSIDIARY

The Company has one Subsidiary Company viz. Clix Housing Finance Limited ("CHFL"). CHFL was granted a Housing Finance Company license by the National Housing Bank (NHB)/RBI to carry on the business of (non-deposit taking) housing finance. It is an all-inclusive housing finance company providing hassle-free home loans pan India. t

DISCLOSURES RELATED PARTY TRANSACTIONS

In terms of Section 188(1) of the Companies Act, 2013, all related party transactions entered into by the Company during FY 2022-23 were duly approved by the Audit Committee. No approval of the Board was required as all the transactions were on arm's length basis and in the ordinary course of business. Disclosure of related party transactions as required under Indian Accounting Standard 24 (Ind AS-24) were, however, disclosed to the Board.

The transactions with the Related Parties are on arm's length basis and in the ordinary course of business of the Company and do not have any potential conflict with the interests of the Company at large.

ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

GENERAL BODY MEETINGS

Details of location, day, date and time of the General Meetings held during the last three years and resolutions passed there at are given below.

Financial Year	Location	Day, Date & Time	Summary of business transacted
2022-2023	Video Conferencing (VC) / other Audio Visual Means (OAVM)/(e-AGM)	Friday, 30TH September, 2022, 11:00 a.m. AGM	1)Adoption of Financial Statements 2) Appointment of Statutory Auditors 3) Approval of Related party transaction with Clix Housing Finance Limited 4) Change in Designation of Mr. Rakesh Kaul from Director to Whole Time Director.
	Video Conferencing (VC) / other Audio Visual Means (OAVM)/(e-AGM)	Friday, 23rd February, 2023, 12 noon EGM	1)Amendment in ESOP Plan 2) Issuance of Non Convertible Debentures
2021-2022	4th Floor, Kailash Building, Kasturba Gandhi Marg, Connaught Place, New Delhi – 110 001	Thursday, 30th September, 2021, 3:30 p.m.	1) Adoption of Financial Statements 2) Appointment of Statutory Auditors 3) Regularisation of Appointment of Utsav Baijal, Kaushik Ramakrishnan, Sanjiv Misra & Rakesh Kaul
2020-2021	901B, 9th Floor, Two Horizon Centre, DLF Phase – V, Gurugram – 122 002	Thursday, 26th December, 2019, 8:00 p.m.	1) Issue and offer of Non-Convertible Debentures on a Private Placement Basis
		Tuesday, 25th August, 2020 EGM	1)Approval for conversion of the company into public company, limited by shares and amendment in memorandum and articles of association of the company
		Monday, 7th December, 2020, 2:00 p.m. EGM	1) Approval for Amendment to the Employees Stock Option Plan of Clix Capital Services Private Limited

Financial Year	Location	Day, Date & Time	Summary of business transacted
	4th Floor, Kailash Building, Kasturba Gandhi Marg, Connaught Place, new Delhi – 110 001	Wednesday, 30th September, 2020, 4:00 p.m. AGM	1) Adoption of Standalone Financial Statements 2) Adoption of Consolidated Financial Statements 3) Approve Remuneration of Auditors Appointment of Statutory Auditors 4) Appointment of Director 5) Issue and allotment of Non convertible debentures

MEANS OF COMMUNICATION

RESULTS

The Company publishes limited review un-audited standalone financial results on a half yearly basis and quarterly basis. However, the Company publishes the audited standalone and consolidated financial results for the complete financial year.

NEWSPAPERS WHEREIN RESULTS ARE NORMALLY PUBLISHED

The quarterly/ half-yearly/ annual financial results were published in 'Financial Express (English) Newspaper.

WEBSITE

The financial results and the official news releases are placed on the Company's website https://www.clix.capital/investors/.com in the 'Investors' section.

ANNUAL REPORT

The Annual Report containing, inter-alia, the audited financial statements (standalone & consolidated), Board's Report, Auditors' Report, Management Discussion and Analysis (MDA) report and other important information is circulated to shareholders and other stakeholders and is also available on the Company's website at https://www.clix.capital/investors/.com

REMINDER TO INVESTORS

Periodical reminders for unclaimed shares and unpaid dividends are sent to shareholders as per records of the Company.

OFFICIAL NEWS RELEASES

All financial and other vital official news releases and documents under the SEBI Listing Regulations, also communicated to the concerned stock exchanges, besides being placed on the Company's website.

GENERAL SHAREHOLDER'S INFORMATION

ANNUAL GENERAL MEETING (FOR THE FINANCIAL YEAR 2022-23)

Day: Friday

Date: September 29th, 2023

Time: 4:00 PM

Venue: The Company will conduct the meeting through VC / OAVM, relevant details of which have been provided in the notice of AGM.

The Ministry of Corporate Affairs (MCA) through its circulars Nos. 20/2020, 02/2021, 19/2021, 21/2021 and 2/2022 issued by the Ministry of Corporate Affairs and Circular no. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 issued by SEBI (collectively referred to as 'Circulars'), Companies are allowed to hold Annual General Meeting through VC/OAVM up to December 31, 2022 and send financial statements (including Board's report, Auditors' Report and other documents to be attached therewith) through email.

Accordingly, the Annual Report of the Company for FY 2022-2023 along with the Notice of AGM shall be sent by email to the members and all other persons/entities entitled to receive the same. As stated above, 29th AGM of the Company will be convened through VC or OAVM.

FINANCIAL YEAR:

The Financial Year of the Company starts from 1st April of a year and ends on 31st March of the following year.

DIVIDEND PAYMENT DATE: Not Applicable

LISTING ON STOCK EXCHANGE:

The Non-Convertible Debentures and the Commercial Papers issued by the Company are listed on – National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 The Company has paid Annual Listing Fees for FY 2022-23 to the exchange within the stipulated time.

STOCK CODE: Not Applicable*

MARKET PRICE DATA- HIGH, LOW DURING EACH MONTH IN LAST FINANCIAL YEAR: Not Applicable*

PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS BSE SENSEX, CRISIL INDEX ETC: Not Applicable*

IN CASE THE SECURITIES ARE SUSPENDED FROM TRADING, THE DIRECTORS REPORT SHALL EXPLAIN THE REASON THEREOF:

Not Applicable*

SHARE TRANSFER SYSTEM:

In terms of Regulation 61(4) read with Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form. All requests for transfer and/or dematerialisation of securities held in physical form, should be lodged with the office of the Company's Registrar and Transfer Agent for dematerialisation.

The Share transfer activities are handled by the Registrar and Transfer Agent (RTA) of the Company i.e. M/s. Link Intime India Private Limited. During the year 2022-23, no requests for transfer of shares has been received.

Company's Registrar Details:

M/s Link Intime India Private Limited

Noble Heights, 1st Floor, Plot Number NH-2, C1 Block,

LSC Near Savitari Market, Janakpuri, New Delhi-110058

Phone No. 011-49411000; Fax No. 011-41410591

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2023:

During the year under review, no request for transfer of shares has been received by the company or RTA.

Name of Shareholders	No. of Shares held	Shareholding Percentage
Plutus Financials Pvt. Ltd. (Mauritius)	1,43,59,93,541	99.99999289%
Plutus Capital Pvt. Ltd. (Mauritius)	2	0.00000014%
Catalyst Trusteeship Limited (Clix Employee Stock Trust)	100	0.00000697%
Total	1,43,59,93,643	100%

DEMATERIALIZATION OF SHARES AND LIQUIDITY

As per the notification dated September 10, 2018 issued by Ministry of Corporate Affairs (MCA), made compulsory for every holder of the securities of unlisted public companies who intends to transfer such securities on or after October 02, 2018 shall get such securities dematerialized before the transfer or who subscribes to any securities of an unlisted public company (whether by way of private placement or bonus shares or rights offer) on or after October 02, 2018 shall ensure that all his existing securities are held in dematerialized form before such subscription.

The shares of the Company are traded in the compulsory demat segment. As on March 31, 2023, 14,59,93,543 equity shares (99.99%) of the total share capital were held in dematerialized form with National Securities Depository Limited (NSDL).

Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable

PLANT LOCATIONS: Not Applicable*

ADDRESS FOR CORRESPONDENCE SHAREHOLDERS/INVESTORS CAN CORRESPOND WITH THE COMPANY AT THE FOLLOWING ADDRESS:

Regd. Office:

Plot No. 23, 5th Floor, Aggarwal corporate Tower, Govind Lal Sikka Marg, Rajendra Place, New Delhi- 110008

Corporate Office Address:

901B, 9th Floor, Two Horizon Center, DLF Phase V, Gurugram, Haryana 122002, India.

CREDIT RATING:

As on 31st March, 2023, CARE Rating Limited has reviewed and reaffirmed the rating of various debt instrument of the Company and the table below gives the ratings issued by them:

Name of the Credit Rating Agency	Borrowing Instrument	Shareholding Percentage	Rating Assigned
CARE	Bank Lines - Long Term (LT) & Short Term (ST)	2900	CARE A for LT / A1 for ST
CARE	Commercial paper	300	CARE A1
CARE	Non convertible debentures	795	CARE A
CARE	Principal Protected Market Linked Debenture	486	CARE PP MLD A

DATES OF BOOK CLOSURE

As per the requirement of SEBI LODR the trading window of the company was closed from the 1st day of the quarter till the date of Board Meeting. However, as dividend was not paid thus, the books of the Company were not closed.

DIVIDEND PAYMENT:

During the period under review, the Board does not recommend payment of any Dividend on the Equity Shares for FY 2022-23.

*The equity shares of the Company are not listed on the stock exchange and hence certain details are not applicable to the Company.

UNCLAIMED DIVIDENDS

As per section 124(5) of the Companies Act, 2013 any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to the Investor Education and Protection Fund (the 'Fund') set up by the Central Government.

TRANSFER / TRANSMISSION / TRANSPOSITION OF SHARES

The Securities and Exchange Board of India (SEBI), vide its Circular No. MRD/DoP/-Cir-05/2009 dated 20th May, 2009 and Circular No. MRD/DoP/SE/RTA/Cir-03/2010 dated 7th January, 2010 made it mandatory that a copy of the PAN Card is to be furnished to the Company in the following cases:

- Deletion of name of deceased shareholder(s) where shares are held jointly in the name of two or more shareholders;
- Transmission of shares to the legal heirs where shares are held solely in the name of deceased shareholder; and
- Transposition of shares where order of names of shareholders are to be changed in the physical shares held jointly by two or more shareholders.

Investors, therefore, are requested to furnish the self-attested copy of PAN card, at the time of sending the physical share certificate(s) to the Company, for effecting any of the above stated requests.

Shareholders are also requested to keep record of their specimen signature before lodgment of shares with the Company to avoid probability of signature mismatch at a later date.

NOMINATION FACILITY

Provision of Section 72 of the Act, read with rule 19(1) of the rules made thereunder extends nomination facility to individuals holding shares in the physical form. To help the legal heirs/ successors get the shares transmitted in their favour, shareholder(s) are requested to furnish the particulars of their nomination in the prescribed Nomination Form. Shareholder(s) holding shares in Dematerialized form are requested to register their nominations directly with their respective DPs.

TRANSFER TO IEPF

As per section 124(5) of the Act, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to the Investor Education and Protection Fund (the 'Fund') set up by the Central Government. Accordingly, the unpaid/unclaimed dividend for the previous financial years has already been transferred by the Company to the said Fund from September 2015 onwards.

QUOTE FOLIO NO. / DP ID NO.

Shareholders/Beneficial Owners are requested to quote their Folio Nos./DP ID Nos., as the case may be, in all correspondence with the Company.

Shareholders are also requested to quote their Email IDs, Contact/Fax numbers (landline/ cell phone) for prompt reply to their correspondence.

TRANSFER OF UNCLAIMED SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 (the 'Rules') notified by the Ministry of Corporate Affairs effective September 7, 2016, as amended, all shares in respect of which dividend has remained unclaimed by the shareholders for seven consecutive years or more are required to be transferred to the Investor Education and Protection Fund (IEPF).

An option to claim from IEPF Authority, all unpaid/unclaimed dividends or other amounts and the unclaimed shares transferred to IEPF, is available to members. Members may make their claim by following the due procedure for refund as prescribed under the said rules.

VOTING THROUGH ELECTRONIC MEANS

In accordance with the Companies (Management and Administration) Rules, 2014 and MCA circulars, the Company will also provide e-voting facility for members attending the ensuing AGM through VC or OAVM. Shareholders who are attending the AGM through VC or OAVM and who have not already cast their votes by remote e-voting shall be able to exercise their right of voting at the meeting. The cut-off date to determine the number of shareholders who are eligible to vote thereat, are as per the said Rule.

Detailed procedure is given in the Notice of AGM and is also placed on the Company's website https://www.clix.capital/

OTHER DISCLOSURES

PARTICULARS	DETAILS
Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large.	There are no material related party transactions during the year under review that have potential conflict with the interest of the Company
Details of non-compliance by the Company, penalties, strictures imposed on the listed entity by Stock Exchange(s) or the Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years.	Nil
Details of establishment of Vigil Mechanism / Whistle Blower Policy and affirmation that no personnel have been denied access to the audit committee.	In compliance with the applicable provisions of the Act and other applicable regulations, the Audit Committee of the Company recommended the Board of Directors for the approval of the policy/mechanism on dealing with whistle blowers. However, the Audit Committee reviews Whistle Blower cases on quarterly basis. During the year, no individual was denied access to the Audit Committee for reporting concerns, if any. The said policy/mechanism is disclosed on the Company's website, link for which is https://www.clix.capital/wp-content/uploads/2023/06/32.-vigil-mechanism-clix capital_26May2023_clean-2.pdf company-policies. The Company has put in place a whistle blower policy to support the Code of Conduct. The details about the vigil mechanism forms part of the Board's report.
Web link where policy for determining 'Material' Subsidiaries is disclosed.	The Company does not have any 'Material' Subsidiary Company
Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.	Details of compliance with non-mandatory and mandatory requirements are mentioned below.

Web link where policy on dealing with related party transactions;	Not Applicable
Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).	Not Applicable
A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority.	The Company has obtained certificate from M/s VKC & Associates, Practising Company Secretaries that none of the Directors on the Board of the Company have been de barred or disqualified from being appoint ed or continuing as directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The same is reproduced at the end of this report and marked as Annexure IV
Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof.	During FY 2022-23, all the recommendations of the various Committees of the Board were accepted by the Board.
Total fees for all services paid by the listed entity and its subsidiaries to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.	Number of complaints filed during the year : 0 Number of complaints disposed off during the year : 0 Number of complaints pending as on end of the year :0
Disclosure by the Company of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount.	Nil
Familiarization Program	Details of familiarisation programmes imparted to Independent Directors is disclosed on the website.

NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED - Not applicable

COMPOSITION OF THE BOARD

The composition of the Board is in compliance with the requirements of the Act. In view of the provisions under the SEBI Listing Regulations relating to Board composition which have been made applicable to High Value Debt Listed entities, the Company has reconsituted the board by induction of Independent Director.

Composition of the Nomination & Remuneration Committee(NRC) in view of the provisions under the SEBI Listing Regulations relating to composition of NRC applicable to High Value Debt Listed entities, the Company has reconstituted NRC within the specified timelines.

THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (A) TO (I) OF REGULATION 62(1A) OF SEBI LISTING REGULATIONS

As on March 31, 2023, the Company is in compliance with all the mandatory requirements specified in Regulation 17 to 27 of SEBI Listing Regulations.

DECLARATION SIGNED BY THE WHOLE TIME DIRECTOR STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

On 31st March 2023, the Company has adopted a Code of Conduct for its employees including the Wholetime Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website https://www.clix.capital/investors/

WTD/CFO CERTIFICATION

As required under Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, the Wholetime Director & CEO and Chief Financial Officer of the Company have jointly certified to the Board regarding the Financial Statements and internal controls relating to financial reporting for the year ended 31st March, 2023. The said Certificate is attached herewith as Annexure A and forms part of this Report.

ANNEXURE A

CERTIFICATION

1. We have reviewed financial statements and the cash flow statement for the year of the Company and that to the best of our knowledge and belief:

   a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b) These statements together present a true and fair view of the affairs of Clix Capital services Private Limited ("Company") and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.

4. We have indicated to the auditors and the Audit committee:

   a. significant changes in internal control over financial reporting during the year;

   b. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company internal control system over financial reporting.

For Clix Capital Services Private Limited

Rakesh Kaul
CEO & Whole Time Director
DIN: 03386665

Gagan Aggarwal
Chief Financial Officer

ANNEXURE III

FORM NO. AOC.1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts Rs. in thousand)

1. Sl. No.: 01
2. Name of the subsidiary: Clix Housing Finance Limited
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: NA
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.: NA
5. Share Capital: ₹550,000
6. Reserves & surplus: ₹22,944
7. Total assets: ₹1,394,429
8. Total Liabilities: ₹1,394,429
9. Investments : ₹16,190
10. Turnover: ₹270,717
11. Profit before taxation: ₹36,617
12. Provision for taxation: ₹7,058
13. Profit after taxation: ₹29,559
14. Proposed Dividend: NA
15. % of shareholding: 100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year:
   Liquidated: Clix Loans Private Limited, wide order dated 24th November, 2022

ANNEXURE- IV

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
CLIX CAPITAL SERVICES PRIVATE LIMITED
CIN: U65929DL1994PTC116256
Plot No. 23, 5th Floor, Govind Lal Sikka
Marg, Rajendra Place, 110008 New Delhi

We report that:

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CLIX CAPITAL SERVICES PRIVATE LIMITED (hereinafter referred to as 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Company's Responsibilities

The Company's Management and Board of Directors are responsible for the maintenance of secretarial records under the Companies Act, 2013, and compliance with the provisions of Corporate and other applicable laws, rules, regulations, and standards. Further, the Company's management and the Board of Directors are also responsible for establishing and maintaining adequate systems and processes, commensurate with the size and operations of the Company to identify, monitor and ensure compliances with the applicable laws, rules, regulations, and guidelines.

Auditor's Responsibilities Statement

Our responsibility is only to examine and verify those compliances on a test basis and express an opinion on these secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events, etc.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Limitations

Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI).

Further, we conducted the secretarial audit by examining the secretarial records including minutes, documents, registers, other records, and returns related to the applicable laws on the Company, etc. The management has confirmed that the records submitted to us are true and correct. We have also relied upon representation given by the management of the Company for certain areas which otherwise require physical verification.

Basis of Opinion

We have followed the audit practices, secretarial auditing standards, and processes as applicable and appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification in some cases were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. We also believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Secretarial Records and Compliances made thereunder

Based on our verification of the Company's books, papers, minute books, forms, and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes, and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year that ended on March 31, 2023, according to the provisions of:

(i)The Companies Act, 2013 (the Act) and the rules made thereunder.

(ii)The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.

(iii)The Depositories Act, 1996, and the Regulations and Byelaws framed thereunder;

(iv)The Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings.

(v)The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a)The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not Applicable

(b)The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(c)The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(d)The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable

(e)The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: Not Applicable

(f)The Securities and Exchange Board of India (Issue and Listing Of Non-Convertible Securities) Regulations, 2021;

(g)The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients; Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review.

(h)The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021; Not Applicable

(i)The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable (i)The Reserve Bank of India (RBI) Act 1934 and rules, regulations, master directions, and guidelines made issued thereunder are applicable to Non-Deposit (ND) taking Non-Banking Financial Companies (NBFC) with classification as a "Systematically Important (SI)" specifically applicable to the Company on test basis and relying upon the representation made by the Company and its officers for the system and mechanism framed by the Company for compliances made thereunder and the Company is generally regular in fillings with RBI.

We have also examined compliance with the applicable provisions of the following: -

(i)Secretarial Standards issued by The Institute of Company Secretaries of India were generally complied.

(ii)The Company has entered into listing Agreements with the National Stock Exchange of India Limited (NSE).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards, Master Circular/ Directions, and Guidelines, etc. mentioned above except for the delay in intimation relating to payment confirmation to NSE under regulation 57(1) of SEBI LODR, 2015 for the month of June and July 2022. As informed by the management, the Company has paid the fine and simultaneously applied for a waiver on 17.10.2022.

We further report that:

Subject to the above, the Board of Directors of the Company has been duly constituted with a proper balance of Executive Directors, Non-Executive Directors, and, the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice(s) have been given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and, in case of shorter notice, compliance, as required under the Act, has been made by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings have been carried out with the requisite majority of the members of the Board or committees as the case may be. Further, there is no case of views of the dissenting members as per the recordings in the minutes of the meetings of the Board or Committee(s) thereof.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations, and guidelines

We further report that during the audit period the Company has the following event/action having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, standards & guidelines, if any, as may be referred to above:

(a) During the period under review, the Board of the Company in their meeting held on June 23, 2022, has in principally approved the merger and the draft scheme of the amalgamation of the Company with its Wholly-owned Subsidiary Company i.e. Clix Housing Finance Limited.

Consequently, an application seeking No Objection from the Reserve Bank of India (RBI) has been filed by the Company. Further, the Company has also issued notices(CAA-9) to the regulators pursuant to section 233 of the Act read with rule 25(1) of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016. However, no further actions have been taken by the Company in this regard till the closure of the financial year.

(b) The registered office of the Company has been changed from 4th Floor, Kailash Building Kasturba Gandhi Marg, Connaught Place 110001 New Delhi to Plot No. 23, 5th Floor, Govind Lal Sikka Marg, Rajendra Place 110008 New Delhi w.e.f November 25, 2022.

(c) During the period under review, Pursuant to RBI's Press release dated 12th October 2021 M/s Haribhakti & Co. LLP has been barred by RBI to take any Statutory Audit of Systematically Important Non-Banking Finance Company for a period of two years commencing from 1st April 2022. Consequently, the Company has appointed M/s Brahmayya & Co. for a period of 3 years to fill the vacancy caused by the aforesaid RBI order for M/s. Haribhakti & Co (Erstwhile Auditor) Chartered Accountants and the same has been ratified by the Shareholders in their Annual General Meeting held on 30th September 2022.

(d) During the period under review the Board and its Allotment Committee have made the following allotments of Non-Convertible Debentures.

(i) 180, Rated, Senior, Secured, listed, Redeemable, Transferable Non-Convertible Debentures having a face value of Rs.10,00,000 each amounting to Rs. 18 Crores only on June 30, 2022, which were listed on the National Stock Exchange on July 05, 2022.

(ii)500, Rated, Secured, Listed, Redeemable, Principal Protected Market Linked Non-Convertible Debentures having a face value of Rs. 10,00,000 each amounting to Rs. 50 Crores only on July 20, 2022, which was listed on National Stock Exchange on July 25, 2022

(iii) 500 Rated, Secured, Listed, Redeemable, Principal Protected Non-Convertible Debentures having a face value of Rs. 10,00,000 each amounting to Rs. 50 Crores only on September 16, 2022, which was listed on National Stock Exchange on September 22, 2022

(iv) 600, Rated, Secured, Listed, Redeemable, Principal Protected Non-Convertible Debentures of Rs. 10,00,000 each amounting to Rs. 60 Crores only on September 22,

(v) 350, Rated, Secured, Listed, Redeemable, Principal Protected Market Linked Non-Convertible Debentures of Rs. 10,00,000 each amounting to Rs. 35 Crores only on 26th September 2022, which were listed on National Stock Exchange on September 30, 2022

(vi) 200, Rated, Secured, Listed, Redeemable, Principal Protected Market Linked Non-Convertible Debentures of Rs. 10,00,000 each amounting to Rs. 20 Crores only on September 29, 2022, which were listed on the National Stock Exchange on October 4,

(vii) 2500, Rated, Secured, Listed, Redeemable Non-Convertible Debentures of Rs. 10,00,000 each amounting to Rs. 250 Crores only on March 03, 2023, which were listed on the National Stock Exchange on March 06, 2023.

(e)During the period under review, a Scheme of Amalgamation under Section 233 of the Act with Clix Finance India Private Limited (Wholly Owned Subsidiary Company) was made effective from 1st April 2022 under the provisions of the Scheme and the Act.

(f)During the period under review, the Company has allotted 100 equity shares to Catalyst Trusteeship Limited (Clix Employee Stock Trust) on behalf of an employee under the Employee Stock Option Plan 2019 on 31st March 2023.

FOR VKC & ASSOCIATES
(Company Secretaries)
Unique Code: P2018DE077000

Date: 26/05/2023
Place: New Delhi

CS Ishan Khanna
Partner
ACS No. A53517
C P No. 24258
UDIN: A053517E000370801
Peer Review Certificate:
1955/2022

ANNEXURE- V

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMIC OUTLOOK: RISE & RECOVERING FROM DISRUPTIONS

The global economy has shown signs of recovery, with the GDP growth rate reaching 3.4%. This growth indicates a positive trend as economies rebound from the impact of the COVID-19 pandemic and the tense Russia-Ukraine situation. Factors contributing to the recovery include the unwinding of supply chain disruptions and improvements in energy and food markets.

However, rising inflation has been a concern, affecting household and business spending. To combat this pressure, central banks worldwide were seen raising interest rates. More than 85% of central banks had increased interest rates in the year 2022. For instance, the Federal Reserve in the United States raised its key policy rate six times, reaching 4.25% - 4.50% in December 2022.
The European Central Bank also raised its key interest rates by 250 basis points between July and December 2022 while discontinuing net asset purchases.
However, inflationary pressures have not subsided as expected as the sudden surge in interest rates and the subsequent decline in bond prices had dire consequences for banks like Silicon Valley Bank and Signature Bank, indicating the need for a more decentralized and resilient financial system.

On the other hand, emerging markets and developing economies have been leading the way, experiencing impressive growth rates. In the fourth quarter of the previous year, their growth rates jumped from 2.8% to 4.5% this year.
Additionally, the unemployment rate has been decreasing globally, falling to 5.8% from its peak of 6.9% in 2020, as economies gradually recover.
Informal employment has played a vital role in this decrease, though it saw a slight increase from 57.8% in 2019 to 58.0% in 2022.

Another significant contributing factor to the economic recovery has been the decrease in commodity prices in the later half of 2022. This reduction in prices, particularly for oil and gas, has positively impacted the global economy.
Consequently, global inflation for 2022 was estimated at 8.7%, but it is projected to decline to 6.5% in 2023.

Despite the signs of economic recovery, the Russian-Ukrainian conflict introduced new challenges in 2023. The conflict led to a severe energy crisis in Europe, resulting in a sharp increase in the cost of living and significant disruptions to economic activity. Food shortages caused by the conflict also contributed to rising food prices, especially impacting low-income households in developing countries.

According to forecasts by the IMF, global growth is projected to bottom out at 2.8% this year before rising modestly to 3.0% in 2024. The expectation is for global inflation to decrease from 8.7% in 2022 to 7.0% this year and further down to 4.9% in 2024. Emerging markets and developing economies are still expected to grow at higher rates compared to advanced economies, which may experience slower growth, especially in the euro area and the United Kingdom.

In conclusion, the global economy has been showing signs of recovery from the disruptions caused by the pandemic and geopolitical conflicts. While emerging markets continue to drive growth, central banks' efforts to control inflation are vital in stabilizing the global economic landscape. However, challenges from conflicts and economic instabilities persist, calling for continued vigilance and adaptive policies to foster sustainable growth worldwide.

INDIAN ECONOMY'S GROWTH OUTLOOK

The fiscal year 2022–23 was a year of twists and turns for the global economy, and India's no different. However, thanks to its solid domestic demand, the government's rapid action against the pandemic, a record-breaking vaccination drive, and certain other measures such as Make In India, Vocal for Local, Startup India, various measures taken by the RBI, and the resilience of India's MSME sector, the country has exhibited extraordinary endurance in the face of global impediments.

Interestingly, the transport, communication, hotel, travel, and trade sectors saw powerful growth of 14.2%, while the services and agriculture sectors surged by 6.9% and 3.3%, respectively. Although the manufacturing sector's growth slowed down to 0.6%, it remained positive due to global growth deceleration and high input costs.

However, headline inflation exceeded the targeted range of 2% to 6%, averaging 6.7% in the fiscal year. Factors like elevated global prices for oilseed, fertilizer, and fuel, triggered by events like the Russian invasion of Ukraine and the Indonesian ban on palm oil exports, along with domestic issues like disappointing wheat production and an unseasonably hot March, led to spiking food prices (6.7%) and double-digit fuel inflation (averaging 10.3%). Several measures were taken by the government and the Reserve Bank of India to address these issues. The central bank tightened monetary policy through a series of rate hikes since April 2022, raising its policy rate to 6.50% in February 2023, higher than the pre-pandemic rate of 5.15%. Other measures include banning wheat and broken rice exports in 2022 to stabilize domestic prices and ensure food security.

The current account deficit accounted for 2.7% of GDP in FY23, attributed to higher oil prices and weaker global demand. Import growth outpaced exports, leading to a 38% widening of the goods trade deficit in FY23, while the services trade surplus grew by 27.9%, demonstrating India's ongoing competitiveness in services.

INDIAN FINANCIAL SECTOR

In FY22-23, retail loans played a major role in driving overall credit growth which was 15.4% compared to 9.7% of the last year. There was a consistent growth observed in the housing & vehicle loan sector. Credit card loans experienced high double-digit growth throughout 2022-23, reflecting pent-up consumer demand.

Credit to Micro, Small, and Medium Enterprises (MSMEs) remained robust, supported by the extended Emergency Line Guarantee Scheme (ECLGS) until March 2023. Wholesale and retail trade, now included under the MSME category, benefited from easier access to loans through the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). Additionally, the trade sector experienced accelerated growth in the same period.

The infrastructure sector's credit growth slowed down due to reduced credit to the telecom sector.

Over the past few years, Non-Banking Financial Companies (NBFCs) had steadily increased their market share, reaching up to 18% Asset Under Management (AUM) share of the overall credit pie in March 2019, but this declined to 16% in FY 2022. However, the sector is expected to regain momentum and maintain its ~16% share of AUM . The significant increase in NBFCs' AUM, from Rs 3.6 lakh crore in March 2008 to almost Rs 27 lakh crore in March 2022, underscores the sector's importance in the credit delivery ecosystem.

Facing interest rate hikes and competition from banks, NBFCs are adjusting their portfolio strategies to achieve better risk-adjusted returns. There has been a shift towards non-traditional segments, with a rise in disbursements for unsecured loans and MSME finance over the past 1.5 years. While traditional segments have also improved, they remain relatively stable compared to previous years, indicating a change in segmental growth going forward. Overall, the AUM growth of NBFCs is expected to double to 13%-14% in FY23 from 7% in FY22.

In response to the uncertainties brought about by the pandemic, NBFCs have increased their provisioning levels and strengthened their balance sheets. However, the rising interest rate scenario may partially affect NBFCs' competitiveness in some segments, with the cost of borrowings expected to rise by 100-120 bps in FY23. Despite this, NBFCs have the flexibility to pass on higher borrowing costs in certain asset segments, leading to an estimated compression of spreads by 40-60 bps.

Despite the possibility of compressed spreads due to rising borrowing costs, improved asset quality metrics are expected to lead to better credit costs, supporting earnings and growth prospects. Moreover, the substantial management overlays created by NBFCs will act as a buffer to manage credit risks effectively.

CLIX CAPITAL

In the fiscal year 2022-23, Clix Capital exhibited a strong commitment to serving the underserved segment of the country by actively expanding its retail lending book with a dedicated focus on the MSME sector.

The company's prudent and strategic approach enabled it to achieve substantial growth in its lending portfolio, showcasing an impressive multifold expansion.

One of the key highlights of Clix Capital's performance in 2022-23 was its unwavering dedication to ensuring profitability, driving better rates of return for its investors, and, most importantly, maintaining a superior quality portfolio. The company's steadfast commitment to sound risk management practices and compliance standards resulted in a robust and resilient loan portfolio, further reinforcing its reputation as a reliable and trustworthy financial institution.

SCHOOL FINANCING / K-12 LOANS

Clix Capital’s commitment to the Indian education sector remains unwavering as we strive to make a positive impact by offering financial solutions specifically tailored for semi urban & rural schools typically located within 250 Km from main cities. Through comprehensive financing programs, the company aims to enable school owners to expand, improve infrastructure, adopt modern teaching methodologies, and support the holistic development of students. Such an approach also creates opportunities for students to access quality education.

The company firmly believes that empowering girls through education not only benefits individuals but also contributes significantly to societal progress. School owners who are committed to promoting girls' education play a crucial role in fostering gender equality and women's empowerment. Moreover, post COVID-19 pandemic, parents’ preference for a private school has surged due to quality education, facilities and hygiene.

Clix Capital commands position amongst the top 3 NBFCs in India in this segment and has already crossed 400 Cr of disbursals. With an average ticket size of INR 1.20 Cr, and tenure of 120 months, company has funded over 800 private schools touching the lives of 3,00,000+ students through the borrower network that recognize the importance of maintaining a clean and hygienic learning environment, believe in adopting latest technologies and expand infrastructure and facilities to cater to larger part of the society.

HEALTHCARE EQUIPMENT FINANCE LOANS

Clix Capital has established itself as a prominent player in the healthcare equipment financing space, providing digital loans with innovative loss-protected structures. The focus on supporting the healthcare industry by offering tailored made financing solutions has led to amplified growth and sustained success.

Clix Capital believes in taking an innovative approach to risk management with robust underwriting process which is a blend of a statistical & flexible scorecard based credit decision and Strong knowledge of equipment life cycle provides ability to sanction loan to new projects based on future viability of medical equipment. This prudent risk management strategy has enabled the company to maintain a healthy loan portfolio and deliver consistent returns, safeguarding against potential defaults, minimizing risk exposure for our stakeholders

Strong AUM of INR 336 crore, showcases our strong commitment to supporting the growth of the healthcare industry and our expertise in serving the diverse needs of medical practitioners and institutions. We provide a solution-based approach to customers with an option of loan or lease and have the ability to provide structured offerings of any kind to meet customer requirements.

Re-christened from GE Capital India in 2016, Clix Capital's healthcare loans have a significant footprint across the country having served in over 300 locations. The lender's primary focus has been on micro to mid-level healthcare professionals & institutions located in tier 1-3 cities and are among the leading non-bank players in this segment. Clix Capital has successfully financed 3000+ medical professionals and institutions over the past five years including ~1500 entrepreneurs in setting up various healthcare related units.

MSME LOANS

Clix Capital witnessed significant growth and innovation in its MSME lending business during the fiscal year 2022-23. With a steadfast commitment to support the growth of India's MSME sector, which plays a vital role in the country's GDP contribution and employment generation; the average ticket size of loans extended was 18 lacs, with a flexible tenure of upto 32 months, making it an attractive financing option.
The company leveraged the combined expertise of its team and its partners along with market insights to offer tailor-made financial solutions, specifically designed to address the unique challenges faced by different sectors within the MSME ecosystem. One such partnership is with Tez Capital. Under this one-of-a-kind partnership, the company leveraged Tez Capital's risk-tech underwriting platform to service underserved MSME segments and extend financial services to businesses operating in multiple sectors. It resulted in a significant increase in loan disbursement at reduced input cost, wider geographical reach, and enhanced profitability.

The company is in discussions with multiple large banks about co-lending partnerships to reinforce their confidence in our business model. It's expected to help the company expand its target customer base and product offerings by augmenting liquidity available for deployment, reducing cost of funds, enhancing profitability and mitigating risk by virtue of risk sharing.

MSMEs play vital role in driving economic growth and development of our country. These enterprises contribute significantly to job creation and overall economic progress. MSME loans not only support existing businesses but also foster the emergence of new ventures, leading to expanded operations and increased employment opportunities. Despite their importance, the MSME segment faces a significant challenge in accessing formal credit. The difficulty in underwriting loans stems from the lack of reliable data, the diverse nature of cash flows, the fragmented structure of these SMEs, and the high costs associated with acquiring customers. As a result, many SMEs encounter hurdles in obtaining formal borrowing options and often resort to informal sources of financing.

CLIX Capital empowers Small Business Ecosystem by bridging the social and financial gaps. Our core focus revolves around catering to the needs of MSMEs through innovative financial solutions which involves establishing a highly specialized, technology-enabled lending platform. We firmly believe that resolving this challenge requires a profound understanding of the specific sectors and sub-sectors that these SMEs operate in, along with the application of analytics-driven underwriting.

At CLIX Capital, we have successfully implemented a high degree of underwriting specificity tailored to each specialized sector. This approach allows us to cater precisely to the unique financing needs of every borrower, ensuring more efficient and accessible financial solutions for the MSME community.

TECHNOLOGY:

Clix Capital thrived on its relentless pursuit of technological innovation. Strategic investments were made in building cutting-edge digital infrastructure to streamline the loan application process, enhance credit assessment capabilities, expedite loan disbursals, and create superior customer experience. The implementation of Artificial Intelligence (AI) and Machine Learning (ML) algorithms significantly improved the accuracy and speed of credit evaluations, reducing turnaround times and allowing our customers to access funds more efficiently.

INTERNAL CONTROL SYSTEMS AND ADEQUACY:

Clix Capital recognizes the critical importance of robust internal control systems to ensure the smooth functioning of its operations and to safeguard stakeholders' interests. The company has established systems in line with the nature of its business and the scale of operations.

At the beginning of each financial year, Clix Capital's Audit Committee approves a risk-based internal audit plan which is designed to assess the effectiveness and adequacy of internal control systems, the robustness of internal processes, policies, and accounting procedures, as well as to ensure compliance with relevant laws and regulations.

All internal audit reports are diligently reviewed by the Audit Committee of the Board. This review is essential in providing independent oversight and ensuring the objectivity of the audit process. Based on the committee's recommendations, necessary steps are taken to address any identified issues or deficiencies.

RISK MANAGEMENT

Risk management is an integral part of the Company's business strategy. The Board oversees the risk management framework of the Company through regular and proactive intervention by senior management personnel. The objective of the risk framework is to ensure that the Company underwrites to prudent risk standards, focuses on its target segment and delivers sustainable profitability. The risk management infrastructure operates through five key principles :

-Independent governance and risk management oversight
-An overarching risk appetite statement, that defines the shape of the portfolio, delivering predictable returns through economic cycles, and optimizing enterprise-wide risk-return and capital deployment;
-Establishment of forward-looking risk assessment with pre-emptive credit and liquidity interventions, to ensure early action in the event of emerging market adversity;
-Maintenance of well-documented credit risk policies and credit programs with performance guardrails;
-Extensive use of credit bureau as an integral part of the decision-making processes.

The senior management is responsible for ensuring that the appropriate methodology, processes and systems are in place for monitoring, identifying and reviewing the risks associated with the business of the Company.

ENTERPRISE-LEVEL RISK MANAGEMENT FRAMEWORK:

Clix's risk management framework supports profitable business growth while maintaining disciplined risk management processes. The goal is to maximize profit while minimizing risk. We manage risk across the lifecycle of different customer segments across various lending products and geographies using an optimal mix of analytical and statistical models, rule engine-based credit underwriting, and a robust operational and fraud risk management framework.

RISK APPETITE FRAMEWORK

A clear understanding of our desired risk appetite is central to Clix Capitals Risk Management strategy. The Board of Directors approved a risk appetite framework that covers various types of risks that the organization faces and clearly defines risk acceptance boundaries.

This framework directs the Company's future growth path, considering financial returns, earnings volatility, market and liquidity risk, credit risk, operational risk, information security risks, and legal and compliance risk for monitoring and timely actions. The metrics/thresholds shift in response to external/internal environment changes. Resources are allocated to the appropriate segments to optimize the entity's risk profile.

Product Policy, Governance, and Monitoring Framework : Every product at Clix Capital is overned by a detailed policy framework outlined in the Enterprise Risk Management Policy The document covers the business strategy, critical customer selection criteria, product portfolio monitoring matrices, profitability, and provisioning norms.

MITIGATION

The Company recognises risk identification as a critical function in risk management and mitigation. The Company uses a comprehensive enterprise-level risk framework to quickly identify risks with multi-layered controls. The "Three Lines of Defence" philosophy ensures complete governance and supervision and is at the heart of this risk management framework.

The following are the main pillars of Risk Mitigation:

-Regular Portfolio Quality Review meetings.

-Robust policies and standards are updated regularly

-Internal Controls Standards

-Optimal mix of Fraud databases, screening documents and Quality Audit to detect and mitigate potential fraud.

-Compliance unit tracking all regulatory changes

Internal audits and checks are conducted regularly to ensure that the assigned responsibilities are carried out effectively. Given the dynamic business and operating environment and changing business needs, the Board of Directors Audit Committee periodically reviews the adequacy and effectiveness of internal audit and internal control systems. They also recommend improving the efficacy of the existing internal audit and internal control systems.

KEY ELEMENTS OF RISK MANAGEMENT APPROACH

CREDIT AND UNDERWRITING RISK	Retail Product Program Based	•Lending to Small and Medium Enterprises (SMEs), Retail and digital lending using robust programs, systems and analytics •Enhanced use of data analytics for customer selection •Fraud Bureau alerts •Propensity AI/ML model
MARKET RISK	Interest Rate Risk	•Managing interest rate risks through duration management, spread re-sets, forward rate agreements for hedging and risk management
	Liquidity Management	•Continuous oversight on ALM and liquidity ensuring diversification and adequate liquidity management through a robust Liquidity Risk Management Policy and Governance around Liquidity Risk (with guidance from ALCO)

RIGOROUS MONITORING OF ASSET QUALITY	Lifecycle Monitoring of Exposures Early Warning Triggers	•Deployment of a robust Portfolio Quality Review (PQR) framework for identification of triggers for key exposures •Adoption of Early Warning system for driving collection efficiency and focus
INFORMATION SECURITY	Protecting Business Assets	•Standardized approach to risk mitigation •Information security triggers monitoring with a quick response team in place •Strong data protection environment to enable remote access and mitigate cyber threats
REPUTATION RISK	Sales Conduct	•Verification checks at onboarding stage •Alert monitoring and checks •Code of conduct and whistle blowing governance framework
	Customer Grievance	•Proactive management of Cus-tomer complaints •Active Social media monitoring •Regular feedback process Root cause analysis of customer issues
LEGAL AND COMPLIANCE RISK	Legal and Compliance Risk	•Zero-tolerance approach to non compliance across every subsidi-ary, all compliances regularly tracked •Strong focus on legal risk and litigation managed by robust legal teams and processes in each business •Active monitoring of Regulatory changes and aligning Business strategy to these changes.

OPERATIONAL RISKS	Proactive Approach	•Early identification of operational risks and building an effective con-trol framework to minimize frauds and operational losses •Risk Control Self Assessments to identify potential Risks. •Data-driven approach to proac-tively identify operational risks
	Product Risk	•Comprehensive Pre-launch Product Assessment Process with close engagement from IC •Standardized SOP and Credit Policy at Product Level
	Third Party Risk	•Strong Due Diligence process including InfoSec control •Vendor Risk Assessment Structure •Ongoing Evaluation and Annual Review Framework
	People Risk	•Robust Performance manage-ment system •Investing in Training and Develop-ment •Employee Engagement programs

“A leader is one who knows the way, goes the way, and shows the way.”
-Unkown

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLIX CAPITAL SERVICES PRIVATE LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS (IND AS FINANCIAL STATEMENTS)

OPINION

We have audited the accompanying Standalone financial statements (Ind AS Financials Statements) of Clix Capital Services Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 March 31, 2023, and its profits (including other comprehensive income), its 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 Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Code of Ethics. We believe that the audit evidence obtained by us and other auditor in terms of their report referred to in 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of standalone 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 matter described below to be key audit matter to be communicated in our report.

KEY AUDIT MATTERS	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Assessment of impairment loss allowance based on expected credit loss on Loans ("ECL") as per the guiding principles prescribed under Ind AS 109: As of 31st March 2023, the carrying value of loan assets measured at amortised cost, aggregated Rs. 402,983 lacs (net of allowance of expected credit loss Rs.12,209 lacs) constituting approximately 70.84 % of the Group's total assets. Impairment loss allowance, based on ECL model, is calculated using main variables, viz. 'Staging', 'Exposure at Default', 'Probability of Default' and 'Loss Given Default' as specified under Ind AS 109 As stated in note 7.2 & note. 40.2.1 in the notes to the Consolidated financial statements for the year ended March 31, 2023, the impairment provision is based on the expected credit loss model requires the management of the Group to make significant judgments in connection with related computation. These include: • Segmentation of the loan portfolio into homogenous pool of borrowers. • Identification of exposures where there is a significant increase in credit risk and those that are credit impaired.	• Read and assessed the Company's accounting policies for impairment of financial assets (as described in Note 7 to 7.3 of the standalone financial staements) considering the requirements of Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines. • Evaluated the management estimates by understanding the process of ECL estimation & assessed related assumptions used by the company for grouping and staging of loan portfolio into various categories and default buckets and their appropriateness for determining the probability of default (PD) and Loss-given default (LGD) rates. • Tested controls for staging of loans based on their past-due status. Also tested samples of stage-1 and stage-2 loans to assess whether any loss indicators were present requiring them to be classified under higher rates. • Tested samples of the input data used for determining the PD and LGD rates and agreed the data with the underlying book • Impairment loss allowance of Financial assets (as described in Note 7 to 7.3 of the standalone financial statements)

KEY AUDIT MATTERS	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
• Determination of the 12 month and life-time probability of default for each of the segments identified. • Loss given default for various exposures based on past trends, management estimates etc. • Qualitative and quantitative factors used in staging the loan assets. Given the inherent judgmental nature and the complexity of model involved, we determined this to be a Key Audit Matter.	• Verified whether the ECL provision is made in accordance with the Board Approved Policy. • We have also calculated the ECL provision manually for selected samples. • Assessed the additional considerations applied by the management for staging of loans as significant increase in credit risk (SICR) or default categories in view of company's policy on one-time restructuring. • Tested the arithmetical accuracy of computation of ECL provision performed by the Company. • For the loans which are written off during the year under audit, read and understood policy laid down by the Company & Tested the compliance on sample basis. • Assessed disclosures included in the standalone financial statements in respect of expected credit losses as required under Ind AS 107 and 109 • Obtained written representations from management whether they believe significant assumptions used in calculation of expected credit losses are reasonable.

OTHER INFORMATION

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the annual report but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Directors report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

MANAGEMENT'S RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting standards 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has an 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 in the consolidated financial Statements made by Management and Board of Directors.

• Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

OTHER MATTER

The audit of standalone financial statements for the year ended March 31, 2022, was carried out and reported by the Company's predecessor auditor's M/S Haribhakti & Co. LLP, vide their unmodified audit report dated May 30, 2022, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the standalone financials statement. Our report is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1.As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on the financial statements of subsidiary, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a)We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements.

b)In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

c)The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with in this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d)In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the rules issued there under.

e)On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023, taken on record by the Board of Directors of the Holding Company and on the basis of the reports of the Statutory auditor of its subsidiary, incorporated in India, none of the directors of the Group Companies, incorporated in India is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act.

f)With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary Company incorporated in India, with reference to these Consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g)With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
The Holding Company and Subsidiary Company, being Private Companies, the provisions of Section 197 of the Act is not applicable.

h)With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i)The Consolidated Financial Statements disclosed the impact of pending litigations on the consolidated financial position of the Group – refer Note 34 on Contingent Liabilities to the consolidated financial statement.

(ii)The Group did not have any long-term contracts including derivative contracts as at March 31, 2023 for which there were any material foreseeable losses.

(iii)There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and its subsidiary company during the year ended March 31, 2023.

(iv) (a)Based on our report on separate financial statements of the Holding Company and consideration of report of the other auditor on separate financial statements of its subsidiary Company incorporated in India whose financial statements have been audited under the act, the Management of the holding Company and the subsidiary Company has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Based on our report on separate financial Statements of the Holding Company and consideration of report of the other auditor on separate financial statements of its subsidiary Company incorporated in India whose financial statements have been audited under the act, the Management of the holding Company and the subsidiary Company has represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and Subsidiary 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;

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances and consideration of report of the other auditor on separate financial statements of its subsidiary Company incorporated in India, whose financial statements have been audited under the act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Holding company has not paid/declared any dividends during the year. Further, based on the audit report of the subsidiary Company incorporated in India, no dividend has declared nor paid during the year. Hence, compliance of section 123 of the act is not applicable.

(vi) As per proviso to rule 3(1) of the companies (Accounts) Rules,2014 is applicable for the Group only w.e.f. April 1, 2023, reporting under this clause is not applicable.

2. 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, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and reports of subsidiary company issued by the respective auditor and included in the consolidated financial statements of the Holding company, to which reporting under CARO is applicable, we report in "Annexure A" a statement on the matters specified under clause (xxi) of Paragraph 3 of the Order.

Place: Gurugram
Date: May 26th, 2023

For Brahmayya & Co.
Chartered Accountants
Firm's Regn No: 000511S

N. Venkata Suneel
Partner
Membership No. 223688
UDIN: 23223688BGQXHA7571

The "Annexure A", referred to in Clause 1 (f) of "Report on Other Legal and Regulatory Requirements" Paragraph of the Independent Auditor's Report of even date to the members of Clix Capital Services Private Limited ("the Company") on the standalone financial statements as of and for the year ended March 31, 2023.

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Clix Capital Services Private Limited ("the Company") as of March 31, 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 (the "ICAI").

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place: Gurugram
Date: May 26th, 2023

For Brahmayya & Co.
Chartered Accountants
Firm's Regn No: 000511S

N. Venkata Suneel
Partner
Membership No. 223688
UDIN: 23223688BGQXHA7571

The "Annexure B" Referred to in Clause 2 of "Report on Other Legal and Regulatory Requirements" Paragraph of the Independent Auditor's Report of even date to the members of Clix Capital Services Private Limited ("the Company") on the standalone financial statements as of and for the year ended March 31, 2023.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:
i.(a) (A)The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The company is maintaining proper records, showing full particulars of Intangible assets.

(b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and as explained to us, no material discrepancies were identified on such verification. Accordingly, no physical verification has been performed during the current year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in standalone financial statements are held in the name of the Company, except for the details given below:

Description of property	Gross carrying value (INR in lakhs)	Held in the name of	Whether promoter, director or their relative are employee	Period Held	Reason for not being held in name of company
Building: Resiential Flat	501	K.C. Sheth (HUF)	NO	2 years	Property repossessed as per the court decree order against receivable and held for sale
Collateral properties against loans given	344	Respective Borrowers	NO	Less than 1 year	Possession of assets taken under Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI")

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the order is not applicable.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The Company is in the business of non–banking financial services consequently, does not hold any inventory. Therefore, reporting under clause (ii)(a) of paragraph 3 of the order is not applicable.

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores rupees during the year, in aggregate from banks and financial institutions, on the basis of security of current assets. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

iii. (a) The Company's principal business is to give loans and therefore, reporting under clause (iii)(a) of paragraph 3 of the Order is not applicable.

(b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided by the Company during the year are not, prima facie, prejudicial to the interest of the Company.

(c) In respect of the loan and advances in the nature of loans granted by the company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments / receipts of principal and interest are regular except for certain instances as below:

Outstanding of overdue loans as on March 31,2023

Particulars- Days past due	Overdue (Including Interest)	No of Cases
1-30	21,416	12,054
31-90	13,354	6,745
More than 90	9,883	2,139
Total	44,653	20,938

(d) In respect of the aforesaid loans and advances in the nature of loans, the total amount overdue for more than ninety days as at March 31, 2023 is as follows:

No of Cases	Overdue (including interest) (INR in lakhs)
2139	9883

In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(e) The Company's principle business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(e) of paragraph 3 of the order is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under clause (iii)(f) of paragraph 3 of the Order is not applicable.

iv. The provision of section 185 of the Act are not applicable to the Company as the Company has not provided any loans to directors or to any other person in whom the director is interested. Further, the provision of section 186 [except for subsection (1)] of the Act are not appliable to the Company, being an NBFC, as it is engaged in the business of providing loans. The Company has complied with the provisions of section 186(1) of the Act.

v. The Company has not accepted any deposits within the meaning of sections 73 to 76, or any other relevant provisions of the Act and the rules framed thereunder. Hence, reporting under clause 3(v) of Paragraph 3 of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of Paragraph 3 of the Order is not applicable.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Value Added Tax, Goods and Services Tax (GST), Service tax, Customs Duty, duty of excise, Cess and other statutory dues during the year with the appropriate authorities. There are no outstanding statutory dues as at 31st March 2023 for a period of more than six months from the date they became payable.

(b) The dues outstanding with respect to Sales tax, Service tax, value added tax, on account of any disputes are given below:

STATEMENT OF DISPUTED DUES

Nature of the statute	Nature of the dues	Amount (Rs. in lacs) *	Period to which the amount relates	Forum where the dispute is pending
Finance Act 1994	Service Tax dues	2650.64	FY 2003-04 to 2007-08	Customs, Excise and service tax Appellate Tribunal.
Maharashtra VAT Act, 2002	Value Added Tax	588.51	FY 2005-06 to 2007-08	Maharashtra Sales Tax Tribunal.
Kerala VAT Act, 2003	Value Added Tax	1.90	FY 2005-06	Inspecting Assistant Commissioner, Ernakulum
Finance Act, 1994	Service Tax dues	1333.69	FY 2006-07 to 2010-11	Customs, Excise and service Tax Appellate Tribunal
Central Sales Tax Act, 1956	Sales Tax	2.38	FY 2011-12	The commercial tax officer, T Nagar Assessment Circle Tamil Nadu
Delhi Sales Tax Act, 1975	Sales Tax	1.84	FY 2003-04	Joint Commissioner of Sales Tax (Delhi)
Delhi Value added Tax, 2004	Value Added Tax	45.54	FY 2012-13 to 2013-14	Objection Hearing Authority, DVAT
Gujrat Value Added Tax, 2003	Value Added Tax	21.58	FY 2008-09	Assistant Commissioner of State Tax (Assessing authority)
Karnataka VAT Act, 2003	Value Added Tax	25.84	FY 2007-08	Assistant Commissioner of commercial Taxes
Kerala General Sales Tax Act, 1963	Sales Tax	6.07	FY 2002-03 to 2003-04	Assistant Commissioner special circle - III Ernakulum
Maharashtra VAT Act, 2002	Value Added Tax	1.12	FY 2014-15	Joint Commissioner (Appeals), MVAT
Tamil Nadu General Sales Tax Act, 1969	Sales Tax	5.82	FY 2003-04	Appellate Assistant Commissioner (CT), Tamil Nadu
Telangana VAT Act, 2005	Value Added Tax	39.89	FY 2014-15 to 2017-18	Commissioner (Appeals)
West Bengal Sales Tax Act, 1994	Sales Tax	0.91	FY 2000-01	Commercial Tax officer, West Bengal

*Above amounts are net of amount paid under protest, wherever paid.

viii. There were no transactions relating to previously unrecorded income in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.

(d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary, as defined under the Act.

x. (a) The Company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year. Hence reporting under clause (x)(a) of Paragraph 3 of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of Paragraph 3 of the Order is not applicable.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit except one instance of customer fraud noticed by the management aggregating to Rs. 342.14 Lacs which have duly been reported to the RBI.

(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, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistleblower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of Paragraph 3 of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties, are in compliance with Section 177 & 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xvi. (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained by the company.

(b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without having a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) and (d) of paragraph 3 of the Order are not applicable.

xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.

xviii. The casual vacancy arised during the year pursuant to the Reserve Bank of India (RBI) order dated September 23, 2021, in exercise of the powers vested under section 45MAA of the Reserve Bank of India Act, 1934 and no issues, objections or concerns were raised by the outgoing auditor.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act.

(b) There are no unspent amounts (refer to Note. 41 to the standalone financial statements) in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

xxi. The reporting under clause (xxi) of Paragraph 3 of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

Place: Gurugram
Date: May 26th, 2023

For Brahmayya & Co.
Chartered Accountants
Firm's Regn No: 000511S

N. Venkata Suneel
Partner
Membership No. 223688
UDIN: 23223688BGQXHA7571

STANDALONE BALANCE SHEET AS AT 31 MARCH 2023 (All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	NOTES	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
ASSETS			
Financial assets			
Cash and cash equivalents	6A	39,471	25,190
Bank balance other than included in above	6B	27,783	17,633
Loans	7	402,983	333,603
Investments	8	26,948	45,769
Other financial assets	9	3,339	2,025
Non- financial Assets			
Current tax assets (net)		8,977	6,039
Deferred tax assets (net)	29	16,474	17,839
Property, plant and equipment	10A	4,621	5,404
Intangible assets under development	11A	109	793
Goodwill	10B	36,768	36,768
Other intangible assets	10B	2,490	2,251
Right-of-use assets	11B	459	593
Other non- financial assets	12	4,319	4,314
Assets held for sale		907	505
	Total assets	575,648	498,726
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables	13		
I) Trade payables			
a) Total outstanding dues of micro enterprises & small enterprises		223	32
b) Total outstanding dues of creditors other than micro enterprises & small enterprises		14,134	6,979
II) Other payables			
a) Total outstanding dues of micro enterprises & small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises & small enterprises		10,086	7,971
Debt securities	14	47,601	76,663
Borrowings (other than debt securities)	15	283,007	191,946
Lease liabilities	11C	617	795
Other financial liabilities	16	9,578	8,578
Non financial liabilities			
Provisions	17	3,429	3,359
Other non-financial liabilities	18	3,850	2,602
	Total Liabilities	372,525	298,925
EQUITY			
Equity share capital	19	143,599	143,599
Other equity	20	59,524	56,202
	Total Equity	203,123	199,801
	Total Liabilities & Equity	575,648	498,726

For Brahmayya & Co,
ICAI Firm Registration No. 000511S
Chartered Accountants

For and on behalf of the Board of Directors
Clix Capital Services Private Limited

N Venkata Suneel
Partner
Membership No.: 223688
Place: Gurugram
Date: 26 May 2023

Rakesh Kaul
Whole Time Director and CEO
DIN: 03386665

Gagan Aggarwal
Chief Financial Officer
Place: Gurugram
Date: 26 May 2023

K Ramakrishnan
Director
DIN: 08303198
Place: Mumbai
Date: 26 May 2023

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

(All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	NOTES	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
REVENUE FROM OPERATIONS			
Interest income	21	60,851	53,884
Rental income		1,699	3,456
Fees and commission Income	22	2,809	3,394
Net gain on fair value changes	23	877	2,893
Net gain on de-recognition of financial instruments under amortised cost category		1,673	125
	Total revenue from operations	67,905	63,752
Other income	24	2,735	2,598
	Total income	70,640	66,350
EXPENSES			
Finance costs	25	30,175	28,216
Fees and commission expense		551	501
Impairment on financial instruments	26	12,228	28,552
Employee benefits expense	27	9,109	7,846
Depreciation and amortization	10A, 10B & 11B	2,516	4,918
Other expenses	28	10,642	8,675
	Total expenses	65,221	78,708
Profit/(loss) before tax and exceptional item		5,419	(12,358)
Exceptional items		(2,054)	
Profit/(loss) before tax and after exceptional item		3,365	(12,358)
Tax expense:	29		
(1) Current tax		-	-
(2) Current tax for earlier years		(432)	(5)
(3) Deferred Tax		1,356	(3,022)
	Profit/(loss) for the year	2,441	(9,331)
Other comprehensive income			
a. Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability		37	51
Income tax relating to Items that will not be reclassified to profit or loss		(9)	(13)
b. Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income		28	38
	Total comprehensive income for the year	2,469	(9,293)
Earnings per equity share	30		
Basic (INR)		0.17	(0.65)
Diluted (INR)		0.16	(0.65)
Nominal value per share (INR)		10.00	10.00

Significant accounting policies 3
The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For Brahmayya & Co,
ICAI Firm Registration No. 000511S
Chartered Accountants

For and on behalf of the Board of Directors
Clix Capital Services Private Limited

N Venkata Suneel
Partner
Membership No.: 223688
Place: Gurugram
Date: 26 May 2023

Rakesh Kaul
Whole Time Director and CEO
DIN: 03386665

Gagan Aggarwal
Chief Financial Officer
Place: Gurugram
Date: 26 May 2023

K Ramakrishnan
Director
DIN: 08303198
Place: Mumbai
Date: 26 May 2023

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

(All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Cash flow from operating activities		
Profit/(Loss) before tax	3,365	(12,358)
Adjusted for:		
Provisions/ liabilities no longer required written back	(25)	(102)
Provision for employee benefits	22	17
Impairment on financial assets	(10,502)	(807)
Depreciation and amortisation	2,516	4,918
Minimum alternate tax recoverable written off	2,054	-
Bad debt written off	22,690	27,849
Finance cost on unwinding of discount on security deposits	(105)	139
Interest income on fixed deposits	(1,163)	(722)
Net gain on fair value changes	(892)	(2,893)
Impairment of investments	40	1,510
Interest on income-tax refund	(934)	(1,456)
Net loss/(gain) on de-recognition of property, plant and equipment	(30)	3
Provision for indirect taxes	729	349
Share based payments	845	456
Lease equalisation reserve	(93)	(40)
Interest income on unwinding of discount on security deposit	91	(140)
Operating profit before working capital changes	**18,608**	**16,723**
Adjusted for net changes in working capital		
(Increase)/Decrease in Financial assets and non-financial assets	(83,459)	21,446
Increase in Financial liability and other liabilities	11,090	5,163
(Income tax paid)/taxes refund received (net)	(3,626)	481
Net Cash generated from operating activities	**(57,387)**	**43,813**
Cash flows from investing activities		
Purchase of security receipts	(2,443)	(19,628)
Redemption of security receipts (net)	2,813	-
Movement in fixed deposits (net)	(9,708)	(5,303)
Interest income on fixed deposits	721	722
Movement of mutual funds (net)	21,544	26,066
Sale of Investments (Equity Shares)	895	776
Purchase of Pass through certificates	(9,227)	-
Redemption/sale of pass through certificates	6,099	-
Purchase of property, plant and equipment	(2,807)	(1,729)
Proceeds from sales of property, plant and equipment	1,961	3,221
Net Cash generated from investing activities	**9,848**	**4,125**

Significant accounting policies 3
The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For Brahmayya & Co,
ICAI Firm Registration No. 000511S
Chartered Accountants

For and on behalf of the Board of Directors
Clix Capital Services Private Limited

N Venkata Suneel
Partner
Membership No.: 223688
Place: Gurugram
Date: 26 May 2023

Rakesh Kaul
Whole Time Director and CEO
DIN: 03386665

Gagan Aggarwal
Chief Financial Officer
Place: Gurugram
Date: 26 May 2023

K Ramakrishnan
Director
DIN: 08303198
Place: Mumbai
Date: 26 May 2023

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

(All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Cash flows from financing activities		
Proceeds from issuance of equity share capital and security premium	0.01	-
Proceeds from term loan	1,94,882	81,926
Repayment of term loan	(1,37,135)	(64,199)
Proceeds from Borrowing against Securitised Portfolio	(1,45,943)	45,975
Repayment of Borrowing against Securitised Portfolio	(1,12,477)	(34,721)
Proceeds from commercial papers	7,665	14,278
Repayment of commercial papers	(9,967)	(7,168)
Proceeds from Non Convertible Debentures	32,678	13,346
Repayment of Non Convertible Debentures	(59,439)	(83,176)
Net decrease of Lease liability	(178)	(954)
Net Cash used in financing activities	**61,972**	**(34,693)**
Net increase in cash and cash equivalents	**14,433**	**13,245**
Cash and cash equivalents at the beginning of the year	23,130	9,885
Cash and cash equivalents at the end of the year	**37,563**	**23,130**
Notes		
Components of cash and cash equivalents balance include:		
Balances with banks:		
- Current accounts	38,218	14,190
- In deposits with original Maturity of less than three months	1,253	11,000
Bank overdraft	(1,908)	(2,060)
Cash and cash equivalents at the end of the year	**37,563**	**23,130**

Significant accounting policies 3
The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For Brahmayya & Co,
ICAI Firm Registration No. 000511S
Chartered Accountants

For and on behalf of the Board of Directors
Clix Capital Services Private Limited

N Venkata Suneel
Partner
Membership No.: 223688
Place: Gurugram
Date: 26 May 2023

Rakesh Kaul
Whole Time Director and CEO
DIN: 03386665

Gagan Aggarwal
Chief Financial Officer
Place: Gurugram
Date: 26 May 2023

K Ramakrishnan
Director
DIN: 08303198
Place: Mumbai
Date: 26 May 2023

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

(All amount in INR lacs, except for share data unless stated otherwise)

A. EQUITY SHARE CAPITAL

(I) CURRENT REPORTING PERIOD

BALANCE AS AT 1 APRIL 2022	CHANGES IN EQUITY SHARE CAPITAL DUE TO PRIOR PERIOD ERRORS	CAPITAL DUE TO PRIOR PERIOD ERRORS RESTATED BALANCE AS AT 1 APRIL 2022	CHANGES IN EQUITY SHARE CAPITAL DURING THE CURRENT YEAR
1,43,599	-	-	-

(II) PREVIOUS REPORTING PERIOD

BALANCE AS AT 1 APRIL 2021 CHANGES IN EQUITY SHARE	CHANGES IN EQUITY SHARE CAPITAL DUE TO PRIOR PERIOD ERRORS	CAPITAL DUE TO PRIOR PERIOD ERRORS RESTATED BALANCE AS AT 1 APRIL 2021	CHANGES IN EQUITY SHARE CAPITAL DURING THE PREVIOUS YEAR
1,43,599	-	-	-

B. OTHER EQUITY

	CAPITAL RESERVE CREATED PURSUANT TO MERGER	CAPITAL RESERVE	CAPITAL REDEMPTION RESERVE PURSUANT TO BUY BACK OF SHARES	STATUTORY RESERVE
Balance at 1 April 2022	4,000	121	11,880	23,015
Profit/(loss) for the year	-	-	-	-
Remeasurements of the defined benefit plans for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Share based payments	-	-	-	-
Transfer (out)/to of reserves	-	-	-	494
Balance at 31 March 2023	4,000	121	11,880	23,509

	CAPITAL RESERVE CREATED PURSUANT TO MERGER	CAPITAL RESERVE	CAPITAL REDEMPTION RESERVE PURSUANT TO BUY BACK OF SHARES	STATUTORY RESERVE
Balance at 1 April 2021	4,000	121	11,880	23,015
Profit/(loss) for the year	-	-	-	-
Remeasurements of the defined benefit plans for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Share based payments	-	-	-	-
Transfer (out)/to of reserves	-	-	-	-
Balance at 31 March 2022	4,000	121	11,880	23,015

Significant accounting policies 3
The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For Brahmayya & Co,
ICAI Firm Registration No. 000511S
Chartered Accountants

For and on behalf of the Board of Directors
Clix Capital Services Private Limited

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

(All amount in INR lacs, except for share data unless stated otherwise)

BALANCE AS AT 31 MARCH 2023
1,43,599

BALANCE AS AT 31 MARCH 2022
1,43,599

SHARE BASED PAYMENT RESERVE	SHARE PREMIUM	RETAINED EARNING	TOTAL
1,109	10,304	5,773	56,202
-	-	2,441	2,441
-	-	28	28
-	-	2,469	2,469
853	-	-	853
-	0.01	(494)	0.01
1,962	10,304	7,748	59,524

SHARE BASED PAYMENT RESERVE	SHARE PREMIUM	RETAINED EARNING	TOTAL
654	10,304	15,066	65,040
-	-	(9,331)	(9,331)
-	-	38	38
-	-	(9,293)	(9,293)
455	-	-	455
-	-	-	-
1,109	10,304	5,773	56,202

N Venkata Suneel
Partner
Membership No.: 223688

Place: Gurugram
Date: 26 May 2023

Rakesh Kaul
Whole Time Director and CEO
DIN: 03386665

Gagan Aggarwal
Chief Financial Officer

Place: Gurugram
Date: 26 May 2023

K Ramakrishnan
Director
DIN: 08303198

Place: Mumbai
Date: 26 May 2023

1. CORPORATE INFORMATION

Clix Capital Services Private Limited ('CCSPL') ('the Company') is a private limited company domiciled in India and incorporated on 11 February 1994 under the provisions of Companies Act, 1956 with CIN-U65929DL1994PTC116256. The Company is a Non-Banking Finance Company "Systemically Important Non-Deposit Taking Company" registered with the Reserve Bank of India ('RBI') with Registration No. B-14.02950 dated 13 October 2016. The Company is primarily engaged in Micro, Small and Medium enterprise (MSME) ,consumer and commercial lending. The Company does not accept deposits from the public. The Company's registered office is at Aggarwal Corporate Tower, Plot No. 23, 5th Floor, Govind Lal Sikka Marg, Rajendra Place, New Delhi- 110008, India.

During the Previous financial year, the Board of Directors of the Company in its meeting dated 04 June 2021, had approved a scheme of amalgamation ("the Scheme") with Clix Finance India Private Limited, one of its wholly owned subsidiary company into the Company. The Scheme has been approved by the Central Government (Regional Director, Northern Region) on 25 March 2022 with effect from 01 April 2021 ("Appointed Date") and pursuant to the Scheme, the Company has filed the said Order of Central Government (Regional Director, Northern region) approving the scheme of Amalgamation with the Registrar on 01 April 2022 ("Effective Date"). The said amalgamation has been accounted for as per the requirements of Appendix C to Ind AS 103 "Business Combination" also refer note 63.

2. (I) BASIS OF PREPARATION

The Standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act). and presented in the format prescribed in the Division Ill to Schedule to the Companies Act, 2013 along with other relevant provisions of the Act, the Master Direction - Non-Banking FInancial Company- Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master DIrections') and notification for Implementation of Indian Accounting Standards vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementatlon of Ind AS') issued by RBI and other applicable RBI circulars/ notifications. These financial statements were authorized for Issue by the Company's Board of Directors on May 26, 2023

(II) BASIS OF MEASUREMENT

The financial statements have been prepared on a historical cost basis, except for financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, except when otherwise indicated.

(III) PRESENTATION OF FINANCIAL STATEMENTS

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Company has unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

A. The normal course of business

B. The event of default

C. The event of insolvency or bankruptcy of the Group and/or its counterparties.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effect are disclosed in the notes to the financial statements. Also, refer note 4 for significant accounting judgements, estimates and assumptions used by the Company.

3.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash balances on hand, cash balances in bank, other demand deposits with banks and highly liquid investments with maturity period of three months or less from the date of investment.

3.3 RECOGNITION OF INCOME AND EXPENSE

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115

Step 1:
Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2:
Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3:
Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties

Step 4:
Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5:
Recognise revenue when (or as) the Company satisfies a performance obligation

INTEREST AND SIMILAR INCOME

Interest income, for all financial instruments measured either at amortised cost or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable and are an integral part of the EIR, but not future credit losses.

FORECLOSURE CHARGES AND OTHER FEES

Foreclosure charges and other fees which include cheque bounce charges, penal fee, legal charges and prepayment charges etc. are recognised as income when there is certainty regarding the receipt of payment.

DIVIDEND INCOME

Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

LEASE RENTAL INCOME

Lease rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit or loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms.

DEBT ADVISORY FEES

Revenue from contract with customer is recognised point in time when performance obligation is satisfied (when the trade is executed). These include debt advisory fees which is charged per transaction executed.

INCOME ON DERECOGNIZED (ASSIGNED) LOANS

Gains arising out of direct assignment transactions comprises of the difference between interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flow on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

OTHER INCOME

Other Income represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract

3.4 FOREIGN CURRENCY

The Company's Financial Statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Income and expenses in foreign currencies are initially recorded by the Company at the exchange rates prevailing on the date of the transaction

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.5 EXPENDITURE

Expenses are recognised on accrual basis and provisions are made for all known losses and liabilities. The Company has also entered into certain cost sharing arrangements for resources shared with other entities. The costs allocated to the Company under the cost sharing arrangements are included in the respective expenses. The costs allocated to other entities under the cost sharing arrangement are shown as amounts recoverable from the respective parties.

A) INTEREST EXPENSE

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

3.6 PROPERTY, PLANT AND EQUIPMENT (PPE) AND INTANGIBLE ASSETS

PPE

PPE are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

INTANGIBLE ASSETS

The Company's intangible assets mainly include the value of computer software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

3.7 DEPRECIATION AND AMORTIZATION

DEPRECIATION

(I) OWNED ASSETS

(a) Leasehold improvements are amortised over the lease term as stated in the lease agreement or useful life of the asset whichever is lower.

(b) Depreciation on other owned fixed assets is provided on straight line method at the rates, computed based on estimated useful life of those assets as prescribed under Schedule II to the Companies Act, 2013. Land is not depreciated.

The estimated useful lives are, as follows:

- Computers* - 3 years
- Office equipment - 5 years
- Furniture and fixtures - 10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(11) ASSETS GIVEN ON OPERATING LEASE

Assets given on operating lease are depreciated to their residual value as estimated by management, on a straight-line basis over the expected useful life of the asset or lease term, whichever is lower.

(111) COMPUTER SOFTWARE AND GOODWILL

Computer software are amortised using straight line method over the management's internal assessment estimate of useful life during which the benefit are expected to accrue. The useful lives of computer software are reviewed at each of the financial year end and adjusted prospectively, if appropriate. The estimated usefullife considered by the Company for computer software is 1 to 10 years. Goodwill is tested for impairment in accordance with applicable Ind AS at each balance sheet date.

(IV) INTANGIBLE ASSETS UNDER DEVELOPMENT

The company recognises internally generated Intangible assets, when it is certain that the future economic benefit attributable to the use of such intangible assets are probable to flow to the company and the expenditure incurred for development of such intangible assets can be measured reliably. The cost of an internally generated intangible asset comprises of all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by the Company.

*The useful lives for Computer Software and Computer differs from the prescribed Schedule II rates under Part C of the Companies Act i.e. 6 years for both category of assets. However, the Company is taking 1 to 10 years for Computer Software and 3 years for Computers basis the Management's internal assessment of estimate of useful life of these assets.

3.8 IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.9 PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, therisks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.10 CONTINGENT LIABILITIES AND ASSETS

The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation

- A present obligation arising from past events, when no reliable estimate is possible

- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent liabilities are reviewed at each balance sheet date.

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

3.11 RETIREMENT AND OTHER EMPLOYEE BENEFITS

The Company's obligation towards various employee benefits has been recognised as follows:

SHORT-TERM EMPLOYEE BENEFITS

All employee benefits payable/ available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

DEFINED CONTRIBUTION PLAN

Provident fund is a defined contribution plan. The contribution towards provident fund has been deposited with Regional provident fund commissioner and is charged to Statement of Profit and Loss.

DEFINED BENEFIT PLAN

The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The Company makes contributions to its own Gratuity Trust. The gratuity trust invests the contribution in insurer managed scheme.

OTHER LONG-TERM BENEFITS – COMPENSATED ABSENCES

Entitlements to annual leave are recognised when they accrue to employees. Balance leaves, if any can be encashed at the time of retirement/ termination of employment. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation as at the year end. The liability in respect of all defined benefit plans and other long term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods

3.12 TAXES

Tax expense comprises current and deferred tax.

CURRENT INCOME TAX

Current income tax is measured at the amount expected to be paid to the taxation authorities in accordance with Income tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which during the specified period gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as anasset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

DEFERRED TAX

Deferred tax is recognised using the asset-liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward ofunused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.13 EARNING PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.14 SHARE BASED PAYMENTS

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.15 FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.15.1 FINANCIAL ASSETS

3.15.1.1 INITIAL RECOGNITION AND MEASUREMENT

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

3.15.1.2 CLASSIFICATION AND SUBSEQUENT MEASUREMENT

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

3.15.1.3 DEBT INSTRUMENTS AT AMORTISED COSTS

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

3.15.1.4 DEBT INSTRUMENTS AT FVOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method

3.15.1.5 DEBT INSTRUMENTS AT FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

3.15.1.6 EQUITY INVESTMENTS

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

3.15.2 FINANCIAL LIABILITIES

3.15.2.1 INITIAL RECOGNITION AND MEASUREMENT

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

3.15.2.2 CLASSIFICATION AND SUBSEQUENT MEASUREMENT - FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

3.15.2.3 LOANS AND BORROWINGS

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

3.15.3 RECLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The Company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

3.15.4 DE RECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

3.15.4.1 DERECOGNITION OF FINANCIAL ASSETS DUE TO SUBSTANTIAL MODIFICATION OF TERMS AND CONDITIONS

The Company derecognises a financial asset, such as a loan to a customer, when the modification of terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

3.15.4.2 DERECOGNITION OF FINANCIAL ASSETS OTHER THAN DUE TO SUBSTANTIAL MODIFICATION

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets)is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset, or'

- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

-The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

3.15.4.3 FINANCIAL LIABILITIES

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

3.16 IMPAIRMENT OF FINANCIAL ASSETS

3.16.1 OVERVIEW OF THE ECL PRINCIPLES

The Company is recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, (in this section all referred to as 'financial instruments'). Equity instruments are not subject to impairment under IND AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) .

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on collective basis.

The Company has established 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 this is further explained in Note 40.2.

Based on the above process, the Company groups its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired (as outlined in Note 7). The Company records an allowance for the LTECLs

For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset

3.16.2 THE CALCULATION OF ECLS

The Company calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanism of the ECL calculations are outlined below and the key elements are, as follows

•**Probability of Default (PD) -** The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

•**Exposure at Default (EAD) -** The Exposure at Default is an estimate of exposure at default date.

• **Loss Given Default (LGD) -** The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The maximum period for which the credit losses are determined is the expected life of a financial

The mechanism of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a EAD and multiplied by the expected LGD .

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanism are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired (as outlined in Note 7), the Group recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%

3.16.3 FORWARD LOOKING INFORMATION

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and the market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

3.16.4 COLLATERAL REPOSSESSED

The Company's policy is to sell repossessed assets. Non financial assets repossessed are transferred to assets held for sale at fair value less cost to sell or principal outstanding, whichever is less, at repossession date.

3.16.5 WRITE-OFFS

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. However financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to profit and loss account.

3.17 FAIR VALUE MEASUREMENT

The Company measures financial instruments at fair value at each balance sheet date using valuation techiques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly Transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.18 DIVIDEND

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.19 TRANSFER PRICING

The Company has established a comprehensive system for maintenance of information and documents as required by the transfer pricing legislation under Section 92- 92F of the Income Tax Act, 1961. The Company ensures that its transactions are at arm's length so that the aforesaid legislation do not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

3.20 INVESTMENT IN SUBSIDIARIES

Investment in subsidiaries Is recognised at cost and a re not adjusted to fair value at the end of each reporting period. Cost of Investment represents amount paid for acquisition of the said Investment. The Company assesses at the end of each reporting period, if there are any indications that the said investment may be Impaired. If so, the Company estimates the recoverable value/amount of the Investment and provides for impairment, if any I.e. the deficit In the recoverable value over cost.

3.21 LEASES

MEASUREMENT OF LEASE LIABILITY

At the time of initial recognition, the Company measures lease liability as present value of all lease payment discounted using the Company's incremental cost of borrowing rate. Subsequently, the lease liability is

(i) Increased by interest on lease liability; and

(ii) Reduced by lease payment made;

MEASUREMENT OF RIGHT-OF-USE ASSET

At the time of initial recognition, the Company measures 'Right-of-Use assets' which comprises of amount of initial recognition of lease liability, initial direct cost and cost of dismantling and restoration . Subsequently, 'Right-of-Use assets' are measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-Use assets' is provided on straight line basis over the lease period.

3.22 BUSINESS COMBINATION

A Common control business combination, involving entities or business in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 “Business Combination”.

Business combinations involving entities or business under common control are accounted for using the pooling of interest method as follows:

- The identity of the reserves are preserved and appear in the financial statements of the transferee in same form in which they appeared in the financial statements of the transferor.

The difference between the amount of investment in the Equity shares of the Transferor Company appearing the books of account of the Transferee Company and the amount of issued, subscribed and paid up share capital standing credited in the books of accounts of the Transferor Company and reserve as on the date of acquiring control in the books of accounts of the Transferor Company shall be accounted in accordance with Appendix C of Ind AS -103 read with ICAI ITFG clarification Bulletin 9 and is presented separately in the financials.

3.23 ASSET HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. They are measured at lower of their carrying amount and fair value less costs to sell.

Non-current assets are not depreciated while they are classified as held for sale and are presented separately from other assets in the balance sheet.

3.24 STATEMENT OF CASH FLOWS

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of :

i) changes during the period in operating receivables and payables transactions of a non-cash nature;

ii) non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses; and

iii) All other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet

3.25 SEGMENT INFORMATION

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 Operating Segments, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segment.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

4.1 BUSINESS MODEL ASSESSMENT

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how financial assets of the Company are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company’s continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

4.2 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of aluation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), correlation and volatility.

4.3 EFFECTIVE INTEREST RATE (EIR) METHOD

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / borrowings taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India’s base rate and other fee income/expense that are integral parts of the instrument.

4.4 IMPAIRMENT LOSS ON FINANCIAL ASSET

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal model, which assigns PDs.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs.
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

4.5 DEFINED EMPLOYEE BENEFIT ASSETS AND LIABILITIES

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date

4.6 SHARE BASED PAYMENTS

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

4.7 PROVISIONS AND OTHER CONTINGENT LIABILITIES

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

4.8 LEASES

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

4.8.1 LEASES : AS A LESSOR

The Company as a lessor, classifies leases as either operating lease or finance lease.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of a underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease.

A lease which is not classified as a finance lease is an operating lease. Accordingly, the Company recognises lease payments as income on a straightline basis in case of assets given on operating leases. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset

SHORT-TERM LEASES

The Company has elected not to recognise right of- use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term

5 RECENT INDIAN ACCOUNTING STANDARDS / PRONOUNCEMENTS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

(All amount in INR lacs, except for share data unless stated otherwise)

A) IND AS 1 – PRESENTATION OF FINANCIAL STATEMENTS & IND AS 34 – INTERIM FINANCIAL REPORTING

Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.

B) IND AS 107 – FINANCIAL INSTRUMENTS: DISCLOSURES

Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.

C) IND AS 8 – ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATE AND ERRORS

Clarification on what constitutes an accounting estimate provided.

D) IND AS 12 – INCOME TAXES

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The Company does not expect the effect of this on the financial statements to be material, based on preliminary evaluation.

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Note 6A: Cash and cash equivalents		
Balance with banks in current accounts	38,218	14,190
In deposits with original maturity of less than three months	1,253	11,000
	39,471	25,190
Note 6B: Bank balance other than above		
Balances with bank	2,658	-
Earmarked balances with bank*	25,125	17,633
	27,783	17,633
Total	67,254	42,823
* Earmarked balances with bank are held as Margin money/ are under lien. The Group has the complete beneficial interest on the income earned from these deposits		
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:		
Balance with banks in current accounts	38,218	14,190
In deposits with original maturity of less than three months	1,253	11,000
Bank Overdraft	(1,908)	(2,060)
	37,563	23,130

(All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Note 7: Loans		
In India		
At Amortised cost		
Term loans	4,09,411	3,37,864
Finance lease receivables	5,781	7,136
Inter-corporate loan	-	11,000
Total (A) Gross	4,15,192	3,56,000
Less: Impairment loss allowance	12,209	22,397
Total (A) Net	4,02,983	3,33,603
Secured *	1,37,104	1,23,438
Unsecured#	2,78,088	2,32,562
Total (B) Gross	4,15,192	3,56,000
Less: Impairment loss allowance	12,209	22,397
Total (B) Net	4,02,983	3,33,603
Loans in India		
Public sector	-	-
Others	4,15,192	3,56,000
Total (C) Gross	4,15,192	3,56,000
Less: Impairment loss allowance	12,209	22,397
Total (C) Net	4,02,983	3,33,603

* Secured by tangible assets (hypothecation of equipment's, plant and machinery, vehicles, equitable mortgage of immovable property), pledge of securities and trade receivables, etc.

Unsecured loans includes loan assets amounting to INR 10,663 (31 March 2022: INR 16,581) which are also backed by guarantee by government under CGTSME and ECLGS schemes

(i) Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparies.

ii) No Loans or Advances are granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are:

(a) repayable on demand or

(b) without specifying any terms or period of repayment

(iii) Finance lease receivable:

Assets given under finance lease have been recognised as receivables at an amount equal to the net investment in lease. Reconciliation between the total gross investment in leases and the present value of minimum lease payments receivable as at 31 March 2023 and 31 March 2022 is as follows:

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Present value of minimum lease payments receivable	4,615	6,050
Add: Un-guaranteed residual values accruing to the benefit of the lessor	1,264	1,239
Add: Unearned finance income	968	1,083
Gross investment in finance lease	6,847	8,372

(All amount in INR lacs, except for share data unless stated otherwise)

The maturity profile of the finance lease receivables as at 31 March 2023 and 31 March 2022 is as follows:

PARTICULARS	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022	
	MINIMUM LEASE PAYMENTS	PRESENT VALUE	MINIMUM LEASE PAYMENTS	PRESENT VALUE
Receivable within one year	3,706	3,220	4,552	3,940
Receivable between 1-5 years	3,141	2,659	3,820	3,349
More than 5 year	-	-	-	-
Total	6,847	5,879	8,372	7,289

During the year, an amount of INR 682 was recognized as income from finance leases in the statement of profit and loss (31 March 2022: INR 1,074).

(iii) Transfer of Financial assets

Transfers of financial assets that are not derecognised in their entirety

Securitisation:

The Group uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets. The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirely and associated liabilities.

LOANS AND ADVANCES MEASURED AT AMORTISED COST	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Carrying amount of transferred assets measured at amortised cost	95,769	61,729
Carrying amount of associated liabilities	88,022	54,556

The carrying amount of above assets and liabilities is a reasonable approximation of fair value.

TRANSFER OF FINANCIAL ASSETS THAT ARE DERECOGNISED IN THEIR ENTIRELY

During the year ended 31 March 2023, the Company has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet. The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan, the Company business model remains to hold the assets for collecting contractual cash flows.

The carrying amount of the derecognised financial assets not in default category measured at amortised cost as on date of transfer during year is INR 19,166 (31 March 2022: 875) and consideration received for such transfer is 19,166 (31 March 2022: 875) respectively.

The net carrying amount of the derecognised financial assets under in stressed category measured at amortised cost as on date of transfer during year is INR 2,833 (31 March 2022: 24,845) and consideration received for such transfer is INR 2,810 (31 March 2022: INR 23,847) respectively.

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 7.1.1 CREDIT QUALITY OF ASSETS

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties. The exposure is catergorised into smaller homogeneous portfolios, based on a combination of internal and external characteristics. The table below represents homogeneous pools determined by the Group for risk categorisation. The amounts presented are gross of impairment allowances. Details of Company's risk assessment model are explained in Note 40 and policies whether ECL allowances are calculated on individual/collective basis are set out in Note 7.2 and & 7.3

NAME OF PORTFOLIO	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Corporate	9,992	24,805
Retail Portfolio	4,05,200	3,31,195
Total	4,15,192	3,56,000

7.1.2 CORPORATE PORTFOLIO

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to corporate lending is, as follows:

PARTICULARS	FY 2022-23				FY 2021-22			
	STAGE 1	STAGE 2	STAGE 3	TOTAL	STAGE 1	STAGE 2	STAGE 3	TOTAL
Gross carrying amount opening balance	17,343	7,462	-	24,805	43,371	33,674	-	77,045
New assets originated or purchased	1,943	-	-	1,943	9,295	765	-	10,060
Assets derecognised or repaid (excluding write offs)	(15,169)	(1,281)	(22)	(16,472)	(39,020)	(20,770)	(1,049)	(60,839)
Transfers to Stage 1	-	-	-	-	3,697	(3,697)	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	(2,167)	-	2,167	-	-	(2,150)	2,150	-
Amounts written off (nett of recoveries)	-	-	(284)	(284)	-	-	(1461)	(1461)
Gross carrying amount closing balance	1,950	6,181	1,861	9,992	17,343	7,462	-	24,805

Reconciliation of ECL balances is given below:

PARTICULARS	FY 2022-23				FY 2021-22			
	STAGE 1	STAGE 2	STAGE 3	TOTAL	STAGE 1	STAGE 2	STAGE 3	TOTAL
ECL allowance - opening balance	209	747	-	956	278	5,118	-	5,396
New assets originated and changes to models and inputs used for ECL Calculations	8	11	-	19	29	76	-	105
Assets derecognised or repaid (excluding write offs)	(158)	(128)	(0)	(266)	(149)	(3,849)	-	(3,998)
Transfers to Stage 1	-	-	-	-	(51)	(73)	-	(22)
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	(50)	-	222	172	-	(525)	525	-
Amounts written off (nett of recoveries)	-	-	(17)	(17)	-	-	(525)	(525)
ECL allowance - closing balance	9	630	205	844	209	747	-	956

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 7.1.3 RETAIL LENDING PORTFOLIO

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to retail portfolio is, as follows:

PARTICULARS	FY 2022-23				FY 2021-22			
	STAGE 1	STAGE 2	STAGE 3	TOTAL	STAGE 1	STAGE 2	STAGE 3	TOTAL
Gross carrying amount opening balance	2,75,623	37,963	17,609	3,31,195	2,60,260	50,790	14,211	3,25,261
New assets originated or purchased	3,56,196	-	-	3,56,196	3,40,860	-	-	3,40,860
Assets derecognised or repaid (excluding write offs)	(2,43,413)	(9,623)	(6,749)	(2,59,785)	(2,94,800)	(8,768)	(4,970)	(3,08,538)
Transfers to Stage 1	6,418	(5,774)	(644)	-	1,493	(1,457)	(36)	(0)
Transfers to Stage 2	(17,115)	17,854	(739)	(0)	(19,238)	19,351	(113)	0
Transfers to Stage 3	(3,594)	(6,985)	10,579	-	(12,952)	(21,953)	34,905	-
Amounts written off (nett of recoveries)	-	(10,372)	(12,034)	(22,406)	-	-	(26,388)	0
Gross carrying amount closing balance	3,74,115	23,063	8,022	4,05,200	2,75,623	37,963	17,609	3,31,195

Reconciliation of ECL balances is given below:

PARTICULARS	FY 2022-23				FY 2021-22			
	STAGE 1	STAGE 2	STAGE 3	TOTAL	STAGE 1	STAGE 2	STAGE 3	TOTAL
ECL allowance - opening balance	2,691	6,026	12,724	21,441	6,141	3,997	7,905	18,043
New assets originated and changes to models and inputs used for ECL Calculations	5,635	(1,716)	(517)	3,402	1,227	2,333	794	4,354
Assets derecognised or repaid (excluding write offs)	(1,768)	(786)	(3,308)	(5,862)	(4,137)	(492)	(785)	(5,414)
Transfers to Stage 1	59	(829)	(414)	(1,184)	14	(53)	(18)	(57)
Transfers to Stage 2	(216)	379	(401)	(238)	(289)	1,065	(59)	717
Transfers to Stage 3	(97)	(1,403)	3,068	1,568	(265)	(824)	10,881	9,792
Amounts written off (nett of recoveries)	-	(55)	(7,707)	(7,762)	-	-	(5,994)	(5,994)
ECL allowance - closing balance	6,304	1,616	3,445	11,365	2,691	6,026	12,724	21,441

NOTE 7.2 IMPAIRMENT ASSESSMENT

The references below show the Company's impairment assessment and measurement approach as set out in these notes. It should be read in conjunction with the summary of significant accounting policies.

- DEFINITION OF DEFAULT AND CURE

The Company considers a financial instrument as defaulted and classifies it as Stage 3 (credit-impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Company may also classify a loan in Stage 3 if there is significant deterioration in the loan collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment.

Thus, as a part of the qualitative assessment of whether an instrument is in default, the Company also considers a variety of instances that may indicate delay in or non repayment of the loan. When such events occur, the Group carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Classification of accounts into stage 2 is done on a conservative basis and typically accounts where contractual repayments are more than 30 days past due are classified in stage 2.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria are present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade once the account is cured, and whether this indicates there has been a significant reduction in credit risk.

- PROBABILITY OF DEFAULT

The credit rating provided by the external rating agencies/account level delinquency/ internal matrix has been considered while assigning Probability of Default (PD) at a portfolio level. The PDs are computed for homogenous portfolio segments. Further refer note 40.2.1

- EXPOSURE AT DEFAULT

The outstanding balance as at the reporting date is considered as EAD by the Company. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

- LOSS GIVEN DEFAULT

Loss Given Default ("LGD") is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. Further refer note no. 40.2.1.

- SIGNIFICANT INCREASE IN CREDIT RISK

The Company evaluates the loans on an ongoing basis. The Company also assesses if there has been a significant increase in credit risk since the previously risk taking into consideration both qualitative and quantiative information. One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due or where existing terms are renegotiated.

One time restructuring (OTR) of loan accounts was permitted by RBI vide circulars dated 6 August 2020 'resolution framework for COVID-19 related stress' and 'Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances' and circulars dated 5 May 2021 'Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses' and 'Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs)'. The Company has considered OTR as an indicator of significant increase in credit risk and accordingly classified such loans as stage 2. Further, the Company has, on demonstration of regular payment for certain accounts post renegotiation and subject to no overdue as per the respective circular guidelines regarding the reversal of provision. No other indicators of significant increase in credit risk on the reporting date, and hence reclassified such loans to stage 1

(All amount in INR lacs, except for share data unless stated otherwise)

- GROUPING FINANCIAL ASSETS MEASURED ON A COLLECTIVE BASIS

The Company calculates ECLs on Retail Portfolio at an obligor level whilst PD rates are applied on collective basis and corporate portfolio on individual basis.

NOTE 7.3 COLLATERAL

The nature of products across these broad categories are either unsecured or secured by collateral. Although collateral is an important risk mitigant of credit risk, the Company's practice is to lend on the basis of assessment of the customer's ability to repay rather than placing primary reliance on collateral. Based on the nature of product and the Company's assessment of the customer's credit risk, a loan may be offered with suitable collateral.

The Company hold collateral to mitigate credit risk associated with secured financial assets. The main type of collateral and type of assets these are associated with are listed in the table below. The collateral presented relates to instruments that are measured at amortised cost.

NATURE OF COLLATERAL	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Corporate-		
Equity shares of the Company, personal guarantee of the director / promoter, charge against land and building and other collaterals such as fixed assets, debtors, etc.	8,047	24,805
Retail-		
Cars	40	203
Two wheeler	262	2,171
Immovable Property	95,881	59,054
Healthcare equipments and machines	32,873	37,205
Total	1,37,103	1,23,438

The Company periodically monitors the market value of collateral and evaluates its exposure and loan to value metrics for high risk customers. The Company exercises its right of repossession across all secured products but primarily in its two wheeler and user cars financing business. It also resorts to invoking its right under the SARFAESI Act and other judicial remedies available against its mortgages and commercial lending business. For its corporate loans where collateral is shares, the Company recoups shortfall in value of shares through part recall of loans or additional shares from the customer, or sale of underlying shares

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral at 31 March 2023 and 31 March 2022. There was no change in the Company's collateral policy or collateral quality during the period.

Refer Note 40.2.2 for risk concentration based on "Sub portfolio's and Secured/unsecured" for Corporate and retail portfolio.

(All amount in INR lacs, except for share data unless stated otherwise)

7.4 - RISK ASSESSMENT MODEL

The Company has designed and operates its risk assessment model that factors in both quantitative as well as qualitative information on the loans and the borrowers. Depending on the nature of the product, the model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour.

	AS AT 31 MARCH 2023				AS AT 31 MARCH 2022			
	AMORTISED COST	FAIR VALUE THROUGH PROFIT OR LOSS*	OTHERS	TOTAL	AMORTISED COST	FAIR VALUE THROUGH PROFIT OR LOSS*	OTHERS	TOTAL
Note 8: Investments						20,577	-	20,577
Mutual funds	-	-	-	-	-	-	-	-
Mutual funds (Earmarked)	-	108	-	217	-	-	-	-
Equity shares	-	475	-	475	-	1,567	-	1,567
Securities receipts#	-	19,258	-	19,258	-	19,628	-	19,628
Subsidiary**			5,515	5,515	-	-	5,507	5,507
Pass through Certificates****	3,143		-	3,143	-	-	-	-
Government securities	1		-	1	1	-	-	1
Total gross (A)	3,144	19,841	5,515	28,500	1	41,772	5,507	47,280
Investments in India	3,144	19,841	5,515	28,500	1	41,772	5,507	47,280
Total (B)	3,144	19,841	5,515	28,500	1	41,772	5,507	47,280
Total (A) to tally with (B)	3,144	19,841	5,515	28,500	1	41,772	5,507	47,280
Less: Allowance for Impairment loss (C)	14	1,538	-	1,552	1	1,510		1,511
Total Net D = (A) -(C)	3,130	18,303	5,515	26,948		40,262	5,507	45,769

*More information regarding the valuation methodologies can be found in note 39.

**Investment in subsidiary:

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
CIIx Housing Finance Limited	5,515	5,507
	5,515	5,507

During the year Company has transferred stressed loan to ARC against security receipts (refer to note 7 & A(4)(b)). The Company has taken Allowance for impairment loss of INR 1,538 as on 31 March 2023 (31 March 2022: INR 1,510) against these security receipts. Sub-sequent to balance sheet date, the Company has received amounting to INR 3,801 towards Security Receipts related to one of the Corporate exposure.

**Also refer note - 63

****Investment in Pass through certificates as at 31 March 2023: INR 3,143 (31 March 2022 : Nil) are in Stage 1 Category. ECL on Investment in Pass through Certificates is INR 13 (31 March 2022 : Nil)

(All amount in INR lacs, except for share data unless stated otherwise)

NATURE OF COLLATERAL	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Note 9: Other financial assets		
Security deposit	385	339
Other financial assets*	3,061	1,753
Less: Impairment loss allowance	(217)	(304)
Operating lease receivables	78	153
Intercompany receivables	32	84
Total	3,339	2,025

*Including EIS receivable of INR 4,051 as at 31 March 2023 (31 March 2022 : INR 2,122)

NOTE 10A: PROPERTY, PLANT AND EQUIPMENT

S. NO	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK
		COST AS AT 1 APRIL 2022	ADDITION DURING THE YEAR	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	COST AS AT 31 MARCH 2023	AS AT 1 APRIL 2022	FOR THE PERIOD	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	AS AT 31 MARCH 2023	AS AT 31 MARCH 2023
	Freehold land	22		(22)						
	Leasehold improvements	500		-	500	383	65	-	448	52
	Computers	845	71	(4)	912	822	36	(10)	848	64
	Vehicles									
	Office equipment	342	20	(63)	299	280	36	(61)	255	44
	Furniture and fittings	84	2	-	86	42	8	0	50	36
	Owned assets given on lease									
	Plant and equipment's	5,414	1531	(965)	5,980	1549	863	(529)	1883	4097
	Computers	151		(53)	98	109	24	(47)	86	12
	Vehicles	4,106	88	(3,395)	799	2875	222	(2,614)	483	316
	Assets taken on finance lease									
	Vehicles									
	Total	11,464	1,712	(4,502)	8,674	6060	1254	(3261)	4053	4621

S. NO	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK
		COST AS AT 1 APRIL 2021	ADDITION DURING THE YEAR	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	COST AS AT 31 MARCH 2022	AS AT 1 APRIL 2021	FOR THE PERIOD	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	AS AT 31 MARCH 2022	AS AT 31 MARCH 2022
	Freehold land	22			22					22
	Leasehold improvements	1,248		(748)	500	851	242	(710)	383	117
	Computers	922		(77)	845	796	99	(73)	822	23
	Vehicles	60	17	(77)		35	16	(51)		
	Office equipment	390		(48)	342	236	72	(28)	280	62
	Furniture and fittings	215		(131)	84	129	25	(112)	42	42
	Owned assets given on lease									
	Plant and equipment's	6174	314	(1,074)	5414	1302	903	(656)	1,549	3,865
	Computers	164		(13)	151	87	34	(12)	109	42
	Vehicles	13,264	172	(9330)	4106	8562	1447	(7,134)	2,875	1,231
	Assets taken on finance lease									
	Vehicles	163		(163)		107	21	(128)		
	Total	22,622	503	(11,661)	11,464	12,105	2,859	(8,904)	6,060	5,404

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 10B: OTHER INTANGIBLES ASSET

		GROSS BLOCK				AMORTISATION				NET BLOCK
S. NO	PARTICULARS	COST AS AT 1 APRIL 2022	ADDITION DURING THE YEAR	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	COST AS AT 31 MARCH 2023	AS AT 1 APRIL 2022	FOR THE PERIOD	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	AS AT 31 MARCH 2023	AS AT 31 MARCH 2023
	Software	6,751	1,095	(6)	7,840	4,500	850	-	5,350	2,490
	Goodwill (refer note 55)	36,768	-	-	36,768	-	-	-	-	36,768
	Total	43,519	1,095	(6)	44,608	4,500	850	-	5,350	39,258

		GROSS BLOCK				AMORTISATION				NET BLOCK
S. NO	PARTICULARS	COST AS AT 1 APRIL 2021	ADDITION DURING THE YEAR	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	COST AS AT 31 MARCH 2022	AS AT 1 APRIL 2021	FOR THE PERIOD	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	AS AT 31 MARCH 2022	AS AT 31 MARCH 2022
	Software	6,310	441	-	6,751	2,965	1,535	-	4,500	2,251
	Goodwill (refer note 55)	36,768	-	-	36,768	-	-	-		36,768
	Total	43,078	441	-	43,519	2,965	1,535	-	4,500	39,019

NOTE 10C:

No Title deeds of Immovable properties which are not held in name of the Company as at 31 March 2023 except below

RELEVANT LINE ITEM IN THE BALANCE SHEET	DESCRIPTION OF ITEM OF PROPERTY	GROSS CARRYING VALUE	TITLE DEEDS HELD IN THE NAME OF	WHETHER TITLE DEED HOLDER IS PROMOTER, DIRECTOR OR RELATIVE # OF PROMOTER/DIRECTOR OR EMPLOYEE OF PROMOTER/DIRECTOR	PROPERTY HELD SINCE WHICH DATE	REASON FOR NOT BEING HELD IN THE NAME OF THE COMPANY
Asset held for sale	Residential Flat	501	K.C. Sheth (HUF)	No	31-Mar-21	Property repossessed as per the court decree order against receivables.
Asset held for sale	Collateral properties against loans	344	Respective borrowers	No	April 22 - March 23	Possession of assets taken under Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI")
Total		845				

NOTE 10D OPERATING LEASES – COMPANY AS LESSOR

The Company leases vehicles, machine tools, cranes, research and development equipment's, earth moving machines, computers, etc. and air jet looms on operating leases. These leases have an average life of between three and five years with no renewal option included in the contracts.

Future minimum lease payments under non–cancellable operating leases as at 31 March 2023 and 31 March 2022 are, as follows:

PARTICULARS	31 MARCH 2023	31 MARCH 2022
Within one year	1,559	1,604
After one year but not more than five years	4,345	4,572
More than five years	86	37
Total	5,990	6,213

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 11A: INTANGIBLE ASSETS UNDER DEVELOPMENT

S. NO.	PARTICULARS	GROSS BLOCK			
		Cost as at 1 April 2022	Addition during the year	Adjustments/ Deductions during the year	Cost as at 31 March 2023
1	Intangible assets under development #	793	411	(1,095)	109
	Total	793	411	(1,095)	109

S. NO.	PARTICULARS	GROSS BLOCK			
		Cost as at 1 April 2021	Addition during the year	Adjustments/ Deductions during the year*	Cost as at 31 March 2022
1	Intangible assets under development #	478	783	(468)	793
	Total	478	783	(468)	793

* Out of INR 468 , Company has capitalized INR 441 in Software under " Other Intangible assets " and remaining amount has been expensed off as it does not satisfy the criteria for recognition as intangible assets.

INTANGIBLE ASSETS UNDER DEVELOPMENT AGING AS AT 31 MARCH 2023

INTANGIBLE ASSETS UNDER DEVELOPMENT*	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lending software and components	93	16	-	-	109

INTANGIBLE ASSETS UNDER DEVELOPMENT AGING AS AT 31 MARCH 2022

INTANGIBLE ASSETS UNDER DEVELOPMENT*	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lending software and components	582	199	12	-	793

*The Company does not have any project temporary suspended or any Intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence Intangible asset under development completion schedule is not applicable.

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 11B: RIGHT-OF-USE ASSETS		
Opening balance of Right-of-use assets	593	1,436
Add: Additions to right-of-use assets during the year	282	144
Less: Depreciation on right-of-use assets during the year	(412)	(524)
Less: Re-measurement impact on right-of-use during the year	(4)	(463)
Closing balance of right-of-use assets	459	593

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 11C: LEASE LIABILITIES		
Opening balance of lease liability	795	1,749
Add: Additions to lease liability during the year	282	144
Add: Interest cost charged during the year	77	153
Less: Lease rentals paid during the year	(538)	(687)
Less: Impact of Re-measurement of lease liability during the year	1	(564)
Closing balance of Lease liabilities	617	795

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 12: OTHER NON-FINANCIAL ASSETS		
Prepaid expenses	1,786	1,055
Minimum alternate tax recoverable (refer note-64)	-	2,053
Advance to suppliers	223	87
Less: Provision	(45)	(50)
	178	37
Balance with statutory and government authorities		
- Considered good	1,999	719
- Considered doubtful	2,667	1,847
Less: Provision	(2,667)	(1,847)
	1,999	719
Security deposit		
- Considered doubtful	2	2
Less: Provision	(2)	(2)
	-	-
Lease rental accrued but not due	356	450
Total	4,319	4,314

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 13: PAYABLES		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises#	223	32
Total outstanding dues of creditors other than micro enterprises and small enterprises	14,134	6,979
Other payables		
Total outstanding dues of micro enterprises and small enterprises#	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,086	7,971
Total	24,443	14,982

(All amount in INR lacs, except for share data unless stated otherwise)

THE AGEING SCHEDULE FOR TRADE PAYABLES DUE FOR PAYMENT: AS AT 31 MARCH 2023-

PARTICULARS	UNBILLED/ NOT DUE	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT#			
		Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	214	9	-	-	-
(ii) Others	13,459	675	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	13,673	684	-	-	-`t

THE AGEING SCHEDULE FOR TRADE PAYABLES DUE FOR PAYMENT: AS AT 31 MARCH 2022-

PARTICULARS	UNBILLED/ NOT DUE	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT#			
		Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	32	0	-	-	-
(ii) Others	6,979	0	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	7,011	0	-	-	-

#Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at the year-end are furnished below:

	As at 31 March 2023	As at 31 March 2022
Principal amount due to suppliers under MSMED Act, as at the year end.	223	32
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 14: DEBT SECURITIES AT AMORTISED COST SECURED		
Non-convertible debentures#		
- From Bank	4,714	9,031
- From Other parties	17,920	20,357
UNSECURED		
Commercial paper		
- From Bank	3,408	2,403
- From Other parties	1,553	4,859
Non-convertible debentures		
- From Other parties	20,006	40,013
Total gross (A)	47,601	76,663
Debt securities in India	47,601	76,663
Debt securities outside India	-	-
Total (B) to tally with (A)	47,601	76,663

#Secured debentures are fully secured by first ranking pari passu and continuing charge by the way of hypothecation on the receivables present and future

NON-CONVERTIBLE DEBENTURES - 31 MARCH, 2023

ORIGINAL MATURITY OF NCDS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
ISSUED AT PAR AND REDEEMABLE AT PAR					
365 - 730	3,400	1,250	-	-	4,650
730 - 1095	4,500	-	2,500	-	7,000
1095 - 1460	-	-	-	-	-
More than 1460	20,000	-	-	-	20,000
				-	31,650

- Interest rate ranges from 10.10% p.a. to 11.55% p.a. as at 31 March 2023.

ORIGINAL MATURITY OF NCDS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
ISSUED AT PAR AND REDEEMABLE AT PAR (MARKET LINKED INTEREST RATE)					
365 - 730	7,000	-	-	-	7,000
730 - 1095	-	3,500	-	-	3,500
1095 - 1460	-	-	-	-	-
More than 1460	-	-	-	-	-
			-	-	10,500

- Interest rate ranges from Nil p.a. to 10.66% p.a. as at 31 March 2023.
- INR (400) difference on account of EIR adjustment and INR 890 on account of interest accrued but not due.

(All amount in INR lacs, except for share data unless stated otherwise)

NON-CONVERTIBLE DEBENTURES - 31 MARCH, 2022

ORIGINAL MATURITY OF NCDS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
Issued at par and redeemable at par					
365 - 730	6,200	-	-	-	6,200
730 - 1095	-	4,500	-	-	4V,500
1095 - 1460	-	-	-	-	-
More than 1460	-	40,000	-	-	40,000
					50,700

- Interest rate ranges from 9.35% p.a. to 11.55% p.a. as at 31 March 2022.

ORIGINAL MATURITY OF NCDS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
Issued at par and redeemable at par (Market linked interest rate)					
365 - 730	12,610	4,440	-	-	17,050
730 - 1095	-	-	-	-	-
1095 - 1460	-	-	-	-	-
More than 1460	-	-	-	-	-
					17,050

- Interest rate ranges from Nil to 11.55% p.a. as at 31 March 2022.
- INR (197) difference on account of EIR adjustment and INR 1,848 on account of interest accrued but not due.

COMMERCIAL PAPERS AS AT 31 MARCH 2023 ARE REPAYABLE AT PAR AS FOLLOWS:

ORIGINAL MATURITY OF CPS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
Issued at par and redeemable at par	-	-	-	-	-
Up to 365	5,245	-	-	-	5,245
					5,245

- discount rate ranges from 9.60 % p.a. to 9.81% p.a. as at 31 March 2023.
- INR (284) is on account of amortisation of discount on Commercial paper.

COMMERCIAL PAPERS AS AT 31 MARCH 2022 ARE REPAYABLE AT PAR AS FOLLOWS:

ORIGINAL MATURITY OF CPS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
Issued at par and redeemable at par	-	-	-	-	-
Up to 365	7,500	-	-	-	7,500
					7,500

- discount rate ranges from 7 % p.a. to 9.10% p.a. as at 31 March 2022.
- INR (238) is on account of amortisation of discount on Commercial paper.

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 15: BORROWINGS (OTHER THAN DEBT SECURITIES)		
At Amortised cost		
Secured		
Term loans*	1,18,912	89,989
- from Banks	73,265	45,341
- from other parties		
Loan repayable on demand	1,908	2,060
- from Banks**	88,022	54,556
Borrowing against Securitised Portfolio***		
Unsecured		
Loans from related parties (refer note 35)	900	-
Total gross (A)	2,83,007	1,91,946
Borrowings in India	2,83,007	1,91,946
Borrowings outside India	-	-
Total (B) to tally with (A)	2,83,007	1,91,946

TERMS OF REPAYMENT OF BORROWINGS OUTSTANDING AS AT 31 MARCH 2023

PARTICULARS	DUE WITHIN 1 YEAR		DUE 1 TO 3 YEARS		>3 YEARS		TOTAL	
	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
Monthly repayment schedule	389	78,382	311	39,765	175	1,553	875	1,19,700
Quarterly repayment schedule	136	60,656	149	70,114	29	11,880	314	1,42,650
Half yearly repayment schedule	-	-	-	-	-	-	-	-
At the end of tenure*	9	21,808	-	-	-	-	8	21,808
Total	534	1,60,846	460	1,09,879	204	13,433	1,198	2,84,158

- Interest rate range from 8% p.a. and 12% p.a. as at 31 March 2023.
- INR (1,939) difference on account of EIR adjustment and INR 789 on account of interest accrued but not due.
*Include Loan repayable on demand INR 1,908.

TERMS OF REPAYMENT OF BORROWINGS OUTSTANDING AS AT 31 MARCH 2022

PARTICULARS	DUE WITHIN 1		DUE 1 TO 3		>3 YEARS		TOTAL	
	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
Monthly repayment schedule	198	49,423	310	16,829	17	231	525	66,483
Quarterly repayment schedule	97	43,080	122	52,496	29	13,612	248	1,09,188
Half yearly repayment schedule	4	4,500	-	-	-	-	4	4,500
At the end of tenure*	8	13,060	-	-	-	-	8	13,060
Total	307	1,10,063	432	69,325	46	13,843	785	1,93,231

- Interest rate range from 6.75% p.a. and 11.50% p.a. as at 31 March 2022.
- INR (1,555) difference on account of EIR adjustment and INR 270 on account of interest accrued but not due.
*Include Loan repayable on demand INR 2,060.

*** Term Loans :**
-Term loan INR 1,46,927 (31 March 2022: INR 1,35,330) is secured by first pari passu charge on all current and future standard book debts/receivable of the borrower excluding i) any moveable, fixed or immovable asset; ii) any investments in affiliate, group companies, joint venture or subsidiary; and iii) statutory liquid ratio investment of the borrower from time to time.
-Term loan INR 33,289 is secured by first pari passu charge on all current and future standard book debts/receivable and fixed deposit of the borrower excluding i) any moveable, fixed or immovable asset; ii) any investments in affiliate, group companies, joint venture or subsidiary; and iii) statutory liquid ratio investment of the borrower from time to time.
-Term loans INR 11,961 is secured by first ranking, exclusive charge via a deed of hypothecation over the asset portfolio of receivables.

** Bank Overdraft is secured by first pari passu charge on all current and future standard book debts/receivable of the borrower excluding i) any moveable, fixed or immovable asset; ii) any investments in affiliate, group companies, joint venture or subsidiary; and iii) statutory liquid ratio investment of the borrower from time to time.

***Borrowing against Securitised Portfolio is associated liabilities to securitized asset that has been re-recognised due to non fulfilment of derecognition criteria as per Ind AS The Company's working capital sanctioned limits were in excess of INR 500 lacs during the year, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the company.

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 16: OTHER FINANCIAL LIABILITIES		
Security deposit from customers	3,999	3,193
Employee payables	1,376	792
Capital creditors	57	146
Advances received from customer	4,146	4,447
Total	9,578	8,578

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 17: PROVISIONS		
Provision for employee benefits		
- Compensated absences (Refer note 31)	184	220
- Gratuity (Refer note 31)	64	50
Provision for sales tax and service tax (Refer note 34 (B))	3,064	2,917
Provision for customer disputes (Refer note 34 (B))	49	49
Provision for CSR Expenses	68	123
Total	3,429	3,359

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 18: OTHER NON-FINANCIAL LIABILITIES		
Statutory dues payable	2,640	1,972
Others	1,210	630
Total	3,850	2,602

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 19: EQUITY SHARE CAPITAL		
AUTHORIZED SHARE CAPITAL*		
3,361,000,000 (31st March, 2022: 2,160,000,000) Equity Shares of INR 10/- each	336,100	216,000
Total	336,100	216,000
ISSUED , SUBSCRIBED & PAID UP CAPITAL		
ISSUED CAPITAL		
1,435,993,643 (31st March, 2022: 1,435,993,543) Equity Shares of INR 10/- each	143,599	143,599
SUBSCRIBED, CALLED-UP AND PAID UP CAPITAL		
Fully Paid-Up 1,435,993,643 (31st March, 2022: 1,435,993,543) Equity Shares of INR 10/- each	143,599	143,599
Total	143,599	143,599

*Change in Authorized share capital is on account of Amalgamation of Clix Finance Private Limited into the Holding Company (refer note - 63)

(All amount in INR lacs, except for share data unless stated otherwise)

THE RECONCILIATION OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD:

NAME OF THE SHAREHOLDER	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022	
	No. of shares	Amount	No. of shares	Amount
Equity share at the beginning of period	1,43,59,93,543	1,43,599	1,43,59,93,543	1,43,599
Add: Shares issued during the period	100	0.01	-	-
Equity share at the end of period	1,43,59,93,643	1,43,599	1,43,59,93,543	143,599

During the year the Company has issued 100 shares (Face Value INR 10 per share) at INR 19.35 per share to Catalyst Trusteeship Limited (Clix Employee Stock Trust) on exercise of ESOP options raising total capital of INR 1,935 (absolute value) including security premium of INR 935 (absolute value).

SHARES HELD BY HOLDING COMPANY, / ULTIMATE HOLDING COMPANY AND/ OR THEIR SUBSIDIARIES/ ASSOCIATES

NAME OF THE SHAREHOLDER	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022	
	No. of shares	% of holding	No. of shares	% of holding
Plutus Financials Private Limited (Mauritius)	1,43,59,93,541	100.00%	1,43,59,93,541	100.00%
Plutus Capital Private Limited (Mauritius)	2	0.00%	2	0.00%
Total	1,43,59,93,543	100.00%	1,43,59,93,543	100.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above share represents both legal and beneficial ownerships of shares.

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE HOLDING COMPANY

NAME OF THE SHAREHOLDER	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022	
	No. of shares	% of holding	No. of shares	% of holding
Plutus Financials Private Limited (Mauritius)	1,43,59,93,541	100.00%	1,43,59,93,541	100.00%
Total	1,43,59,93,541	100.00%	1,43,59,93,541	100.00%

SHARES HELD BY PROMOTERS

NAME OF THE SHAREHOLDER	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022		% CHANGE DURING THE YEAR
	No. of shares	% of holding	No. of shares	% of holding	
Plutus Financials Private Limited (Mauritius)	1,43,59,93,541	100.00%	1,43,59,93,541	100.00%	0.00%
Total	1,43,59,93,541	100.00%	1,43,59,93,541	100.00%	0.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares..

(All amount in INR lacs, except for share data unless stated otherwise)

RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO SHARES

The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder of the Company is entitled to vote in proportion of the share of paid-up capital of the Company held by the shareholder. Each shareholder is entitled to receive interim dividend when it is declared by the Board of Directors. The final dividends proposed by the Board of Directors are paid when approved by the shareholders at Annual General Meeting. In the event of liquidation, the shareholders of the Company are entitled to receive the remaining assets of the Company after discharging all liabilities of the Company in proportion to their shareholdings.

AGGREGATE NUMBER OF BONUS SHARES ISSUED DURING THE PERIOD OF FIVE YEARS IMMEDIATELY PRECEDING THE REPORTING DATE

	AS AT 31 MARCH 2022	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020	AS AT 31 MARCH 2019	AS AT 31 MARCH 2018
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	-	-
Equity shares allotted as fully paid bonus shares by capitalisation of general reserve	-	-	-	-	-
Equity shares allotted as fully paid bonus shares by capitalisation of Credit balance in Statement of Profit and Loss	-	-	-	-	-
Total	-	-	-	-	-

AGGREGATE NUMBER OF SHARES BOUGHT BACK DURING THE PERIOD OF FIVE YEARS IMMEDIATELY PRECEDING THE REPORTING DATE

	AS AT 31 MARCH 2022	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020	AS AT 31 MARCH 2019	AS AT 31 MARCH 2018
Equity shares bought back by capitalisation of Statement of Profit and Loss and transferred to capital redemption reserve (INR 10 face value of each share)	-	-	-	-	-
Total	-	-	-	-	-

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 20: OTHER EQUITY		
Capital reserve		
Opening balance	121	121
Addition/(Deduction)	-	-
Closing balance	121	121
Capital reserve created pursuant to merger		
Opening balance	4,000	4,000
Addition/(Deduction)	-	-
Closing balance	4,000	4,000
Statutory reserve		
Opening balance	23,015	23,015
Transfer from retained earnings	494	-
Closing balance	23,509	23,015
Capital redemption reserve pursuant to buy back of shares		
Opening balance	11,880	11,880
Transfer from retained earnings	-	-
Closing balance	11,880	11,880
Share based payment reserve		
Opening balance	1,109	654
Addition/(Deduction)	853	455
Closing balance	1,962	1,109
Share premium		
Opening balance	10,304	10,304
Addition/(Deduction)	0.01	-
Closing balance	10,304	10,304
Retained earnings		
Opening balance	5,773	15,066
Profit/ (loss) for the year	2,441	(9,331)
Transfer to statutory reserves	(494)	-
Remeasurement of gains on defined employee benefit plans, net of tax	28	38
Closing balance	7,748	5,773
Total	59,524	56,202

NATURE AND PURPOSE OF RESERVES:

(a) Capital reserve: Till the year ended 31 March 2012, the Company was not required to pay any amount to the General Electric Company, USA (then ultimate holding company) towards the cost of options granted or shares allotted to the employees of the Company under these share based compensation plans. Therefore, till the year ended 31 March 2012, the Company recognized share based compensation in the Statement of Profit and Loss with a corresponding credit to Capital Reserve Account (Share Options Outstanding Account). There is no corresponding liability for the same and therefore same is in the nature of free reserve.

(b) Capital reserve created pursuant to merger: During the financial year 2012-13, Maruti Countrywide Auto Financial Services Private Limited (MCW) was amalgamated with GE Money Financial Services Private Limited (GEMFSPL) pursuant to the scheme of amalgamation. Upon the Scheme becoming effective, the entire amount of authorised share capital of the transferor company amounting to INR 4,000 divided into 40,000,000 equity shares of INR 10 each got transferred from the authorised share capital to the authorised share capital of GEMFSPL as equity shares and Capital Reserve of INR 4,000 was created during the year ended 31 March 2013.

(c) Statutory reserve: Statutory reserve represents the reserve fund created under Section 45-IC of the Reserve Bank of India Act, 1934 and the Company is required to transfer sum not less than twenty percent of its net profit every year. During the year ended 31 March 2023 the Company has transfer INR 494 in reserve fund being twenty percent of the profit. However during the previous year Company incurred losses therefore there was no requirement to transfer amount in Reserve Fund. The statutory reserve can be utilised for the purposes as specified by the Reserve Bank of India from time to time.

(d) Capital redemption reserve pursuant to buy back of shares: During the year ended March 2017, the Board of Directors in their meeting held on 4 November 2016 approved buy back 118,803,425 equity shares of the paid-up equity share capital of the Company at a price of INR 12.7 per fully paid equity share from shareholders. The total number of equity shares of 118,803,425 were purchased by the Holding Company under the offer of buy back for a consideration of INR 15,088.

(e) Securities premium: Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(f) Share based payment reserve: The share based payment reserve is used to recognise the value of equity-settled share based payments provided to employees of the comapny and its subsidiary's employees, including key managerial personnel, as part of their remuneration.

(g) Retained earnings: These represent the surplus in the profit and loss account and is free for distribution of dividend.

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 21: INTEREST INCOME		
On financial assets measured at amortised cost		
Interest on loans		
- On term loans	59,666	51,665
- On finance lease receivables	682	1,074
Interest income on pass through certificates	293	-
Interest income on inter corporate loans	210	1,145
Total (A) Gross	60,851	53,884

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 22: FEES AND COMMISSION		
Credit compliance and debt advisory fees (refer note 38)	290	-
Application fees	197	11
Insurance commission (refer note 38)	-	23
Other charges	2,322	3,360
	2,809	3,394

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 23: NET GAIN/ (LOSS) ON FAIR VALUE CHANGES		
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio	877	2,893
Total Net gain on fair value changes (A)	877	2,893
(B) Fair value changes:		
-Realised	1,507	2,234
-Unrealised	(630)	659
Total Net gain on fair value changes(A) to tally with (B)	877	2,893

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 24: OTHER INCOME		
Liabilities/provisions no longer required written back	25	102
Interest income		
- on income tax refund	934	1,456
- on fixed deposits	1,163	722
Interest income on unwinding of discount on security deposit	(91)	140
Net gain on Sale of investment in Pass through certificates	15	-
Net gain/(loss) on derecognition of property, plant and equipment	30	(3)
Miscellaneous Income	659	181
Total	2,735	2,598

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 25: FINANCE COSTS		
At amortised cost		
Interest on borrowings (other than debt securities)		
- Term loan from banks	9,233	8,162
- Term loan from Other parties	5,484	3,506
- On bank overdraft	204	140
- Inter-corporate loan	43	-
- Securitised borrowing	6,913	4,443
Other interests	-	154
Interest on debt securities		
- Discount on commercial papers	485	445
- Non convertible debentures	7,841	11,074
Unwinding of discount on security deposits	(105)	139
Interest on Lease liability	77	153
Total (A) Gross	30,175	28,216

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 26: IMPAIRMENT ON FINANCIAL INSTRUMENTS		
At amortised cost		
ECL on loan assets	(10,189)	(1,041)
ECL adjusted against interest income on Stage 3 loans**	(221)	-
ECL on other financial assets	(92)	234
Bad debt written off/recovered*	22,690	27,849
Investments	40	1,510
Total	12,228	28,552

* includes loss on sale of finance lease amounting to Nil (PY : INR 173).

**relating to interest on credit impaired assets, which is netted off from interest income in accordance with Ind AS 109 on Financial Instruments.

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 27: EMPLOYEE BENEFITS EXPENSES		
Salaries and bonus	7,684	6,899
Share based payments to employees (Refer note 44)	845	456
Contribution to provident and other funds (Refer note 31)	441	409
Staff welfare expenses	139	82
Total	9,109	7,846

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 28: OTHER EXPENSES		
Rent	273	416
Rates and taxes	346	444
Printing and stationery	81	23
Advertisements and sales promotion	501	332
Legal and professional charges*	2,287	2,173
CSR expense (Refer note 41)	-	92
Outsourced service cost	750	329
Postage, telegrams and telephones	63	100
Travelling and conveyance	414	214
Repairs and maintenance	110	26
Insurance	266	242
Information Technology Cost	2,229	1,966
Collection Cost	3,175	2,119
Electricity and water charges	39	35
Miscellaneous expenses	108	164
Total	10,642	8,675

* LEGAL AND PROFESSIONAL CHARGES INCLUDES PAYMENT TO AUDITORS (EXCLUDING GOODS AND SERVICE TAX) COMPRISES THE FOLLOWING:

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
As auditor		
- Statutory audit	22	34
- Limited Review	10	9
- Tax audit	2	2
- Other services	1	9
Reimbursement of expenses	2	2
Total	37	56

NOTE 29: INCOME TAX

THE COMPONENTS OF INCOME TAX EXPENSE FOR THE YEARS ENDED 31 MARCH 2023 AND 31 MARCH 2022 ARE:

PROFIT OR LOSS SECTION	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
CURRENT INCOME TAX:		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	(432)	(5)
DEFERRED TAX:		
Relating to origination and reversal of temporary differences	1,336	(3,048)
Adjustments in respect of Deferred tax recognised for previous year	20	26
Income tax expense reported in the statement of profit or loss	924	(3,027)
Current tax	(432)	(5)
Deferred tax	1,356	(3,022)

OTHER COMPREHENSIVE INCOME SECTION	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
DEFERRED TAX:		
Relating to origination and reversal of temporary differences	9	13
Adjustments in respect of Deferred tax recognised for previous year	-	-
Income tax expense reported in the other comprehensive section	9	13
Income tax expense reported in the statement of profit and loss	933	(3,014)

RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S DOMESTIC TAX RATE FOR 31 MARCH 2023 & 31 MARCH 2022

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Accounting profit/(loss) before income tax	5,419	(12,358)
TAX AT APPLICABLE STATUTORY INCOME TAX RATE (A)	1,364	(3,110)
Adjustment in respect of Current tax of previous year (B)	(432)	(5)
Non-deductible expenses (C)	(27)	62
Impact due to rate difference on timing items/previous year true up (D)	19	26
Income tax expense reported in the profit or loss section (A+B+C+D)	924	(3,027)
OTHER COMPREHENSIVE INCOME	37	51
TAX AT STATUTORY INCOME TAX RATE (E)	9	13
Impact due to rate difference on timing items/previous year true up (F)	-	-
Tax impact reported on Other Comprehensive Income (E+F)	9	13

DEFERRED TAX

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITY	NET DEFERRED TAX ASSET / (LIABILITIES)	INCOME STATEMENT	OCI
	As at 31 March 2023	As at 31 March 2023	As at 31 March 2023	Year ended 31 March 2023	Year ended 31 March 2023
Property, plant and equipment	6,973	-	6,973	(722)	-
ECL on Loan and advances/Investment/Loan commitment	3,073	-	3,073	(3,033)	-
Provision for expense	567	-	567	220	-
43B Disallowance	64	-	64	(4)	-
Unabsorbed loss	6,372	-	6,372	2,916	-
Others	1,974	-	1,974	820	-
Unamortised cost (net of unamortised fees)	-	(1,893)	(1,893)	(905)	-
Impact of ARC security receipt	-	(657)	(657)	(657)	-
Remeasurement of defined benefit liability	-	-	-	9	(9)
	19,023	(2,550)	16,473	(1,356)	(9)

	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITY	NET DEFERRED TAX ASSET / (LIABILITIES)	INCOME STATEMENT	OCI
	As at 31 March 2022	As at 31 March 2022	As at 31 March 2022	Year ended 31 March 2021-22	Year ended 31 March 2021-22
Property, plant and equipment	7,695	-	7,695	(331)	-
ECL on Loan and advances/Investment/Loan commitment	6,106	-	6,106	285	-
Provision for expense	348	-	348	(3)	-
43B Disallowance	68	-	68	(30)	-
Unabsorbed loss	3,456	-	3,456	3,456	-
Others	1,154	-	1,154	172	-
Unamortised cost (net of unamortised fees)	-	(988)	(988)	(540)	-
Remeasurement of defined benefit liability	-	-	-	13	(13)
	18,827	(988)	17,839	3,022	(13)

NOTE 30: EARNING PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.
Diluted EPS is calculated by dividing the net profit/(loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Following reflects the profit and share data used in EPS computations:		
BASIC		
Weighted average number of equity shares for computation of Basic EPS (in lacs)	14,360	14,360
Net profit/(loss) for calculation of Basic EPS (INR)	2,441	(9,331)
Basic earning per share (In INR)	0.17	(0.65)
DILUTED		
Weighted average number of equity shares for computation of Diluted EPS	14,924	14,749
Net profit/(loss) for calculation of Diluted EPS (INR)	2,441	(9,331)
Diluted earning per share (In INR)	0.16	*(0.65)
*As the weighted average number of shares for diluted EPS are anti-dilutive and resulting in increase in dilutive EPS, diluted EPS has been kept same as basic EPS.		
Nominal / Face Value of equity shares (In INR)	10	10

Reconciliation of weighted average number of equity shares for the year ended 31 March 2023 for basic and diluted earnings per share:

PARTICULARS	WEIGHTED AVERAGE NO. OF SHARES	
	BASIC	DILUTED
Equity shares of face value of INR 10 per share		
Opening	14,360	14,749
Additions	0.001	175
Closing	14,360	14,924

Reconciliation of weighted average number of equity shares for the year ended 31 March 2022 for basic and diluted earnings per share:

PARTICULARS	WEIGHTED AVERAGE NO. OF SHARES	
	BASIC	DILUTED
Equity shares of face value of INR 10 per share		
Opening	14,360	14,227
Additions	-	552
Closing	14,360	14,749

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 31: RETIREMENT BENEFIT PLAN

i) Defined contribution plan

During the year, the Comapny has recognised the following amounts in the Statement of profit and loss:

	As at 31 March 2023	As at 31 March 2022
Employers' Contribution to Employee's Provident Fund*	319	308
	319	308

* Provident fund is a defined contribution plan. The contribution towards provident fund has been deposited with Regional Provident Fund Commissioner and is charged to Consolidated Statement of Profit and Loss.

ii) Defined benefit plan

The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The Company makes contributions to its own Gratuity Trust. The gratuity trust invests the contribution in insurer managed scheme.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

CHANGES IN THE DEFINED BENEFIT OBLIGATION AND FAIR VALUE OF PLAN ASSETS AS AT 31 MARCH 2023:

PARTICULARS	1 APRIL 2022	GRATUITY COST CHARGED TO PROFIT OR LOSS				REMEASUREMENT GAINS/(LOSSES) IN OTHER COMPREHENSIVE INCOME						CONTRIBUTIONS BY EMPLOYER	31 MARCH 2023
		Service cost	Net interest income/ expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Change in surplus/ deficit	Sub-total included in OCI		
Defined benefit obligation	346	78	18	96	(42)	-	(11)	5	(21)	-	(27)	-	373
Fair value of plan assets	296	-	18	18	(42)	11	-	-	-	-	11	26	309
Benefit liability /(assets)	50	78	-	78	-	(11)	(11)	5	(21)	-	(38)	(26)	64

CHANGES IN THE DEFINED BENEFIT OBLIGATION AND FAIR VALUE OF PLAN ASSETS AS AT 31 MARCH 2022:

PARTICULARS	1 APRIL 2021	GRATUITY COST CHARGED TO PROFIT OR LOSS				REMEASUREMENT GAINS/(LOSSES) IN OTHER COMPREHENSIVE INCOME						CONTRIBUTIONS BY EMPLOYER	31 MARCH 2022
		Service cost	Net interest income/ expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Change in surplus/ deficit	Sub-total included in OCI		
Defined benefit obligation	389	90	18	180	(105)	-	-	3	(49)	-	(46)	-	346
Fair value of plan assets	376	-	20	20	(105)	5	-	-	-	-	5	-	296
Benefit liability /(assets)	13	90	(2)	88	-	(5)	-	3	(49)	-	(51)	-	50

THE MAJOR CATEGORIES OF PLAN ASSETS FOR GRATUITY ARE AS FOLLOWS:

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
UNQUOTED INVESTMENTS		
Insurer managed funds	207	296
Others	102	-
	309	296

ACTUARIAL ASSUMPTIONS

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Discount rate (p.a)	7.30%	5.70%
Salary escalation rate (p.a)	9.00%	7.00%

SENSITIVITY ANALYSIS:

ASSUMPTIONS	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022		AS AT 31 MARCH 2023		AS AT 31 MARCH 2022	
	DISCOUNT RATE				FUTURE SALARY INCREASES			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(6)	6	(7)	7	6	(6)	7	(7)

EXPECTED PAYMENT FOR FUTURE YEARS

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Within the next 12 months (next annual reporting period)	100	63
After 1st year upto 5th year	261	232
After 5th year upto 9 years	91	93
Year 10 and beyond	38	60
Total expected payments	490	448

The Company expects to contribute INR 110 Lakhs (31 March 2022: INR 110 Lakhs) to the fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31 March 2023 is 3.4 years (31 March 2022: 4.19 years)

(iii) Compensated Absences

An actuarial valuation of compensated absences has been carried out by an independent actuary. The obligation of compensated absences in respect of employees of the Company as at 31 March 2023 amounts to INR 184 Lakhs (31 March 2022: INR 220 Lakhs).

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 32: SEGMENT INFORMATION

The Company's primary business segment is reflected based on the principal business carried out, i.e. Commercial financing (comprising corporate loans, finance lease and operating leases). Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company. The Company operates principally within India and does not have operations in economic environments with different risks and returns; hence, it is considered operating in single geographical segment.

NOTE 33. CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

PARTICULARS	1 APRIL 2022	CASH FLOWS	CHANGES IN FAIR VALUES	EXCHANGE DIFFERENCE	OTHER*	31 MARCH 2023
Debt securities	76,663	(29,282)	-	-	220	47,601
Borrowings other than debt securities#	1,89,886	90,829	-	-	384	2,81,099
Total liabilities from financing activities	2,66,549	61,547	-	-	604	3,28,700

PARTICULARS	1 APRIL 2021	CASH FLOWS	CHANGES IN FAIR VALUES	EXCHANGE DIFFERENCE	OTHER*	31 MARCH 2022
Debt securities	1,37,384	(62,697)	-	-	(24)	76,663
Borrowings other than debt securities#	1,60,634	28,531	-	-	721	1,89,886
Total liabilities from financing activities	2,98,018	(34,166)	-	-	697	2,66,549

* Others column includes amortisation of transaction cost.
# Excluding bank overdraft which is included in cash and cash equivalents for statement of cash flow.

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 34: CONTINGENT LIABILITIES, PROVISIONS AND COMMITMENTS

To meet the financial needs of customers, the Company enters into various irrevocable commitments, which primarily consist of undrawn commitment to lend. Further the Company is also exposed to contingent liabilities arising from legal claims.

A) CONTINGENT LIABILITIES

Claims against Company not acknowledged as debts

The Company's pending litigations comprise of claims against the Company by the customers and pertaining to proceedings pending with Income Tax, Excise, Custom, Sales/VAT tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

Claims against the Company not acknowledged as debts amounts to INR 488 (previous year INR 468). These relate to lawsuits, claims, investigations and proceedings, which arise in the ordinary course of business and includes amounts litigated against the Company net of amount provided for contingencies. While the ultimate liability cannot be ascertained at this time, based on facts currently available and its current knowledge of the applicable law, management believes that the cases will not have a material adverse affect on the Company's financial statements or its business operations.

Based on demand notices received from the income tax department and indirect tax authorities, the Company is contingently liable for INR 3,802 (Previous year INR 3,812). The Company has challenged these demands of the respective authorities. While the ultimate outcome of the above mentioned appeals cannot be ascertained at this time, based on current knowledge of the applicable law, management believes that these law suits should not have a material adverse effect on the Company's financial statements or its business operations.

B) PROVISIONS

The disclosure of provisions movement for the year ended 31 March 2023 is as follows :-

NATURE OF PROVISION	OPENING	ADDITION	REVERSAL/ UTILISATION	CLOSING
Provision for sales tax and service tax	2,917	194	(47)	3,064
Provision for customer disputes	49	-	-	49
Total	2,966	194	(47)	3,113

The disclosure of provisions movement for the year ended 31 March 2022 is as follows:-

NATURE OF PROVISION	OPENING	ADDITION	REVERSAL/ UTILISATION	CLOSING
Provision for sales tax and service tax	2,780	157	(20)	2,917
Provision for customer disputes	49	-	-	49
Total	2,829	157	(20)	2,966

NATURE OF PROVISIONS:

Provision for sales tax and service tax: The Company has recognised provisions on account of estimated potential losses arising out of its inability to recover indirect tax related amounts from clients and other litigation with various sales tax/service tax authorities.

Provision for disputes with clients: The Company has recognised provision for settlement of certain disputes with its customers.

C) COMMITMENT

(i) The Company has a capital commitment of INR 1 as at 31 March 2023 (31 March 2022: INR 207)

(ii) The Company has a revocable loan commitment of INR 9,103 towards undrawn loan sanctions as at 31 March 2023 (31 March 2022: INR 4,057).

(iii) The Company has given corporate guarantees to Banks on behalf of its subsidiary company. The total of such guarantees as on 31 March 2023 amounts to INR 145 (31 March 2022: INR 5,669).

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 35: RELATED PARTY DISCLOSURES

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

A) LIST OF RELATED PARTIES WHERE CONTROL EXISTS AND RELATED PARTIES WITH WHOM TRANSACTIONS HAVE TAKEN PLACE AND RELATIONSHIPS:

PARTICULARS	RELATIONSHIP
Plutus Financials Pvt. Limited (Mauritius)	Holding Company
Clix Housing Finance Limited	Subsidiary
Clix Analytics Private Limited (under liquidation w.e.f. 23 August 2021)	Fellow Subsidiaries
Clix Loans Private Limited (Liquidated w.e.f. 29 November 2021)	Fellow Subsidiaries
GE Money Financial Services Private Limited Employee Group Gratuity Scheme	Post employment benefit plan
GE Capital Employee Gratuity Fund	Post employment benefit plan

KEY MANAGERIAL PERSONNEL	
Rakesh Kaul (From 16 August 2021)	Whole-time Director and Chief Executive Officer (CEO)
Gagan Aggarwal (From 14 November 2022)	Chief Financial Officer (CFO)
Rashmi Mohanty (Till 21 October 2022)	Whole-time Director and Chief Financial Officer (CFO)
Ashhish K Paanday (Till 6 March 2023)*	Company Secretary

*The full time Company Secretary of the Company (CS) resigned during the year and the management is in the process of filling the vacancy at the earliest.

B) THE NATURE AND VOLUME OF TRANSACTIONS CARRIED OUT WITH THE ABOVE RELATED PARTIES IN THE ORDINARY COURSE OF BUSINESS ARE AS FOLLOWS :

1. REMUNERATION TO KEY MANAGERIAL PERSONNEL*

	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Short term employee benefits	819	477
Share based payments	602	319
Total	1,421	796

* The remuneration given to key managerial personnel does not include the provisions made for gratuity and leave benefit, as they are determined on actuarial basis for the Company as a whole.

(All amount in INR lacs, except for share data unless stated otherwise)

2. OTHER TRANSACTIONS

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	AMOUNT RECEIVED	AMOUNT PAID	AMOUNT RECEIVED	AMOUNT PAID
Interest on Inter corporate loan	210	43	1,145	477
Clix Housing Finance limited				
Allocations made	-	-		-
Clix Housing Finance Limited			476	
Allocations received	-	-	-	85
Clix Housing Finance Limited				
Amount paid for acquirlng the financial assets (assignment)	-	-	-	4094
Clix Housing Finance Limited				
Amount paid on behalf of the company				-
Clix Housing Finance Limited	3	-	18	
Amount paid on behalf of the company				
Clix Housing Finance Limited	-	35	-	-
Addition/decrease in investment towards expenditure made in share based payment scheme.				
Clix Housing Finance Limited	-	8	-	3
Inter Corporate loans				
Taken				
Clix Housing Finance Limited	1,000	100	-	-
Given				
Clix Housing Finance Limited	11,300	300	2,003	2,503

3. BALANCE SHEET- OUTSTANDING BALANCES

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Balance Outstanding as at year end :		
Amount receivable		
Inter Corporate loans		
Clix Housing Finance Limited	-	11,000
Inter company receivable		
Clix Housing Finance Limited	32	84
Amount Payable		
Inter Corporate loans		
Clix Housing Finance Limited	900	-
Investment held by the Company		
Clix Housing Finance Limited	5,515	5,507

Corporate Guarantee given on behalf of the Clix Housing Finance Limited INR 145 as at 31 March 2023 (Previous year INR 5,669).

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 36: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio and debt equity ratio.

THE ACTUAL DEBT EQUITY RATIO IS AS UNDER:

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Debts	3,30,608	2,68,609
Net worth	2,03,123	1,99,801
Total	1.63	1.34

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit some lender to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 37. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

(refer note 13)

NOTE 38: REVENUE FROM CONTRACTS WITH CUSTOMERS

Credit compliance and debt advisory fees

The performance obligation in regards of arrangements where fees is charged per transaction executed is recognised at point in time when trade is executed. In other arrangements, where fees is fixed irrespective of number of transaction executed is recognised over the term of contract.

INSURANCE COMMISSION

The performance obligation in regards of insurance arrangements are recognised upon issue of the insurance policy.

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Type of services or service		
Credit compliance and debt advisory fees	290	-
Insurance commission	-	23
Total revenue from contracts with customers	290	23
Geographical markets		
India	290	23
Outside India	-	-
Total revenue from contracts with customers	290	23
Timing of revenue recognition		
Services transferred at a point in time	290	23
Services transferred over time	-	-
Total revenue from contracts with customers	290	23

NOTE 39: FAIR VALUE MEASUREMENT

39.1 Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly/indirectly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

39.2 Valuation governance

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by Asset Liability Committee (ALCO) which shall be reported to the Board of Director. The responsibility of ongoing measurement resides with business units. Once submitted, fair value estimates are also reviewed and challenged by the Risk and Finance functions.

39.3 Assets and liabilities by fair value hierarchy

The Company's investment in Mutual Fund, Equity shares and Security receipts are the financial asset measured at fair value through Profit & Loss. The fair value of such financial assets are measured based on their published net asset value (NAV) and market price taking into account redemption and/or any other restrictions. Such instruments are classified under Level 1 and Level 3. Fair value of such investments held at 31 March 2023 is INR 18,303 (31 March 2022: INR 40,262)

The Company's loans assets are financials assets measured at amortised cost. The fair value of such financial assets are measured under Level 3 approach. The Fair value of such loans held at 31 March 2023 is INR 4,31,730 (Previous year 3,56,000) gross of ECL.

39.4: Valuation techniques

Mutual funds/Equity shares

Units held in funds/demat are measured based on their published net asset value (NAV)/Market value, taking into account redemption and/or other restrictions as per the Level 1 hierarchy.

Security receipts

Units held against security receipts are measured based on the expected recoveries discounted at various yields to arrive at present value (Discounted Cash Flow approach) as per Level 3 approach (Unobservable Inputs are Gross Recoveries and Discount Rates). Further for sensitivity analysis refer note No. 40.4(c).

39.5 Valuation methodologies of financial instruments measured at amortised cost

Loans - The fair value of loans are estimated by discounted cash flow models. For fixed rate loans, the fair value represent the discounted value of the expected future cash flow. For floating rate interest loans, the carrying amount of loans represent fair market value of loans.

Investment in Pass through certificates - These instrument include asset backed securities. The market for these securities is not active and considering the cash flow of the instrument associated with securitized liabilities management approximate the carrying amount its fair value.

Borrowings and Debt Securities - Most of the Company's borrowings are at floating rate which approximates the fair value. Debt securities and other borrowings are fixed rate borrowings and fair value of these fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans and carrying value approximates the fair value for fixed rate borrowing at financial statement level.

Short Term and Other Financial Assets and Liabilities - The management assessed that cash and cash equivalents, investments, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTE 40: RISK MANAGEMENT

40.1 Introduction and risk profile

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk, interest rate risk and market risk. It is also subject to various operating and business risks.

40.1.1 Risk management structure and policies

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Board.

The Risk Management Unit is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with and reports to the Risk Management Committee, to ensure that procedures are compliant with the overall framework.

The Unit is also responsible for monitoring compliance with risk principles, policies and limits across the Company. Each business group has its own unit which is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks of new products and structured transactions. The Company's treasury function is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

40.2 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits. Credit risk is monitored by the credit risk department of the Company's independent Risk Management Unit. It is their responsibility to review and manage credit risk. It has a diversified lending model and focuses on four broad categories viz: (i) Healthcare and other equipment finance, (ii) Loan against properties, (iii) School Finance (iv) SME and Consumer finance. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

40.2.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was INR 4,21,675 and INR 3,58,025 as of 31 March 2023 and 31 March 2022 respectively, being the total of the carrying amount of loan balances/investment in PTC and other financial assets.

The table below summarises the approach adopted by the Company for various components of ECL viz. PD (Probability of Default), EAD (Exposure At Default) and LGD (Loss Given Default) across product lines using empirical data where relevant:

LENDING VERTICALS	PD			EAD	LGD
	STAGE 1	STAGE 2	STAGE 3		
Corporate Portfolio (Loan and Lease)	Internal Matrix based on CRISIL Default Study Report or Model suggested by CRISIL including industry risk, business risk, financials risk & management risk but not limited to or its Equivalent and management estimate		100%	The outstanding balance as at the reporting date is considered as EAD by the Company. Considering that PD determined factors in amount at default, there is no separate requirement to estimate EAD	Internally computed based on Model suggested by CRISIL or its Equivalent
Personal Loan	Based on industry benchmark/credit bureau reports like Static Pool/Internal Performance etc.				Based on Foundation IRB (FIRB) rates using average LGD applicable to unsecured exposures
Business Loan	Based on industry benchmarks / credit bureau reports like Static Pool/ Internal Performance etc.				
Two Wheeler	Based on industry benchmarks / credit bureau reports like Static Pool/ Internal Performance etc.				
Loan Against Property (Including K12 and Housing Loan)	Based on industry benchmarks / credit bureau reports like Static Pool/ Internal Performance etc.				Based on Management estimate/past trends of recoveries.
HFS (Health Care) and other Equipment Finance (Loan and Lease)	Based on industry benchmarks / credit bureau reports like Static Pool etc.				Based on Management estimate/past trends of recoveries.

(All amount in INR lacs, except for share data unless stated otherwise)

40.2.2 Analysis of risk concentration

The Company's concentrations of risk for loans are managed by type of loan- Corporate and Retail.

	31 MARCH 2023	31 MARCH 2022
Corporate		
- Airlines & related services	-	582
- FMCG	-	398
- Hotels & Restaurants	4	947
- Manufacturing	6,180	7,461
- Hire/Info lease/finance lease	1,863	2,370
- Real estate	-	2,476
- Financial services	-	2,617
- Education	-	2,478
- Auto Ancillary	-	2,500
- IT	1,945	2,976
	9,992	24,805
(B) Secured/ Unsecured		
- Secured	8,047	24,805
- Unsecured	1,945	-
Retails	9,992	24,805
(A) Sub-portfolio		
- Loan against Property (including K12)	95,881	59,054
- Hire/Info lease/Finance lease	3,918	4,766
- Healthcare and equipment finance	28,955	32,440
- Business Loan	188,367	133,471
- Personal loans	87,677	85,855
- Loan against electronic payables	100	2,235
- Used cars	40	203
- Two Wheeler	262	2,171
- Inter corporate loan		11,000
	4,05,200	3,31,195
(B) Secured/Unsecured		
- Secured	1,29,057	98,634
- Unsecured	2,76,143	2,32,561
	4,05,200	3,31,195
Total	4,15,192	3,56,000

(All amount in INR lacs, except for share data unless stated otherwise)

40.3 Liquidity risk

Liquidity Risk refers to the risk that the Company can not meet its financial obligations. The objective of Liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. The unavailability of adequate amount of funds to repay the financial liabilities and further growth of business may lead to an Asset Liability Management (ALM) mismatch caused by a difference in the maturity profile of Company assets and liabilities. It may be related to funding, i.e impossibility to obtain new funding and inability to sell or convert liquid investments into cash without significant losses. Therefore, the Company manages liquidity risk by maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecasted and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity risk is managed by ALCO through its periodic reviews relating to the liquidity position and stress tests under 'what if' scenarios and comparing probable gaps with the liquidity buffers maintained.

PARTICULARS	31 MARCH 2023					31 MARCH 2022				
	BORROWINGS (INCLUDING DEBT SECURITIES)	PAYABLES	LEASE LIABILITY	OTHER FINANCIAL LIABILITIES	TOTAL	BORROWINGS (INCLUDING DEBT SECURITIES)	PAYABLES	LEASE LIABILITY	OTHER FINANCIAL LIABILITIES	TOTAL
Less than 1 year	2,23,338	24,443	577	6,351	2,54,709	1,51,058	14,975	463	5,854	1,72,350
Over 1 year to 3 years	1,26,902	-	84	814	1,27,800	1,26,221	-	415	738	1,27,374
Over 3 year to 5 years	17,064	-	-	1,307	18,371	16,831	-	-	1,359	18,190
Over 5 years	396	-	-	1,106	1,502	-	-	-	832	832
Total	3,67,700	24,443	661	9,578	4,02,382	2,94,110	14,975	878	8,783	3,18,746

(All amount in INR lacs, except for share data unless stated otherwise)

40.4 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk.

Interest rate risk

The Company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity periods that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.

The Company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss:

(A) LOANS (FLOATING)

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX
Increase in basis points	50	(585)	50	412
Decrease in basis points	-50	585	-50	(412)

(B) BORROWINGS (FLOATING)

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX
Increase in basis points	50	(785)	50	(517)
Decrease in basis points	-50	785	-50	517

(C) DEBT SECURITIES (FLOATING)

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX
Increase in basis points	50	(59)	50	(259)
Decrease in basis points	-50	59	-50	259

(All amount in INR lacs, except for share data unless stated otherwise)

EQUITY PRICE RISK

The Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

EQUITY PRICE SENSITIVITY/ SECURITY RECEIPTS(SR) NAV SENSITIVITY

The following table demonstrates the sensitivity to a reasonably possible change in Equity prices (all other variables being constant) of the Company's statement of profit and loss:

(A) INVESTMENT IN UNITS OF MUTUAL FUND

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	%	EFFECT ON PROFIT BEFORE TAX	%	EFFECT ON PROFIT BEFORE TAX
Increase in NAV	0.5	1	0.5	111
Decrease in NAV	-0.5	(1)	-0.5	(111)

(B) INVESTMENT IN EQUITY SHARES

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	%	EFFECT ON PROFIT BEFORE TAX	%	EFFECT ON PROFIT BEFORE TAX
Increase in market price	0.5	2	0.5	8
Decrease in market price	-0.5	(2)	-0.5	(8)

(C) INVESTMENT IN SECURITY RECEIPTS

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	%	EFFECT ON PROFIT BEFORE TAX	%	EFFECT ON PROFIT BEFORE TAX
Increase in NAV	0.5	96	0.5	98
Decrease in NAV	-0.5	(96)	-0.5	(98)

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 41. CORPORATE SOCIAL RESPONSIBILITY

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
(a) amount required to be spent by the Group during the year	-	92
(b) amount of expenditure incurred***	(55)	(25)
(c) shortfall at the end of the year*	68	123
(d) total of previous years shortfall	68	31
(e) reason for shortfall**		
(f) nature of CSR activities	Education, Environment and healthcare related activities	Covid-19 and healthcare related activities
(g) Details of related party transactions	NA	NA
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation.		
Opening provision balance	123	56
Provision created during the year	-	92
Provision utilized during the year	(55)	(25)
Closing provision balance	68	123

* Previous year shortfall pertain to Financial year 2021-22 and 2020-21

**The Company during the year had contributed towards the ongoing projects to Covid -19, Healthcare, Education, Environment and a portion of the allocated money remained unspent as on March 31, 2023. The Group proposes to spend this money on healthcare facilities and services with a long term impact to the community. The unspent amount has been transferred to a separate Bank account and will be spent in the next three Financial years.

*** Pertain to Financial year 2021-22 and 2020-21

NOTE 42. EXPENDITURE IN FOREIGN CURRENCY

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Information Technology Cost	758	848
	758	848

NOTE 43. UN-HEDGED FOREIGN CURRENCY EXPOSURE

The Company does not have exposure in respect of foreign currency denominated assets (trade receivable) not hedged as at 31 March 2023 by derivative instruments or otherwise. [31 March 2022: USD Nil (INR Nil)]. The Group have exposure in respect of foreign currency denominated liabilities (trade payable) is USD 4 (INR 331) [31 March 2022: USD 2 (INR 177)].

NOTE 44. EMPLOYEE STOCK OPTION PLAN

(I) DETAILS OF THE PLAN ARE GIVEN BELOW:

PARTICULARS	GRANT-I	GRANT-II
Scheme Name	Employee Stock Option Plan 2017 ("Plan")	Employee Stock Option Plan 2017
Date of grant	18-Oct-17	7-Dec-18
No. of options approved	129,708,445	129,708,445
No. of options granted	25,658,650	7,735,000
Exercise price per option (in INR)	13.10	15.10
Method of settlement	Equity	Equity
Fixed vesting period is as:	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")
- 1st vesting "3 years from the date of grant (in case of IVth, Vth and VIth tranche- 1st vesting will be 2 years from the date of grant and in case of VIIth, VIIIth , IXth and Xth tranche 1 year from the date of grant)	8,552,883	2,578,333
- 2nd vesting "On expiry of one year from the 1st vesting date"	8,552,883	2,578,333
- 3rd vesting "On expiry of one year from the 2nd vesting date"	8,552,883	2,578,333
- 4th vesting "On expiry of one year from the 3rd vesting date"		
Conditional Vesting	Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan
Exercise period	Five years from the date of each vesting	Five years from the date of each vesting

PARTICULARS	GRANT-VI	GRANT-VII
Scheme Name	Employee Stock Option Plan	Employee Stock Option Plan
Date of grant	1-Jun-20	1-Jun-21
No. of options approved	129,708,445	129,708,445
No. of options granted	5,635,000	25,825,000
Exercise price per option (in INR)	14.00	13.00
Method of settlement	Equity	Equity
Fixed vesting period is as:	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")
- 1st vesting 3 years from the date of grant (in case of IVth, Vth and VIth tranche- 1st vesting will be 2 years from the date of grant and in case of VIIth, VIIIth , IXth and Xth tranche 1 year from the date of grant)	1,408,750	6,456,250
- 2nd vesting "On expiry of one year from the 1st vesting date"	1,972,250	6,456,250
- 3rd vesting "On expiry of one year from the 2nd vesting date"	2,254,000	6,456,250
- 4th vesting "On expiry of one year from the 3rd vesting date"	-	-
Conditional Vesting	Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan
Exercise period	Five years from the date of each vesting	Five years from the date of each vesting

(I) DETAILS OF THE PLAN ARE GIVEN BELOW:

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Expense/(reversal) arising from equity-settled share-based payment transactions	845	456
Total expense arising from share-based payment	845	456

GRANT-III	GRANT-IV	GRANT-V
Employee Stock Option Plan 2017	Employee Stock Option Plan 2017 ("Plan")	Employee Stock Option Plan 2017 ("Plan")
1-Jun-19	1-Jan-17	1-May-20
129,708,445	129,708,445	129,708,445
10,550,000	12,885,000	4,656,000
15.10	14.00	14.00
Equity	Equity	Equity
A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")
3,516,667	3,221,250	2,328,000
3,516,667	4,509,750	2,328,000
3,516,667	5,154,000	
Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan
Five years from the date of each vesting	Five years from the date of each vesting	Five years from the date of each vesting

GRANT-VIII	GRANT-IX	GRANT-X
Employee Stock Option Plan 2017 ("Plan")	Employee Stock Option Plan 2017 ("Plan")	Employee Stock Option Plan 2017 ("Plan")
16-Aug-21	1-Jul-22	1-Jan-23
129,708,445	129,708,445	129,708,445
21,000,000	25,150,000	600,000
13.00	10.00	10.00
Equity	Equity	Equity
A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")
5,250,000	6,287,500	150,000
5,250,000	6,287,500	150,000
5,250,000	6,287,500	150,000
5,250,000	6,287,500	150,000
Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan
Five years from the date of each vesting	Five years from the date of each vesting	Five years from the date of each vesting

(III) MOVEMENTS DURING THE YEAR

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements during the year:

PARTICULARS	GRANT-I	GRANT-II	GRANT-III	GRANT-IV	GRANT-V	GRANT-VI	GRANT-VII
Outstanding at 1 April	1,350,000	1,675,000	400,000	5,280,000	1,108,500	1,975,000	14,040,000
Granted during the year	-	-	-	-	-	-	-
Forfeited during the year	(350,000)	(355,000)	-	(2,930,000)	(441,000)	(725,000)	(4,570,000)
Exercised during the year	-	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-	-
Outstanding during the year	1,000,000	1,320,000	400,000	2,350,000	667,500	1,250,000	9,470,000
Exercisable at 31 March Weighted average exercise prices (WAEP)	13.10	15.10	15.10	14.00	14.00	14.00	13.00

PARTICULARS	GRANT-I	GRANT-II	GRANT-III	GRANT-IV	GRANT-V	GRANT-VI	GRANT-VII
Outstanding at 1 April	6,523,750	4,455,000	1,500,000	9,310,000	3,121,000	3,710,000	-
Granted during the year	-	-	-	-	-	-	25,825,000
Forfeited during the year	(5,173,750)	(2,780,000)	(1,100,000)	(4,030,000)	(2,012,500)	(1,735,000)	(11,785,000)
Exercised during the year	-	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-	-
Expired during the year	1,350,000	1,675,000	400,000	5,280,000	1,108,500	1,975,000	14,040,000
Exercisable at 31 March	-	-	-	-	-	-	-
Weighted average exercise prices (WAEP)	13.10	15.10	15.10	14.00	14.00	14.00	13.00

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements during the year:

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022	YEAR ENDED 31 MARC
Model used	Black-Scholes	Black-Scholes	Black-Scholes
Dividend yield (%)	0 %	0 %	0 %
Expected volatility (%)			
- Tranche I	Grant IX (37%), Grant X (42%)	50%	60%
- Tranche II	Grant IX (37%), Grant X (42%)	50%	60%
- Tranche III	Grant IX (37%), Grant X (42%)	50%	60%
- Tranche IV	Grant IX (37%), Grant X (42%)	50%	NA
Risk-free interest rate (%)			
- Tranche I	Grant IX (6.98% - 7.21%)), Grant X (7.05% - 7.21%)	Grant VII (4.90% - 6.00%), Grant VIII (5.10% - 6.20%)	Grant V (5.50% - 5.70%), Grant VI (5
- Tranche II	Grant IX (6.98% - 7.21%)), Grant X (7.05% - 7.21%)	Grant VII (4.90% - 6.00%), Grant VIII (5.10% - 6.20%)	Grant V (5.50% - 5.70%), Grant VI (5
- Tranche III	Grant IX (6.98% - 7.21%)), Grant X (7.05% - 7.21%)	Grant VII (4.90% - 6.00%), Grant VIII (5.10% - 6.20%)	Grant V (5.50% - 5.70%), Grant VI (5
- Tranche IV	Grant IX (6.98% - 7.21%)), Grant X (7.05% - 7.21%)	Grant VII (4.90% - 6.00%), Grant VIII (5.10% - 6.20%)	
Life of the options granted (years)			
- First Vesting	1 year	1 year	2 years (Grant-V) and (Gra
- Second Vesting	2 year	2 year	3 years (Grant-V) and (Gra
- Third Vesting	3 year	3 year	4 years (Grant-VI)
- Fourth Vesting	4 year	4 year	
Fair value of the option (INR)			
- First Vesting	6.89 (Grant-IX) and 7.17 (Grant-X)	5.22 (Grant-VII) and 5.45 (Grant-VIII)	7.56 (Grant-V) and 7.50 (Gr
- Second Vesting	7.52 (Grant-IX) and 7.82 (Grant-X)	6.03 (Grant-VII) and 6.24 (Grant-VIII)	8.30 (Grant-V) and 8.28 (Gr
- Third Vesting	8.09 (Grant-IX) and 8.39 (Grant-X)	6.74 (Grant-VII) and 6.93 (Grant-VIII)	8.92 (Grant-VI)
- Fourth Vesting	8.60 (Grant-IX) and 8.88 (Grant-X)	7.38 (Grant-VII) and 7.54 (Grant-VIII)	NA

GRANT-VIII	GRANT -IX	GRANT -X
21,000,000	-	-
-	25,150,000	600,000
-	-	-
-	-	-
-	-	-
21,000,000	25,150,000	600,000
13.00	10.00	10.00

GRANT-VIII
-
21,000,000
-
-
-
21,000,000
-
13.00

The weighted average remaining contractual life for the share options outstanding as at 31 March 2023 was 3.55 years (Grant-I), 4.69 years (Grant -II), 5.17 years (Grant-III), 4.91 years (Grant-IV), 4.59 years (Grant-V), 5.32 years (Grant-VI), 5.51 years (Grant-VII), 5.88 years (Grant-VIII), 6.76 years (Grant-IX), 7.26 years (Grant-X) (31 March 2022 : 4.55 years (Grant-I), 5.69 years (Grant -II), 6.17 years (Grant-III), 5.91 years (Grant-IV), 5.59 years (Grant-V), 6.32 years (Grant-VI), 6.51 years (Grant-VII), 6.88 years (Grant-VIII)).

2 The weighted average fair value of options granted during the year was 7.78 (Grant- IX) and 8.07 (Grant- X).

3 The range of exercise prices for options outstanding at the end of the year was INR 10 per option to INR 15.10 per option (31 March 2022: INR 13 per option to INR 15.10).

H 2021	YEAR ENDED 31 MARCH 2020	YEAR ENDED 31 MARCH 2019	YEAR ENDED 31 MARCH 2018
	Black-Scholes	Black-Scholes	Black-Scholes
	0 %	0 %	0 %
	40%	43.37%	43.66%
	40%	43.43%	43.99%
	40%	43.68%	44.18%
	NA	NA	NA
5.10% - 5.80%)	6.80% - 6.90%	7.39%	6.77%
5.10% - 5.80%)	6.80% - 6.90%	7.44%	6.87%
5.10% - 5.80%)	6.80% - 6.90%	7.47%	6.95%
nt-VI)	3 years (Grant-III) and 2 Years (Grant-IV)	3 year	3 year
nt-VI)	4 years (Grant-III) and 3 Years (Grant-IV)	4 year	4 year
	5 years (Grant-III) and 4 Years (Grant-IV)	5 year	5 year
ant-VI)	7.29 (Grant-III) and 5.70 (Grant-IV)	6.18	6.25
ant-VI)	7.96 (Grant-III) and 6.41 (Grant-IV)	6.82	6.86
	8.57 (Grant-III) and 7.03 (Grant-IV)	7.40	7.39
	NA	NA	NA

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 45 : MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations:

PARTICULARS	31 MARCH 2023			31 MARCH 2022		
	WITHIN 12 MONTHS	AFTER 12 MONTHS	TOTAL	WITHIN 12 MONTHS	AFTER 12 MONTHS	TOTAL
FINANCIAL ASSETS						
Cash and cash equivalents	39,471	-	39,471	25,190	-	25,190
Bank balance other than above	22,950	4,833	27,783	17,633	-	17,633
Loans	1,90,147	2,12,836	4,02,983	1,74,046	1,59,557	3,33,603
Investments	583	26,365	26,948	22,144	23,625	45,769
Other financial assets	2,065	1,274	3,339	1,072	953	2,025
NON-FINANCIAL ASSETS						
Current tax asset	-	8,977	8,977	-	6,039	6,039
Deferred tax assets (net)	-	16,474	16,474	-	17,839	17,839
Property, Plant and Equipment	-	4,621	4,621	-	5,404	5,404
Intangible assets under development	-	109	109	-	793	793
Goodwil	-	36,768	36,768	-	36,768	36,768
Other intangible assets	-	2,490	2,490	-	2,251	2,251
Right of use assets	-	459	459	-	593	593
Other non-financial assets	1,804	2,515	4,319	973	3,341	4,314
ASSETS HELD FOR SALE	907	-	1,266	505	-	505
Total	257,927	323,890	582,353	241,563	257,163	498,726
LIABILITIES						
FINANCIAL LIABILITIES						
Payables						
I) Trade payables						
a) Total outstanding dues of micro enterprises & small enterprises	-	-	-	-	-	-
b) Total outstanding dues of creditors other than micro enterprises & small enterprises	223	-	223	32	-	32
II) Other payables	14,134	-	14,134	6,979	-	6,979
a) Total outstanding dues of micro enterprises & small enterprises	-	-	-	-	-	-
b) Total outstanding dues of creditors other than micro enterprises & small enterprises	10,086	-	10,086	7,971	-	7,971
Debt securities	40,595	7,006	47,601	27,682	48,981	76,663
Borrowings (other than debt securities)	161,631	121,376	283,007	110,666	81,279	191.946
Lease Liabilities	577	40	617	332	463	795
Other financial liabilities	6,351	3,227	9,578	6,132	2,446	8,578
NON-FINANCIAL LIABILITIES						
Provisions	144	3,285	3,429	216	3,143	3,359
Other non-financial Liabilities	2,657	1,193	3,850	2,119	483	2,602
Total	236,398	136,127	372,525	162,129	136,796	298,925
Net	21,529	181,594	203,123	79,434	120,367	199,801

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 46: DISCLOSURE PURSUANT TO RBI NOTIFICATION-RBI/2019-20/170 DOR (NBFC). CC. PD. No.109/22.106/2019-20 DATED 13 MARCH 2020-A COMPARISON BETWEEN PROVISIONS REQUIRED UNDER INCOME RECOGNITION, ASSET CLASSIFICATION AND PROVISIONING (IRACP) IMPAIRMENT ALLOWNACES AS PER IND AS 109 'FINANCIAL INSTRUMENTS'

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 & IRACP NORMS
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	3,76,065	6,313	3,69,752	1,485	4,828
	Stage 2	29,244	2,246	26,998	1,801	445
Subtotal		**4,05,309**	**8,559**	**3,96,750**	**3,286**	**5,273**
Non-Performing Assets						
Substandard	Stage 3	7,629	2,808	4,821	901	1,907
Doubtful - up to 1 year	Stage 3	1,913	700	1,213	391	309
1 to 3 years	Stage 3	341	142	199	102	40
More than 3 years	Stage 3	-	-	-	-	-
Subtotal		**9,883**	**3,650**	**6,233**	**1,394**	**2,256**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**9,883**	**3,650**	**6,233**	**1,394**	**2,256**
Other items such as EIS receivable which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	1,931	17	1,914	-	17
	Stage 2	2	0	2	-	0
	Stage 3	2	1	1	-	1
Subtotal		**1,935**	**18**	**1,917**		**18**
Total	**Stage 1**	**3,77,996**	**6,330**	**3,71,666**	**1,485**	**4,845**
	Stage 2	**29,246**	**2,246**	**27,000**	**1,801**	**445**
	Stage 3	**9,885**	**3,651**	**6,234**	**1,394**	**2,257**
	Total	**4,17,127**	**12,227**	**4,04,900**	**4,680**	**7,547**

NOTE 47. PUBLIC DISCLOSURE ON LIQUIDITY RISK AS REQUIRED BY RBI CIRCULAR DOR.NBFC (PD) CC. NO.102/03.10.001/2019-20 DATED 04 NOVEMBER 2019

(i) Funding Concentration based on significant counterparty (both deposits and borrowings) as at 31 March 2023

NUMBER OF SIGNIFICANT COUNTERPARTIES	AMOUNT	% OF TOTAL DEPOSITS	% OF TOTAL DEPOSITS
21	2,73,967	NA	74%

*Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 Nov 2019 on Liquidity Risk Management Framework for Non Banking Financial Companies and Core Investment Companies. Funding concentration based on significant counterparty has been computed using latest beneficiary position instead of original subscribers.

(ii) Top 20 large deposits (amount and% of total deposits) as at 31 March 2023

Not Applicable.

(iii) Total of top 10 borrowings (amount and% of total borrowings) as at 31 March 2023

AMOUNT	% OF TOTAL DEPOSITS
2,15,368	65%

Funding concentration based on significant counterparty has been computed using latest beneficiary position instead of original subscribers.

(All amount in INR lacs, except for share data unless stated otherwise)

(iv) Funding Concentration based on significant Instrument/ product:

SR. NO.	NAME OF THE INSTRUMENT/PRODUCT	AMOUNT	% OF TOTAL LIABILITLES
1	Non-Convertible Debentures	42,640	11%
2	Bank Borrowings	1,20,820	32%
3	Other- Securltisation liabilities	88,022	24%
4	Term Loan from others	74,165	20%
5	Commercial papers	4,961	1%

*Significant Instrument/product is as defined In RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

(v) Stock Ratios:

SR. NO.	PARTICULARS	AS A% OF TOTAL PUBLIC FUNDS	AS A% OF TOTAL LIABILITLES	AS A% OF TOTAL ASSETS
1	Commercial papers	1.50%	1.33%	0.86%
2	Non-convertible debentures (original maturity of less than one year)	-	-	-
3	Other short-term liabilities	70%	62%	40%

(vi) Institutional set-up for liquidity risk management:

The Board of Directors has the overall responslbllty for establishing the risk management framework for the Company. The Board, in turn has established an ALM Committee (ALCO) for evaluating, monitoring, and reviewing liquidity and interest rate risk arising In the Company on both sides of the Balance sheet. The Board based on recommendations from the ALCO has prescribed policies and the risk limits for the management of liquidity risk. ALCO committee is responsible for managing the risks arising out of Asset Liability mismatches consistent with the regulatory requirements and Internal risk tolerances established by the Board. Amongst other responsibilities, ALCO has been empowered to decide the funding mix for the Company in light of the future business strategy and prevailing market conditions. ALCO committee is conducted at least once In a quarter and the ALCO minutes are reviewed by the Board from time to time.

LCR DISCLOSURE	FOR THE QUARTER ENDED 30 JUNE 2022		FOR THE QUARTER ENDED 30 SEPTEMBER 2022		FOR THE QUARTER ENDED 31 DECEMBER 2022		FOR THE QUARTER ENDED 31 MARCH 2023	
	TOTAL UNWEIGHTED VALUE (AVERAGE)	TOTAL WEIGHTED VALUE (AVERAGE)	TOTAL UNWEIGHTED VALUE (AVERAGE)	TOTAL WEIGHTED VALUE (AVERAGE)	TOTAL UNWEIGHTED VALUE (AVERAGE)	TOTAL WEIGHTED VALUE (AVERAGE)	TOTAL UNWEIGHTED VALUE (AVERAGE)	TOTAL WEIGHTED VALUE (AVERAGE)
HIGH QUALITY LIQUID ASSETS								
HIGH QUALITY LIQUID ASSETS	31,058	31,058	23,899	23,899	18,332	18,332	26,073	26,073
2.Deposits	-	-	-	-	-	-	-	-
3.Unsecure wholesale funding	391	450	3,350	3,853	318	365	551	634
4.Secured wholesale funding	9,449	10,866	12,397	14,256	12,095	13,909	19,922	22,911
5.Additional requirements	-	-	-	-	-	-	-	-
(i)Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)Credit and liquidity facilities	-	-	-	-	-	-	-	-
6.Other contractual funding obligations	13,490	15,514	14,223	16,357	21,350	24,552	25,379	29,186
7.Other contingent funding obligations	6,857	7,886	5,865	6,745	5,512	6,339	5,931	6,820
TOTAL CASH OUTFLOWS	30,187	34,716	35,835	41,211	39,275	45,165	51,783	59,551

LCR DISCLOSURE	FOR THE QUARTER ENDED 30 JUNE 2022		FOR THE QUARTER ENDED 30 SEPTEMBER 2022		FOR THE QUARTER ENDED 31 DECEMBER 2022		FOR THE QUARTER ENDED 31 MARCH 2023	
	TOTAL UNWEIGHTED VALUE (AVERAGE)	TOTAL WEIGHTED VALUE (AVERAGE)	TOTAL UNWEIGHTED VALUE (AVERAGE)	TOTAL WEIGHTED VALUE (AVERAGE)	TOTAL UNWEIGHTED VALUE (AVERAGE)	TOTAL WEIGHTED VALUE (AVERAGE)	TOTAL UNWEIGHTED VALUE (AVERAGE)	TOTAL WEIGHTED VALUE (AVERAGE)
CASH INFLOWS								
9. Secured lending	-	-	-	-	-	-	-	-
10. Inflows from fully performing exposures	19,755	14,817	22,641	16,980	20,535	15,401	18,012	13,509
11. Other cash inflows	22,369	16,777	23,766	17,825	27,741	20,806	47,746	35,810
12. TOTAL CASH INFLOWS	42,124	31,594	46,407	34,805	48,276	36,207	65,758	49,319
	Total Adjusted Value							
13. TOTAL HQLA	-	31,058	-	23,899	-	18,332	-	26,073
14. TOTAL NET CASH OUTFLOWS	-	8,679	-	10,303	-	11,291	-	14,888
15. LIQUIDITY COVERAGE RATIO (%)	-	358%	-	232%	-	162%	-	175%

Qualitative Disclosure

Pursuant to the RBI guidelines on Liquidity Risk Management framework vide DOR.NBFC {PD} CC. No.102/03.10.001/2019-20 dated November 04, 2019 and Master Directions for NBFCs vide RBI/DNBR/2016-17 /45, the Liquidity Coverage Ratio ("LCR") requirement is applicable for all Deposit taking NBFCs and non-deposit taking NBFCs with an Asset size of Rs. 5,000 crore and above and on all deposit taking NBFCs irrespective of the asset size from December 1, 2020, with the minimum LCR to be 50%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024, as per the timeline given below:.

FROM	1 DECEMBER 2020	1 DECEMBER 2021	1 DECEMBER 2022	1 DECEMBER 2023
Minimum LCR	30%	50%	60%	85%

The LCR requirement is applicable to the Company with effective from April 1, 2022

LCR denotes the Stock of High Quality Liquid Assets {HQLA) held as against the total net cash out flows over the next 30 days. LCR seeks to ensure that the Company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs over next 30 calendar days under liquidity stress scenario.

Following are the main drivers and the evolution of the contribution of inputs to the LCR's calculation over time:

1. High Quality Liquid Assets

The Company has carried the sufficient stock of unencumbered Cash balance, Bank balance and Debt based mutual funds i.e. overnight and liquid. The components of HQLA are as follows:

PARTICULARS	FOR THE QUARTER ENDED 31 MARCH 2023	FOR THE QUARTER ENDED 31 DECEMBER 2023	FOR THE QUARTER ENDED 30 SEPTEMBER 2022	FOR THE QUARTER ENDED 30 JUNE 2022
	(AVERAGE)	(AVERAGE)	(AVERAGE)	(AVERAGE)
Bank Balances	6,163	3,519	2,916	3,342
Mutual funds	19,910	14,813	20,983	27,716
Total	26,073	18,332	23,899	31,058

(All amount in INR lacs, except for share data unless stated otherwise)

2. Cash Outflows

a. Secured and Unsecured wholesale Funding:
It contained the amount of borrowings principal and interest repayable over next 30 days as per contractual maturity.

b. Outflows related to derivative exposures and other collateral requirements
The Company did not undertake any derivative transaction during the period under reporting.

c. Outflows related to loss of funding on Debt products:
The Company is not involved in any such transaction during the period under reporting.

d. Other contractual funding obligations:
It includes the Trade Payables, other payable, and other liabilities that are expected to be paid within next 30 days.

e. Other contingent funding obligations:
It includes Outflows on account of Off Balance sheet exposure which includes Loan commitments pending for disbursal and Corporate Guarantees that are expected to be paid within next 30 days.

3. Cash inflows

a. Secured Lending:
There is no secured lending transaction backed by HQLA during the reporting period and margin lending backed by all other collateral is included in the fully performing exposures.

b. Inflows from Fully performing exposures:
Inflow from fully performing exposure includes the Loans & Advances payments that are fu!ly performing and are due within 30 calendar

c. Other Cash inflows:
It includes the other assets such as other receivables and off balance sheet exposures including the Lines of credit are due within 30 calendar days.
It is being taken into consideration that IT an asset is included as part of HQLA the associated cash inflows are not counted as cash inflows

4. Intra Period Changes
The LCR for Quarter 4 i.e. January'23 - March'23 is 175% as compared to 358% in Quarter 1 Le. April'22-June'22 which is well above the minimum prescribed requirement of 60%.

5.Concentration of Funding
Major Source of Borrowing for company are Term loans, Non convertible debentures, Commercial Papers and Pass through certificates Instruments. In addition to these instruments Cash Credit and Working Capital demand loans Jines are also availed by the company.

6. Derivative exposures and potential collateral calls.
The Company did not undertake any derivative trading transaction during the period under reporting.

49. Details ofre,olutlon plan Implemented under the Resolution framework for COVID-19 related ,tress a, per RBI circular dated 06 August 2020 (Resolution Framework-1.0) and OS May2021 IResolutlon Framework 2.0) as at 31 March 2023 are Biven below:

TYPE OF BORROWER	A EXPOSURE TO ACCOUNTS CLASSIFIED AS STANDARD CONSEQUENT TO IMPLEMENTATION OF RESOLUTION PLAN- POSITION AS AT 30 SEPTEMBER 2022 (A)	B OF (A), AGGREGATE DEBT THAT SLIPPED INTO NPA DURING THE HALF YEAR ENDED 31 MARCH 2023	C OF (A) AMOUNT WRITTEN OFF DURING THE HALF-YEAR ENDED 31 MARCH 2023#	D OF (A) AMOUNT PAID BY THE BORROWERS DURING THE HALF-YEAR ENDED 31 MARCH 2023	E EXPOSURE TO ACCOUNTS CLASSIFIED AS STANDARD CONSEQUENT TO IMPLEMENTATION OF RESOLUTION PLAN- POSITION AS AT 31 MARCH 2023
Personal Loans	3,944	471	151	981	2,341
Corporate person	6403	-	-	223	6,103
of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	10,347	471	151	1,204	8,521

*A5 deflnined In Sectlon 3(7) of the Insolvency and Bankruptcy Code, 2016

reprerents debt that slipped Into stage 3 and was subsequently written off during the half year ended 31 March 2023.

50. Disclosure as per the formal prescribed a, per the notification no. RBI/2020-21/17 DOR.NO.BP.BC/4/21.04,048/2020-21 on "Micro, Small and Medium Enterprises (MSME) sector - Restructuring of Advances" having exposure less than or equal to Rs. 25 crores:

NO OF ACCOUNTS RESTRUCTURED	AMOUNT
319	15,356

51. RBI vide circular dated November 12, 2021- "Prudential norm, en Income Recognition, As,et Classlflcatlon and Provisioning IIRACPI pertaining to Advance,· Clarlflcatlons" hos clarlfled / harmonized certain aspects of extant regulatory guldelIno, with a vl,w to ensuring uniformity In the Implementation of IRACP norm, acro,s all londlng Institution,. The Company ha, Implemented the requirement of the circular and already taken necessary step, to comply with Para 10 of the circular with effect from October 01, 2022 as clarlfled by RBI vide circular dated 15 February, 2022. This has ro,ulted In classlflcatlon of loan, amounting to Rs,636 Lacs a, additional Non Performing Asset, (Sta@• 3) as at 31 March 2023.

52. The Code on Soda I Security, 2020 (th• Code) has been "nacted, which would Impact contribution by the Company towards applicable ,od,I ,eeurlty schem••· The Ministry of Labour and Employment hos also released draft rnlo, thereunder on November 13, 2020 and has Invited suggestion, from stakeholders which ore under active consideration by the Ministry, The actual Im poet on account of this change will be evaluated and accounted for when notification become, effective

53 At the year end, the company did not have any long term contracts Including derivatives contracts for which there were any material foreseeable losses,

54 Refer Annexure 1 for addition al disclosure ., required by tha Master Direction - Non-Banking Flnanclol Company - sy,temlcally Important Non-Deposit taking Company I Reserve Bank) Direction,, 2016 ('the NBFC Ma,ter Directions')

55 The Company has not undertaken any transaction, with any company whoso name Is struck off under ,ectlon 248 of Companie, Ac~ 2013 or section 560 of Companie• Act, 1956 In the financial year, ended 31 March 2023 and 31 March 2022.

56 The Company ha, nottroded or Invo,ted In Crypto currency orVlrtual currency durlngtheflnanclal years ended 31 March 2023 and 31 March 2022.

57 No proceedings have been Initiated or pending against the Company for holding any benaml property under the BenamlTransactlOns IProhlbltlonl Act, 198B 145 of 1988) and rules made thoreunder In th• financial years ended 31 March 2023 and 31 March 2022.'

58 The Company has not been declared asa wilful defaulter by any bankorflnanclal Institution or other lender during the financial years ended 31 March 2023 and 31 March 2022.

59" All chars•• or satisfaction ore registered with ROCwlthIn the statutory period durlngtheflnantlal years ended 31 Morch 2023 and 31 March 2022. Nocharees or sallslaetlons are yet to be registered with ROC beyond !he statuto,y period.

60. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate beneficiaries). The Company has also not received any fund from any parties (Funding party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

61. 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 for the financial years ended 31 March 2023 and 31 March 2022

62. There have been no events after the reporting date that require disclosure In these flnanclal statements NIl (31 March 2022 INR NIL)

63. During the previous financial year, the Board of Directors of the Company, in its meeting dated 04 June 2021, had approved a scheme of amalgamation ("the Scheme") with Clix Finance India Private Limited, one of its wholly owned subsidiary company into the Company. The Scheme has been approved by the Central Government (Regional Director, Northern Region) on 25 March 2022 with effect from 01 April 2021 ("Appointed Date") and pursuant to the Scheme, the Company has filed the said Order of Central Government (Regional Director, Northern region) approving the scheme of Amalgamation with the Registrar on 01 April 2022 ("Effective Date"). The said amalgamation has been accounted for as per the requirements of Appendix C to Ind AS 103 "Business Combination".

The Transferee Company (Clix Capital Services Private Limited), on the scheme becoming effective, from the appointed date, recorded all the assets (including Goodwill amounting to Rs.36,768) and liabilities of the Transferor Company (Clix Finance India Private Limited) vested in it pursuant to this Scheme, at their carrying amounts and in the same form as recorded/appearing in the consolidated financial statements of the Transferee Company as on the date immediately before the appointed date and prepared in accordance with Appendix C of Indian Accounting Standard 103, Business Combination.

64. Company has decided to opt for lower tax regime under Income Tax Act 1961, as benefit of utilization of MAT credit in future years basis projections will be offset due to higher current tax/cash tax outflow under current tax regime. Since statute does not allow carried forward of MAT credit in lower tax regime, hence MAT credit has been written off during the year

65. The Board of Directors of the Company has approved a Scheme of Amalgamation ("the Scheme") for Amalgamation of its wholly owned subsidiary Clix Housing Finance Limited into the Company. The Scheme has been approved by Reserve Bank of India (RBI) for the Company and Clix Housing Finance Limited vide their No Objection letter dated October 27, 2022 and January 31, 2023 respectively. The Company will file the Scheme with the Regional Director, Registrar of Companies, as required under the Companies Act, 2013. As per the Scheme, the appointed date for amalgamation is proposed as April 1, 2022

66. For disclosures required under NBFC Master Directions, refer Annexure 1.

67. As per Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), secured debentures are fully secured by first ranking pari passu and continuing charge by the way of hypothecation on the receivables present and future. Pursuant to Regulations 52(7) and 52(7A) of Listing Regulations, the Company confirms that issue proceeds of Non Convertible Debentures(NCDs) issued by the Company and outstanding as at 31 March 2023 are being utilized as per the objects stated in the offer document

68. There is no transaction that has not been recorded in the books of accounts and surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

69. Statement under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)Regulations, 2015 for the year ended 31 March 2023.

PARTICULARS	AS AT 31-03-2023
Debt-equity ratio (In times)	1.63
Debt service coverage ratio	Not applicable, being an NBFC
Interest service coverage ratio	Not applicable, being an NBFC
Outstanding redeemable preference shares (quantity and value)	Not applicable
Capital redemption reserve debenture red emotion reserve	Not applicable
Net worth (INR In lacs)	203,123
Net profit/loss after tax	-
Net profit/loss after tax (INR In lacs) for year ended 31 March 2023	2,441
Net proflt/llossl after tox (INR in locl\forthe ouartel ended 31 March 2023	751
Earnings per share	
For year ended (Basic) (INR) (annualised)	0.17
For year ended (Diluted) (INR) (annualised)	0.16
For year ended (Basic) (INR) (not-annualised)	0.05
For year ended (Diluted) (INR) (not-annualised)	0.05
Current ratio	Not applicable, being an NBFC
Long term debt to working capital	Not applicable, being an NBFC
Bad debt to Account receivable ratio	Not applicable, being an NBFC
Current liability ratio	Not applicable, being an NBFC
Total debts to total assets (in times)	0.57
Debtors turnover	Not applicable, being an NBFC
Inventory turnover	Not applicable, being an NBFC
Operating margin (%)	Not applicable, being an NBFC

(All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	AS AT 31-03-2023
Net profit margin (%) (Profit after tax / Total revenue from operations)	
For year ended 31 March 2023	3.60%
For the quarter ended 31 March 2023	4.02%
Sector specific equivalent ratios, as applicable.	
GNPA%	2.38%
NNPA%	1.51%
CRAR%	37.08%

70. The company has changed the classification/ presentation of trade payables, other payables, debt securities, borrowings (other than debt securities) and other financial liabilities to better conform to the requirements of Schedule III which are as given below.

BALANCE SHEET (EXTRACT)	AS AT 31 MARCH, 2022 (AS PREVIOUSLY REPORTED)	INCREASE/ (DECREASE)	AS AT 31 MARCH, 2022 (RESTATED)
Payables			
I) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises	-	32	32
- total outstanding dues of creditors other than micro enterprises and small enterprises	7,219	(312)	6,979
II) Other Payables			
- Total outstanding dues of micro enterprises and small enterprises	32	(32)	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	7,652	319	7,971
Debt Securities			
- Non-convertible debentures	74,663	2,000	76,663
Borrowings (other than Debt Securities)			
- Term Loans	191,676	270	191,946
Other Financial Liabilities			
- Interest accrued but not due	10,855	(2,277)	8,578

(All amount in INR lacs, except for share data unless stated otherwise)

A1. Capital adequacy ratio

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
CRAR (%)	37.08%	35.76%
CRAR- Tier I capital(%)	38.45%	35.00%
CRAR- Tier II capital(%)	-1.38%	0.76%
Amount of subordinated debt raised as Tier-11 capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

*CRAR(%) = Total Net Owned fund/Adjusted value of funded risk assets on balance sheet items

A2. Investment

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	28,500	47,280
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	1,552	1,511
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	26,948	45,769
(b) Outside India	-	-
(2) Movement of provisions held towards depreciation on investments.		
(i) Opening balance	1,511	1
(ii) Add : Provisions made during the year	41	1,510
(iii) Less: Write-off/write-back of excess provisions during the year	-	-
(iv) Closing balance	1,552	1,551

A3. Derivatives

a) There are no forward rate agreement/ Interest rate swap entered into by the Company during the year ended 31 March 2023 and 31 March 2022

b) There are no exchange traded interest rate derivatives entered into by the Company during the year ended 31 March 2023 and 31 March 2022

c) The Company does not have any risk management policy pertaining to derivatives, associated risks and business purpose served as the Company did not take any of the derivatives mentioned in a and b above during the Vear ended 31 March 2023 and 31 March 2022.

(All amount in INR lacs, except for share data unless stated otherwise)

Details of stressed loans transferred during the year ended 31 March 2022

PARTICULARS	TO ASSET RECONSTRUCTION COMPANIES (ARC)	
	NPA	SMA
No: of accounts	9,894	49
Aggregate principal outstanding of loans transferred	40,549	458
Weighted average residual tenor of the loans transferred	25 months	21 months
Net book value of loans transferred (at the time of transfer)	24,389	456
Aggregate consideration	23,667	180
Additional consideration realized In respect of accounts transferred In earlier years	-	-
Excess provisions reversed to the Profit and Loss Account on account of sale	-	-

C) There are no stresses assets purchased during the year ended 31 March 2023 (Previous year Nil)

(d) Detalls of securitisation transaction of the Company as an originator In respect of outstanding amount of securitised assets is given below:

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
1.No of SPVs sponsored by the originator for securitisation transactions	41	21
2.Total amount of securitised assets as per books of the SPVs sponsored	95,769	61.729
3.Total amount of exposures retained by the NBFC to comply with MRR* as on the date of balance sheet		
a. Off-balance sheet exposures		
-First loss	-	-
-Others	-	-
b. On-balance sheet exposures		
-First loss (In the form of Fixed Deposits and Mutual fund)	17,187	10,595
-Others (Equity tranche in PTC)	3,143	-
4.Amount of exposures to securitisation transactions other than MRR		
a. Off-balance sheet exposures		
I) Exposure to own Securitisation		
-First loss	-	-
-Others	-	-
II) Exposure to third party securltisations		
-First loss	-	-
-Others**	145	-
a. Off-balance sheet exposures		
I) Exposure to own Securitisation		
-First loss	-	-
-Others	-	-
II) Exposure to third party securltisations		
-First loss	-	-
-Others**	-	-

*MRR- Minimum retention ratio **Corporate guarantee Issued on behalf of Subsidiary Company for Securitisation transactions

A4. NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (All amount in INR lacs, except for share data unless stated otherwise)

Disclosure pursuant to RBI Notification " RBI/DOR/2021-22/86/DOR,STR,REC.51/21.04.048 /2021"22 dated 24 September 2021 'Master Directlon - Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021'

(a) Details of transfer/acquired through assignment in respect of loans not In default during the year ended 31 March 2023

PARTICULARS	FOR THE YEAR ENDED 31 MARCH 2023	
	TRANSFER	ACQUIRED
Entity	NBFC	-
Count of loan accounts assigned	5397	-
Amount of loan accounts assigned	19,166	-
Retention of beneficial economic interest (MRR)	5%-10%*	-
Weighted average maturity (Residual Maturity)	5.34	-
Weighted average holding period	0.79	-
Coverage of tangible security coverage	57%	-
Rating wise distribution of rated loans	Unrated	-

*5362 loan count have 10% MRR and 35 loan count have 5% MRR

Details of transfer/acquired through assignment in respect of loans not In default during the year ended 31 March 2022

PARTICULARS	FOR THE YEAR ENDED 31 MARCH 2023	
	TRANSFER	ACQUIRED
Entity	Bank	Housing Finance Company
Count of loan accounts assigned	875	198
Amount of loan accounts assigned	20%	4,549
Retention of beneficial economic interest (MRR)	24 months	10%
Weighted average maturity (Residual Maturity)	16 months	177 months
Weighted average holding period	0.79	17 months
Coverage of tangible security coverage	57%	100%
Rating wise distribution of rated loans	Unrated	Unrated

(b) Details of stressed loans transferred during the year ended 31 March 2023

PARTICULARS	TO ASSET RECONSTRUCTION COMPANIES (ARC)	
	NPA	SMA
No: of accounts	1953	-
Aggregate principal outstanding of loans transferred	4,476	-
Weighted average residual tenor of the loans transferred	22 months	-
Net book value of loans transferred (at the time of transfer)	2,833	-
Aggregate consideration	2,833	-
Additional consideration realized In respect of accounts transferred In earlier years	-	-
Excess provisions reversed to the Profit and Loss Account on account of sale	-	-

(All amount in INR lacs, except for share data unless stated otherwise)

A5. REVENUE RECOGNITION

There have been no instances where revenue recognltlon has been postponed pending the resolution of significant uncertainties. Please refer Note 3.3 for revenue recognition policy.

A6. DETAILS OF FINANCING OF PARENT COMPANY PRODUCTS

There has been no financing made by the Company of parent company's products during the year ended 31 March 2023 and 31 March 2022.

A7. DETAILS OF SINGLE BORROWER LIMIT (SBL) / GROUP BORROWER LIMIT (GBL)

During the year ended 31 March 2023 and 31 March 2022, the Company's credit exposures to single borrowers and group borrowers were within the limits prescribed by RBI.

A8. UNSECURED ADVANCES

Total loans and advances as at 31 March 2023, include INR 2,78,088 (Previous year 2,32,562) which are unsecured loans there are no advances secured against Intangible assets.

A9. REGISTRATION OBTAINED FRQM OTHER FINANCIAL SECTOR REGULATORS

Registration Authority	Registration number
Securities and Exchange Board of India	ORG765
Registration from Financial Intelligence Units	FI00000566

A10. DISCLOSURE OF PENALTLES'IMPOSED BY RBI AND OTHER REGULATORS

No penalty has been imposed by the RBI or any other regulator during the year.

(All amount in INR lacs, except for share data unless stated otherwise)

ALL. ASSET LIABILITY MANAGEMENT MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES AS AT 31 MARCH 2023

Advances include finance lease receivable and loans and advances given to the customers of the Company.

PARTICULARS	1 TO 7 DAYS	8 TO 14 DAYS	15 DAYS TO 30/31 DAYS	OVER 1 MONTH TO 2 MONTHS	OVER 2 MONTHS UP TO 3 MONTHS	OVER 3 MONTHS TO 6 MONTHS	OVER 6 MONTHS TO 1 YEAR	OVER 1 YEAR TO 3 YEARS	OVER 3 YEARS TO 5 YEARS	OVER 5 YEARS	TOTAL
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	10,115	1,643	3,802	15,908	15,874	62,254	80,551	1,35,885	26,540	62,620	4,15,192
Investments	108	-	-	-	475	-	-	22,401	-	5,516	28,500
Borrowings	2,950	593	18,451	31,727	20,980	49,770	77,755	1,17,316	10,179	887	3,30,608
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	331	-	-	-	-	-	-	-	331

ASSET LIABILITY MANAGEMENT MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES AS AT 31 MARCH 2022

PARTICULARS	1 TO 7 DAYS	8 TO 14 DAYS	15 DAYS TO 30/31 DAYS	OVER 1 MONTH TO 2 MONTHS	OVER 2 MONTHS UP TO 3 MONTHS	OVER 3 MONTHS TO 6 MONTHS	OVER 6 MONTHS TO 1 YEAR	OVER 1 YEAR TO 3 YEARS	OVER 3 YEARS TO 5 YEARS	OVER 5 YEARS	TOTAL
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	8,331	1,982	5,556	15,889	16,148	55,295	70,845	1,07,414	39,627	34,913	3,56,000
Investments	20,577	-	-	-	1,567	-	-	19,628	-	5,508	47,280
Borrowings	580	1,792	8,736	11,902	9,015	48,143	58,180	1,19,775	10,486	-	2,68,609
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	177	-	-	-	-	-	-	-	177

(All amount in INR lacs, except for share data unless stated otherwise)

A12. DISCLOSURE OF RESTRUCTURED ACCOUNTS AS REQUIRED BY THE NBFC MASTER DIRECTIONS ISSUED BY RBI FOR YEAR ENDED 31 MARCH 2023

Sl.No.	TYPE OF RESTRUCTURING#		CORPORATE*					OTHERS*				
	Asset Classification		Standard	Substandard	Doubtful	Loss	Total	Standard	Substandard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)	No. of borrowers	1	-	-	-	1	4,532	1,763	-	-	6,295
		Amount outstanding	7,462	-	-	-	7,462	25,401	10,119	-	-	35,520
		Provision thereon	747	-	-	-	747	5,705	7,822	-	-	13,527
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	1	-	-	1
		Amount outstanding	-	-	-	-	-	-	254	-	-	254
		Provision thereon	-	-	-	-	-	-	254	-	-	254
3	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	1,270	-	-	-	1,270
		Amount outstanding	-	-	-	-	-	3,145	-	-	-	3,145
		Provision thereon	-	-	-	-	-	538	-	-	-	538
5	Downgradations of restructured accounts during FY	No. of borrowers	-	-	-	-	-	(360)	359	-	-	-
		Amount outstanding	-	-	-	-	-	(2,069)	2,451	158	-	-
		Provision thereon	-	-	-	-	-	(553)	506	47	-	-
6	Write-offs/Settlements/ Recoveries of restructured accounts during the FY**	No. of borrowers	-	-	-	-	-	2,380	1,730	-	-	4,110
		Amount outstanding	1,281	-	-	-	1,281	7,467	9,617	-	-	17,084
		Provision thereon	117	-	-	-	117	3,715	7,256	-	-	11,007
7	Restructured Accounts as on March 31 of the FY (dosing figures)	No. of borrowers	1	-	-	-	1	1,792	393	1	-	2,186
		Amount outstanding	6,181	-	-	-	6,181	15,325	3,207	158	-	18.690
		Provision thereon	630	-	-	-	630	1,401	1,326	47	-	2.774

* The above disclosure also includes one time restructuring implemented as prescribed in the notification no. RBI/2020-21/16 DOR.No.BP.BC./3/ 21.04.048/2020-21 Resolution Framework for Covid-19 Related Stress and RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020--21 Micro, Small and Medium Enterprises (MSME) sector- Restructuring of Advances (refer note 49 and SO)

Since the disclosure of restructured advance account pertains to section 'Others' and 'Corporate', the first one sections, namely, 'Under SME Debt Restructuring Mechanism' as per format prescribed in the guidelines are not included above.

** Includes movement of Amount Outstanding and Provision {impairment loss allowance) thereon of the Existing Restructured Accounts.

(All amount in INR lacs, except for share data unless stated otherwise)

A13. EXPOSURES

Exposure to Real Estate Sector

CATEGORY	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
I) DIRECT EXPOSURE		
(A) RESIDENTIAL MORTGAGES-	26,296	15,769
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;		
(B) COMMERCIAL REAL ESTATE -	69,585	45,761
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also Include non-fund based (NFB) limlts;		
(C) INVESTMENTS IN MORTGAGE BACKED SECURITIES (MBS) AND OTHER SECURITISED EXPOSURES		
(a) Residential	-	-
(b) Commercial Real Estate	-	-
II) INDIRECT EXPOSURE		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies	-	-
Total Exposure to Real Estate Sector	95,881	61,530

A14, EXPOSURE TO CAPITAL MARKET

CATEGORY	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
a) direct Investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which Is not exciusively qinvested in corporate debt;	475	1,567
b) advances against shares/bonds/debentures or other securities or on clean basis to individuals for Investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
c) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	4	1,345
d) advances for any other purpose~ to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds 1,e. where the primary security other than shares/convertible bonds/ convertible debentures/units of equity oriented mutual funds does not fully cover the advances;	-	-
e) secured and unsecured advances to stockbrokers and guarantees Issued on behalf of stockbrokers and market makers;	-	-
f) loans sanctioned to corporates against the security of shares/bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
g) bridge loans to companies against expected equity flows/Issues;	-	-
h) Underwriting commitments taken up by the NBFCs in respect of primary Issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds		
i) Financing to stockbrokers for margin trading;		
j) All exposures. to Alternative Investment Funds:		
(i) Category I		
(ii) Category II		
{iii) Category 111;		
Total Exposure to Capital Market Sector	479	2,912

(All amount in INR lacs, except for share data unless stated otherwise)

A15. RATINGS ASSIGNED BY CREDIT RATING AGENCIES AND MIGRATION OF RATINGS DURING THE YEAR

INSTRUMENT	RATING AGENCY	RATING ASSIGNED	
		AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Bank loans	CARE/Acuite	CARE A/Aculte AA-	CARE A/Acuite AA-
Long term debt programme	CARE/BWR/Acuite	CARE A/ Acuite AA /BWRA+-	CARE A/Acuite AA- /BWRAA
Short term debt programme	CARE	CARE AI	CARE AI

A16. PROVISIONS AND CONTINGENCIES

Breakup of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	FOR THE YEAR ENDED 31 MARCH 2023	FOR THE YEAR ENDED 31 MARCH 2022
Provision made/(reversed} towards NPA	(9,073)	4,816
Provision for Standard Assets	(1,116)	(5,857)
Provision for depreciation on investment	40	1,511
Provision on Other financial and non financial assets	(92)	234
Other provision and contingencies:		
Provision for sales tax and servlce tax	(2)	(301)
Provision for Gratuity and Compensated absence	967	(18)
Provision for customer disnutes	-	-

A17. DRAW DOWN FROM RESERVES

There has been no draw down from reserves during the financial year ended 31 March 2023 and 31 March 2022.

A18. CONCENTRATION OF DEPOSITS, ADVANCES, EXPOSURES AND NPAS

A) CONCENTRATION OF ADVANCES *

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Total Advances to twenty largest borrowers	22,914	42,888
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	5.52%	12.05%

B) CONCENTRATION OF EXPOSURES*

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Total Exposure to twenty largest borrowers/customers	23,011	42,888
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/ customers	5.42%	11.85%

•Gross of contingent provision against standard assets and provision on non-performing assets (impairment loss allowance)

C) CONCENTRATION OF NPAS

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Total Exposure to top four NPA accounts	3,609	2,545

(All amount in INR lacs, except for share data unless stated otherwise)

A19. SECTOR-WISE NPAS

Sl.No.	SECTOR	PERCENTAGE OF NPAS TO TOTAL ADVANCES IN THAT SECTOR	
		AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
1.	Agriculture & allied activities	-	-
2.	MSME	2%	5%
3.	Corporate borrowers	19%	-
4.	Services	-	-
5.	Unsecured personal loans	2%	7%
6.	Auto loans	12%	30%
7.	Other personal loans	-	-

A20. MOVEMENT OF NPAS

	PARTICULARS	AS AT AND FOR THE YEAR ENDED 31 MARCH 2023	AS AT AND FOR THE YEAR ENDED 31 MARCH 2022
(i)	Net NPAs to Net Advances(%)	1.51%	1.42%
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	17,609	14,211
	(b) Additions during the year	12,746	37,415
	(c) Reductions during the year	20,472	34,017
	(d) Closing balance	9,883	17,609
(iii)	Movement Of Net NPAs		
	(a) Opening balance	4,886	6,306
	(b) Additions during the year	9,973	25,215
	(c) Reductions during the year	8,626	26,635
	(d) Closing balance	6,233	4,886
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	12,723	7,905
	(b) Provisions made during the year	2,773	12,200
	(c) Write-off /write-back of excess provisions	11,846	7,382
	(d) Closlng balance	3,650	12,723

A21. DISCLOSURE OF COMPLAINTS

Sl.No.	PARTICULARS	FOR THE YEAR ENDED 31 MARCH 2023	FOR THE YEAR ENDED 31 MARCH 2022
	Complaints received by the NBFC from Its customers		
1	Number of complaints pending at the beginning of the year	-	-
2	Number of complaints received during the year	602	321
3	Number of complaints disposed off during the yea	595	321
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the encl of the year	7	-
	Maintainable complaints received by the NBFC from office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from the office of Ombudsman	5	-
5.1	Of 5, number of complaints resolved in favour of the NBFC by office of Ombudsman	-	-
5.2	Of 5, number of complaints resolved through concilliation/ mediatlon/advlsorles Issued by office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by office of Ombudsman against the NBFC	5	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

(All amount in INR lacs, except for share data unless stated otherwise)

GROUNDS OF COMPLALNTS	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% of increase in the number of complaints received of the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
For the year ended 2022-23					
Foreclosure Related	-	114	90%	2	-
Banking Related	-	118	103%	-	-
Extended Collection Chase	-	153	110%	1	-
CIBIL Related	-	144	112%	3	-
Restructure/Marat		33	-37%	1	
MISC	-	40	300%		-
For the year ended 2021-22					
Foreclosure Related	-	60	-	-	-
Banking Related	-	58	-	-	-
Extended Collection Chase	-	73	-	-	-
CIBIL Related	-	68	-	-	-
Restructure/Marat	-	52	-	-	-
MISC	-	10	-	-	-

A22. QVERSEAS ASSETS (FOR THOSE WITH JOINT VENTURES AND SUBSIDIARIES ABROAD)

There were no overseas assets as at 31 March 2023 and 31 March 2022.

A23. OFF-BALANCE SHEET SPVS SPONSORED

There were no off-balance sheet SPVs sponsored by the company during the year ended 31 March 2023 and 31 March 2022

A24. There were 1 cases (Prevlous year 2 cases) of fraud amounting to INR 342 (Previous year INR 264) reported during the year

A25. RELATED PARTY TRANSACTIONS

Refer Note 35 for detailed note on Related party transactions.

A26. REMUNERATION OF DIRECTORS

Refer Note 35 for detailed note on Related party transactions

A27. MANAGEMENT

Refer to the Management Discussion and Analysis report for the relevant disclosures.

A28. NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLLCLES

During the year, there were no prior period items which had an impact on current year's profit and loss.

A29. CONSOLIDATED FINANCIAL STATEMENTS (CFS)

The Company has consolidated financial statement of its subsidiary.

(All amount in INR lacs, except for share data unless stated otherwise)

A30. SECTORAL EXOOSURE

	SECTORS	AS AT 31 MARCH 2023			AS AT 31 MARCH 2022		
		Total Exposure (Includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NP As to total exposure in that sector	Total Exposure (Includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NP As to total exposure in that sector
1	**Agriculture and allied activities**						
2	**Industry**						
	2.1 Micro and Small	62,657	299	0.37%	15,624	768	2.30%
	2.2 Medium	8,562	68	0.08%	1,726	74	0.22%
	2.3 Large	8,526	421	0.52%	15,681	437	1.31%
	2.4 Others	803	1	0.00%	314	2	0.01%
3	**Services**						
	3.1 Transport Operators	2,376	437	0.27%	1,611	919	0.64%
	3.2 Computer Software	3,800	15	0.01%	1,748	82	0.06%
	3.3 Tourism, Hotel and Restaurants	1,203	45	0.03%	3,056	618	0.43%
	3.4 Shim Ing	686	-	-	212	-	-
	3.5 Professional Services	7,226	104	0.06%	3,173	232	0.16%
	3.6 Trade						
	3.6.1 Wholesale Trade (other than Food Procurement)	15,550	201	0.12%	10,345	503	0.35%
	3.6.2 Retail Trade	10482	45	0.00	5,818	438	0.30%
	3.7 Commercial Real Estate	3,309	-	-	724	-	-
	3.8 NBFCs	48	-	-	13,730	-	-
	3.9 Aviation	718	23	0.01%	1,043	51	0.04%
	3.10 Other Services	1,17,148	6,549	4.03%	1,03,225	7,420	5.13%
4	**Retail**						
	4.1 Houslne Loans (incl. priorltv sector Housing)	-	-	-		-	
	4.2 Consumer Durables	747	-	-		-	
	4.3 Credit Card Receivables	-	-	-		-	
	4.4 Vehicle/Auto Loans	537	54	0.03%	2477	430	0.24%
	4.5 Educatlon Loans	-	-	-		-	
	4.6 Advances against Fixed Deposits (Incl. FCNR.(B),etc.)	-	-	-		-	
	4.7 Advances to Individuals against Shares, Bonds	-	-	-		-	
	4.8 Advances to Individuals against Gold	-	-	-		-	
	4.9 Micro finance ioan/SHG Loan	-	-	-		-	
	4.10 Other Retail loans, if any, Please soecify	1,70,813	1,621	0.94%	175493	5,635	3.17%
	Total of Personal Loans	1,72,097	1,675	0.97%	1,77,970	6,065	3.41%
5	others, if any						

A31 LNTRA-GROUO E-OOSURES

	PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
1	Total amount of Intra-group exposures	-	11,000
2	Total amount of top 20 Intra-group exposures	-	11,000
3	Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers.	-	3.09%

(All amount in INR lacs, except for share data unless stated otherwise)

A32 BREACH OF COVENANT

The company has not breached the terms of covenants In respect of borrowings availed, debt securJtJes and subordinate debts issued during the current year (31 March 2022: Nil)

A33 DIVERGENCE IN ASSET CLASSIFICATRON AND PROVISIONING

The Reserve Bank of India (RBI) assessment was completed till 31 March 2022 however there was no report issued to us on divergence on Asset dasslflcatlon and provisioning,

A34. RELATED PARTY DISCLOUSRE

RELATED PARTY	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint Ventures		Key Management Personnel		Relatives of Key management Personnel		Directors		Relative of Directors		Others		Total	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Maximum Outstanding during the year																				
Borrowings#	-	-	1,000	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000	-
Deposits#	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of Deposits#	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances#	-	-	11,000	12,000	-	-	-	-	-	-	-	-	-	-	-	-	11,000	12,000
Investement#	-	-	5,515	5,507	-	-	-	-	-	-	-	-	-	-	-	-	5,515	5,507
Balance outstandina at the year end	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings#	-	-	900	-	-	-	-	-	-	-	-	-	-	-	-	-	900	-
Deposits#	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of Deposits#	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances#	-	-	-	11,000	-	-	-	-	-	-	-	-	-	-	-	-	-	11,000
Investement#	-	-	5,515	5,507	-	-	-	-	-	-	-	-	-	-	-	-	5,515	5,507
Purchase of Fixed/Other Assets	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed/Other Assets	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	-	43	-	-	-	-	-	-	-	-	-	-	-	-	-	43	-
Interest Received	-	-	210	1145	-	-	-	-	-	-	-	-	-	-	-	-	210	1145
Total*	-	-	32	84	-	-	-	-	-	-	-	-	-	-	-	-	32	84

#The outstanding at the year end and the m,iximum during the year are to be disclosed.
*Specify them if tot.ii for the them is more than 5 percent of total related party transactions. Related parties would include trusts and others bodies in which the Housing Finance Company can directly or indirectly (through its related parties) exert control or significant influence.

(All amount in INR lacs, except for share data unless stated otherwise)

A35. Schedule to Balance Sheet of a Non-Banking Financial Company as required In terms of Paragraph 19 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions 2016·

	PARTICULARS				
	Liabilities side:	31-Mar-23		31-Mar-22	
(1)	Loans and advances availed by the Company Inclus!ve of interest accrued thereon but not paid:	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	a) Debentures : Secured	22,634	-	29,388	-
	: Unsecured	20,006	-	40,013	-
	(Other than falling within the meaning of public deposits)				
	b) Deferred Credits	-	-	-	-
	c) Term Loans	900	-	1,89,886	-
	d) Inter-corporate loans and borrowing	4,961	-	-	-
	a) Commercial Paper	4,961	-	7,262	-
	f) Public Deposit	-	-	-	-
	g) Other Loans:-				
	External commercial borrowings	-	-	-	-
	Bank overdraft	-	-	-	-
	Working Capital Demand Loan	1,908	-	2,060	-
	Finance lease obligation	-	-	-	-

	ASSETS SIDE:	Amount outstanding 31 March 2023	Amount outstanding 31 March 2022
(2)	Break-up of Loans and Advances Including bills receivables [other than those Included In (3) below]:		
	Secured	1,37,104	1,23,438
	Unsecured	2,78,088	2,32,562
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	I) Lease assets including lease rentals under sundry debtors:		
	a) Financial lease	5,781	7,136
	b) Operating lease	78	153
	ii) Stock on hire including hire charges under sundry debtors:		
	a) Assets on hire	-	-
	b) Repossessed Assets	-	-
	iii) Other loans counting towards AFC activities		
	a) Loans where assets have been repossessed	907	505
	b) Loans other than (a) above	-	-
(4)	**Break-up of Investments:**		
	Current Investments:		
	1. Quoted:		
	(I) Shares: (a) Equity	475	1567
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units ofnrntual fimds	108	20,577
	(iv) Govemment Securities	-	-
	(v) Others	-	-
	2. Unquoted:		
	(I) Shares: (a) Equity	-	-
	(b) Prcforcncc	-	-
	(ii) Debeutures and Bonds	-	-
	(iii) Units ofmutual funds	-	-
	(iv) Government Securities	1	1
	(v) Others	-	-
	Long Term Investments:		
	1. Quoted:		
	(I) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units ofmuhrnl funds	-	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	2. Unquoted:		
	(i) Shares: (a) Equity	5,515	5,507
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units ofmutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others	22,401	19,628

(All amount in INR lacs, except for share data unless stated otherwise)

(5)	Borrower group-wise classlflcatron of assets financed as In (2) and (3) above:						
	CATEGORY	AMOUNT NET OF PROVISIONS#					
		31-Mar-23			31-Mar-22		
		Secured	Unsecured	Total	Secured	Unsecured	Total
	1. Related Parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies In the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
	2. Other than related parties	1,33,595	2,70,373	4,03,968	1,14,860	2,18,900	3,33,760
	Total	1,33,595	2,70,373	4,03,968	1,14,860	2,18,900	3,33,760

Net of contingent provision against standard assets amounting to INR 8,559(Prevlous year INR 9,677), provision for non-performing asset amounting to INR 3,650 (Previous year INR 12,720) (impairment loss allowance).

(6)	Investor group-wise classlflcatlon of all Investments (current and long term) In shares and securities (both quoted and unquoted):				
	CATEGORY	31-Mar-23		31-Mar-22	
		Markel Value/ Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties:-				
	(a) Subsidiaries 5,515 5,515 5,507 5,507	5,515	5,515	5,507	5,507
	(b) Companies In the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
	2. other than related parties	21,433	21,433	40,262	40,262
	Total	26,948	26,948	45,769	45,769

(7)	Other Information	31-Mar-23	31-Mar-22
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	9,883	17,609
(ii)	Net Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	6,233	4,886
(iii)	Assets acquired In satisfaction of debt	907	505

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLIX CAPITAL SERVICES PRIVATE LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (IND AS FINANCIAL STATEMENTS)

OPINION

We have audited the accompanying Consolidated financial statements (Ind AS Financial Statements) of Clix Capital Services Private Limited (hereinafter referred to as the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprises of the Consolidated Balance Sheet as at March 31, 2023, the Consolidated statement of Profit and Loss (including Other Comprehensive Income), the Consolidated statement of changes in equity and the Consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on the financial statements of the Subsidiary, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, their consolidated profits (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

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

Code of Ethics. We believe that the audit evidence obtained by us and other auditor in terms of their report referred to in 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

KEY AUDIT MATTERS	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Assessment of impairment loss allowance based on expected credit loss on Loans ("ECL") as per the guiding principles prescribed under Ind AS 109: As of 31st March 2023, the carrying value of loan assets measured at amortised cost, aggregated Rs. 412,552 lacs (net of allowance of expected credit loss Rs.13,223 lacs) constituting approximately 70.84 % of the Group's total assets. Impairment loss allowance, based on ECL model, is calculated using main variables, viz. 'Staging', 'Exposure at Default', 'Probability of Default' and 'Loss Given Default' as specified under Ind AS 109 As stated in note 7.3 & note. 40.2.1 in the notes to the Consolidated financial statements for the year ended March 31, 2023, the impairment provision is based on the expected credit loss model requires the management of the Group to make significant judgments in connection with related computation. These include: • Segmentation of the loan portfolio into homogenous pool of borrowers. • Identification of exposures where there is a significant increase in credit risk and those that are credit impaired.	• Auditor of one subsidiary and we have read and assessed the respective Company's accounting policies for impairment of financial assets considering the requirements of Ind AS 109 and the governance framework approved by the Board of Directors of the respective Company, pursuant to Reserve Bank of India guidelines. • Auditor of one subsidiary and we have evaluated the management estimates by understanding the process of ECL estimation & assessed related assumptions used by the Group for grouping and staging of loan portfolio into various categories and default buckets and their appropriateness for determining the probability of default (PD) and Loss-given default (LGD) rates. • Auditor of one subsidiary and we have tested controls for staging of loans based on their past-due status. Also tested samples of stage-1 and stage-2 loans to assess whether any loss indicators were present requiring them to be classified under higher rates.

KEY AUDIT MATTERS	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
• Determination of the 12 month and life-time probability of default for each of the segments identified. • Loss given default for various exposures based on past trends, management estimates etc. • Qualitative and quantitative factors used in staging the loan assets. Given the inherent judgmental nature and the complexity of model involved, we determined this to be a Key Audit Matter.	Auditor of one subsidiary and we have tested samples of the input data used for determining the PD and LGD rates and agreed the data with the underlying books of account and records. • Auditor of one subsidiary and we have verified whether the ECL provision is made in accordance with the respective Company's Board Approved Policy. • Auditor of one subsidiary and we have calculated the ECL provision manually for selected samples. • Auditor of one subsidiary and we have assessed the additional considerations applied by the management for staging of loans as significant increase in credit risk (SICR) or default categories in view of respective Company's policy on one-time restructuring. • Auditor of one subsidiary and we have tested the arithmetical accuracy of computation of ECL provision performed by the Group. • For the loans which are written off during the year under audit, auditor of one subsidiary and we have read and understood the policy laid down by the respective companies & Tested the compliance on sample basis. • Auditor of one subsidiary and we have verified disclosures included in the consolidated financial statements in respect of expected credit losses as required under Ind AS 107 and 109 • We also obtained written representations from management whether they believe significant assumptions used in calculation of expected credit losses are reasonable. Further, inquired with the auditor of one subsidiary about their audit procedures in regard to ECL methodology.

OTHER INFORMATION

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report/ Directors Report but does not include the Standalone financial statements, Consolidated financial statements and our auditor's report thereon. The Holding Company's Annual Report/ Directors report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Holding Company's Annual Report/ Directors Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of standard on auditing for auditor's responsibility in relation to other information in documents containing audited financial statements.

MANAGEMENT'S RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the Ind AS and other 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated financial statement by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective management and Board of directors of the Companies included in the Group are responsible for assessing the Group 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 and 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 Group are responsible for overseeing the Group's financial reporting process.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

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

• Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has an 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 in the consolidated financial Statements made by Management and Board of Directors.

• Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group of which we are the independent auditor, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are the independent auditor. For the other entities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditor regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

1.As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on the financial statements of subsidiary, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a)We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements.

b)In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

c)The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with in this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d)In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the rules issued there under.

e)On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023, taken on record by the Board of Directors of the Holding Company and on the basis of the reports of the Statutory auditor of its subsidiary, incorporated in India, none of the directors of the Group Companies, incorporated in India is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act.

f)With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary Company incorporated in India, with reference to these Consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g)With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
The Holding Company and Subsidiary Company, being Private Companies, the provisions of Section 197 of the Act is not applicable.

h)With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i)The Consolidated Financial Statements disclosed the impact of pending litigations on the consolidated financial position of the Group – refer Note 34 on Contingent Liabilities to the consolidated financial statement.

(ii)The Group did not have any long-term contracts including derivative contracts as at March 31, 2023 for which there were any material foreseeable losses.

(iii)There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and its subsidiary company during the year ended March 31, 2023.

(iv) (a)Based on our report on separate financial statements of the Holding Company and consideration of report of the other auditor on separate financial statements of its subsidiary Company incorporated in India whose financial statements have been audited under the act, the Management of the holding Company and the subsidiary Company has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Based on our report on separate financial Statements of the Holding Company and consideration of report of the other auditor on separate financial statements of its subsidiary Company incorporated in India whose financial statements have been audited under the act, the Management of the holding Company and the subsidiary Company has represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and Subsidiary 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;

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances and consideration of report of the other auditor on separate financial statements of its subsidiary Company incorporated in India, whose financial statements have been audited under the act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Holding company has not paid/declared any dividends during the year. Further, based on the audit report of the subsidiary Company incorporated in India, no dividend has declared nor paid during the year. Hence, compliance of section 123 of the act is not applicable.

(vi) As per proviso to rule 3(1) of the companies (Accounts) Rules,2014 is applicable for the Group only w.e.f. April 1, 2023, reporting under this clause is not applicable.

2. 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, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and reports of subsidiary company issued by the respective auditor and included in the consolidated financial statements of the Holding company, to which reporting under CARO is applicable, we report in "Annexure A" a statement on the matters specified under clause (xxi) of Paragraph 3 of the Order.

Place: Gurugram
Date: May 26th, 2023

For Brahmayya & Co.
Chartered Accountants
Firm's Regn No: 000511S

N. Venkata Suneel
Partner
Membership No. 223688
UDIN: 23223688BGQXHA7571

The "Annexure A", referred to in paragraph 2 of "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's Report of even date to the members of Clix Capital Services Private Limited on the Consolidated financial statements as of and for the year ended March 31, 2023.

According to the information and explanations given to us, and based on the reports issued under the Order by:

i) us for the Holding Company and
ii) the respective auditor of the subsidiary Company;

included in the consolidated Ind AS financial statements of the Holding Company, to which reporting under the Order is applicable, the details of qualifications or adverse remarks are as below:

S. No	Name	CIN	Holding Company/ Subsidiary Company	Clause number of the CARO report which is qualified or adverse
1.	Clix Capital Services Private Limited	U65929DL1994PTC116256	Holding	i(c) iii(c) iii(d) vii(b) xi(a)
2.	Clix Housing Finance Limited	U65999DL2016PLC308791	Subsidiary	i(c) iii(c) iii(d)

Place: Gurugram
Date: May 26th, 2023

For Brahmayya & Co.
Chartered Accountants
Firm's Regn No: 000511S

N. Venkata Suneel
Partner
Membership No. 223688
UDIN: 23223688BGQXHA7571

The “Annexure B”, referred to in Clause (f) of “Report on Other Legal and Regulatory Requirements” of Paragraph 1 of the Independent Auditor’s Report of even date to the members of Clix Capital Services Private Limited on the Consolidated financial statements as of and for the year ended March 31, 2023.

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

In conjunction with our audit of the Consolidated Ind AS financial statements of the Group as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of Clix Capital Services Private Limited (hereinafter referred to as “the Holding Company”) and its subsidiary company which are companies incorporated in India, as of that date (the Holding Company and its subsidiary together referred as “the Group”).

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding company and its subsidiary, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’).

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India, 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 internal financial control 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 Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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 to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other Matters paragraph below, the Holding Company and 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 March 31, 2023, based on the internal financial control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

OTHER MATTERS

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated financial statements in so far as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditor of that company incorporated in India. Our opinion is not modified in respect of this matters

Place: Gurugram
Date: May 26th, 2023

For Brahmayya & Co.
Chartered Accountants
Firm's Regn No: 000511S

N. Venkata Suneel
Partner
Membership No. 223688
UDIN: 23223688BGQXHA7571

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023 (All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	NOTES	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
ASSETS			
Financial assets			
Cash and cash equivalents	6A	39,558	28,725
Bank balance other than included in above	6B	27,937	17,648
Loans	7	412,552	343,087
Investments	8	21,595	41,815
Other financial assets	9	4,746	2,635
Non- financial Assets			
Current tax assets	29	9,030	6,044
Deferred tax assets	29	16,636	17,839
Property, plant and equipment	10A	4,621	5,404
Intangible assets under development	11A	109	793
Goodwill	10B	36,768	36,768
Other intangible assets	10B	2,607	2,382
Right-of-use assets	11B	459	593
Other non- financial assets	12	4,469	4,494
Assets held for sale		1,266	505
	Total assets	582,353	508,732
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables	13		
I) Trade payables			
a) Total outstanding dues of micro enterprises & small enterprises		229	37
b) Total outstanding dues of creditors other than micro enterprises & small enterprises		14,280	7,456
II) Other payables		-	-
a) Total outstanding dues of micro enterprises & small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises & small enterprises		10,086	8,460
Debt securities	14	51,665	80,700
Borrowings (other than debt securities)	15	285,194	197,565
Lease liabilities	11C	617	795
Other financial liabilities	16	10,437	8,857
Non financial liabilities			
Provisions	16	3,437	3,384
Other non-financial liabilities	16	3,862	2,648
	Total Liabilities	379,807	309,902
EQUITY			
Equity share capital		143,599	143,599
Other equity		58,947	55,231
	Total Equity	202,546	198,830
	Total Liabilities & Equity	582,353	508,732

For and on behalf of the Board of Directors
Clix Capital Services Private Limited

For Brahmayya & Co,
ICAI Firm Registration No. 000511S
Chartered Accountants

For and on behalf of the Board of Directors
Clix Capital Services Private Limited

N Venkata Suneel
Partner
Membership No.: 223688
Place: Gurugram
Date: 26 May 2023

Rakesh Kaul
Whole Time Director and CEO
DIN: 03386665

Gagan Aggarwal
Chief Financial Officer
Place: Gurugram
Date: 26 May 2023

K Ramakrishnan
Director
DIN: 08303198
Place: Mumbai
Date: 26 May 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

(All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	NOTES	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
REVENUE FROM OPERATIONS			
Interest income	21	62,365	55,762
Rental income		1,695	3,456
Fees and commission Income	22	2,931	3,443
Net gain on fair value changes	23	966	2,955
Net gain on de-recognition of financial instruments under amortised cost category		2,541	355
	Total revenue from operations	70,498	65,971
Other income	24	2,784	2,614
	Total income	73,282	68,585
EXPENSES			
Finance costs	25	31,225	29,248
Fees and commission expense		599	561
Impairment on financial instruments	26	12,979	29,117
Employee benefits expense	27	9,227	8,377
Depreciation and amortization	10A, 10B & 11B	2,531	4,930
Other expenses	28	10,839	9,209
	Total expenses	67,400	81,442
Profit/(loss) before tax and exceptional item		5,882	(12,857)
Exceptional items		(2,054)	
Profit/(loss) before tax and after exceptional item		3,828	(12,857)
Tax expense:	29		
(1) Current tax		234	16
(2) Current tax for earlier years		(432)	(4)
(3) Deferred Tax		1,193	(3,022)
	Profit/(loss) for the year	2,833	(9,847)
Other comprehensive income			
a. Items that will not be reclassified to profit or loss		-	-
Remeasurements of defined benefit liability		40	66
Income tax relating to Items that will not be reclassified to profit or loss		(10)	(13)
b. Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income		30	53
	Total comprehensive income for the year	2,863	(9,794)
Earnings per equity share	30		
Basic (INR)		0.20	(0.69)
Diluted (INR)		0.19	(0.69)
Nominal value per share (INR)		10.00	10.00

Significant accounting policies 3
The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For Brahmayya & Co,
ICAI Firm Registration No. 000511S
Chartered Accountants

For and on behalf of the Board of Directors
Clix Capital Services Private Limited

N Venkata Suneel
Partner
Membership No.: 223688
Place: Gurugram
Date: 26 May 2023

Rakesh Kaul
Whole Time Director and CEO
DIN: 03386665

Gagan Aggarwal
Chief Financial Officer
Place: Gurugram
Date: 26 May 2023

K Ramakrishnan
Director
DIN: 08303198
Place: Mumbai
Date: 26 May 2023

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

(All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Cash flow from operating activities		
Profit/(Loss) before tax	3,828	(12,857)
Adjusted for:		
Provisions/ liabilities no longer required written back	(25)	(102)
Depreciation and amortisation	2,531	4,930
Finance cost on unwinding of discount on security deposits	(106)	140
Impairment on financial assets	(9,840)	695
Impairment of investments	40	1,510
Provision for employee benefits	25	42
Minimum alternate tax recoverable written off	2,054	-
Interest on income-tax refund	(935)	(1,417)
Net loss/(gain) on de-recognition of property, plant and equipment	(30)	3
Provision for indirect taxes	729	353
Bad debt written off	22,779	28,302
Lease equalisation reserve	(93)	(40)
Interest income on unwinding of discount on security deposit	91	(140)
Interest income on fixed deposits	(1,189)	(772)
Net gain on fair value changes	(981)	(2,955)
Share based payments	853	453
Operating profit before working capital changes	**19,731**	**18,145**
Adjusted for net changes in working capital		
Decrease in Financial assets and non-financial assets	(85,422)	21,528
Increase in Financial liability and other liabilities	10,802	4,492
Income tax paid/taxes refund received (net)	(3,907)	448
Net Cash generated from operating activities	**(58,796)**	**44,613**
Cash flows from investing activities		
Movement of mutual funds (net)	23,078	27,995
Purchase of Pass through certificates	(9,280)	-
Purchase of security receipts	(2,443)	(19,628)
Redemption of security receipts (net)	2,813	-
Purchase of property, plant and equipment	(2,807)	(1,751)
Proceeds from property, plant and equipment	1,961	3,221
Sale of Investments (Equity Shares)	895	776
Investment in fixed deposits more than 90 days maturity	(9,847)	(5,318)
Interest income on fixed deposits	747	772
Redemption/sale of pass through certificates	6099	
Net Cash generated from / (used in) investing activities	**11,216**	**6,067**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023
(All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	-
Proceeds from Non Convertible Debentures	32,678	16,295
Repayment of Non Convertible Debentures	(59,413)	(83,160)
Proceeds from Borrowing against Securitised Portfolio	149,757	45,975
Repayment of Borrowing against Securitised Portfolio	(113,205)	(34,721)
Net decrease of Lease liability	(178)	(954)
Proceeds from term loan	193,838	83,415
Repayment of term loan	(142,610)	(66,025)
Proceeds from commercial papers	7,665	14,278
Repayment of commercial papers	(9,967)	(7,168)
Net Cash used in financing activities	**58,565**	**(32,065)**
Net increase/(decrease) in cash and cash equivalents	**10,985**	**18,615**
Cash and cash equivalents at the beginning of the year	26,665	8,050
Cash and cash equivalents at the end of the year	**37,650**	**26,665**
Notes		
Components of cash and cash equivalents balance include:		
Balances with banks:		
- Current accounts	38,294	14,724
- In deposits with original Maturity of less than three months	1,264	14,001
Bank overdraft	(1,908)	(2,060)
Cash and cash equivalents at the end of the year	**37,650**	**26,665**

For Brahmayya & Co,
ICAI Firm Registration No. 000511S
Chartered Accountants

For and on behalf of the Board of Directors
Clix Capital Services Private Limited

N Venkata Suneel
Partner
Membership No.: 223688
Place: Gurugram
Date: 26 May 2023

Rakesh Kaul
Whole Time Director and CEO
DIN: 03386665

Gagan Aggarwal
Chief Financial Officer
Place: Gurugram
Date: 26 May 2023

K Ramakrishnan
Director
DIN: 08303198
Place: Mumbai
Date: 26 May 2023

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

(All amount in INR lacs, except for share data unless stated otherwise)

A. EQUITY SHARE CAPITAL

(I) CURRENT REPORTING PERIOD

BALANCE AS AT 1 APRIL 2022 CHANGES IN EQUITY SHARE	CAPITAL DUE TO PRIOR PERIOD ERRORS	CAPITAL DUE TO PRIOR PERIOD ERRORS RESTATED BALANCE AS AT 1 APRIL 2022	CHANGES IN EQUITY SHARE CAPITAL DURING THE CURRENT YEAR
143,599	-	-	-

(II) PREVIOUS REPORTING PERIOD

BALANCE AS AT 1 APRIL 2021 CHANGES IN EQUITY SHARE	CAPITAL DUE TO PRIOR PERIOD ERRORS	CAPITAL DUE TO PRIOR PERIOD ERRORS RESTATED BALANCE AS AT 1 APRIL 2021	CHANGES IN EQUITY SHARE CAPITAL DURING THE CURRENT YEAR
143,599	-	-	-

B. OTHER EQUITY

	CAPITAL RESERVE CREATED PURSUANT TO MERGER	CAPITAL RESERVE	CAPITAL REDEMPTION RESERVE PURSUANT TO BUY BACK OF SHARES	STATUTORY RESERVE
Balance at 1 April 2022	4,000	121	11,880	23,134
Profit/(loss) for the year	-	-	-	-
Remeasurements of the defined benefit plans for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Share based payments	-	-	-	-
Transfer out of reserves	-	-	-	553
Balance at 31 March 2023	4,000	121	11,880	23,687

	CAPITAL RESERVE CREATED PURSUANT TO MERGER	CAPITAL RESERVE	CAPITAL REDEMPTION RESERVE PURSUANT TO BUY BACK OF SHARES	STATUTORY RESERVE
Balance at 1 April 2021	4,000	121	11,880	23,081
Profit/(loss) for the year	-	-	-	-
Remeasurements of the defined benefit plans for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Share based payments	-	-	-	-
Transfer out of reserves	-	-	-	-
Balance at 31 March 2022	4,000	121	11,880	23,134

Significant accounting policies 3
The accompanying notes are an integral part of the consolidated financial statements
As per our report of even date

For Brahmayya & Co,
ICAI Firm Registration No. 000511S
Chartered Accountants

For and on behalf of the Board of Directors
Clix Capital Services Private Limited

BALANCE AS AT 31 MARCH 2023
143,599

BALANCE AS AT 31 MARCH 2022
143,599

SHARE BASED PAYMENT RESERVE	SHARE PREMIUM	RETAINED EARNING	TOTAL
1,107	10,304	4,685	55,231
-	-	2,833	2,833
-	-	30	30
-	-	2,863	2,863
853	-	-	853
-	0.01	(553)	0
1,960	10,304	6,995	58,947

SHARE BASED PAYMENT RESERVE	SHARE PREMIUM	RETAINED EARNING	TOTAL
654	10,304	14,532	64,572
-	-	(9,847)	(9,847)
-	-	53	53
-	-	(9,794)	(9,794)
453	-	-	453
-	-	(53)	-
1,107	10,304	4,685	55,231

N Venkata Suneel
Partner
Membership No.: 223688

Place: Gurugram
Date: 26 May 2023

Rakesh Kaul
Whole Time Director and CEO
DIN: 03386665

Gagan Aggarwal
Chief Financial Officer

Place: Gurugram
Date: 26 May 2023

K Ramakrishnan
Director
DIN: 08303198

Place: Mumbai
Date: 26 May 2023

1. CORPORATE INFORMATION

Clix Capital Services Private Limited ('CCSPL') ('the Holding Company') is a private limited company domiciled in India and incorporated on 11 February 1994 under the provisions of Companies Act, 1956 with CIN-U65929DL1994PTC116256. The Holding Company is a Non-Banking Finance Company "Systemically Important Non-Deposit Taking Company" registered with the Reserve Bank of India ('RBI') with Registration No. B-14.02950 dated 13 October 2016. The Holding Company is primarily engaged in Micro, Small and Medium enterprise (MSME) ,consumer and commercial lending. The Holding Company does not accept deposits from the public. The Holding Company's registered office is at Aggarwal Corporate Tower, Plot No. 23, 5th Floor, Govind Lal Sikka Marg, Rajendra Place, New Delhi- 110008, India.

During the Previous financial year, the Board of Directors of the Holding Company in its meeting dated 04 June 2021, had approved a scheme of amalgamation ("the Scheme") with Clix Finance India Private Limited, one of its wholly owned subsidiary company into the Holding Company. The Scheme has been approved by the Central Government (Regional Director, Northern Region) on 25 March 2022 with effect from 01 April 2021 ("Appointed Date") and pursuant to the Scheme, the Holding Company has filed the said Order of Central Government (Regional Director, Northern region) approving the scheme of Amalgamation with the Registrar on 01 April 2022 ("Effective Date"). The said amalgamation has been accounted for as per the requirements of Appendix C to Ind AS 103 "Business Combination" also refer note 55.

During the financial year 2016-17, the Holding Company has also incorporated a wholly owned subsidiary Clix Housing Finance Limited ('Clix Housing'), formerly known as Clix Housing Finance Private Limited.

The Holding Company along with its subsidiary (both incorporated in India) has been referred to as "the Group".

2. (I) BASIS OF PREPARATION

The Consolidated financial statements (herein referred to as 'CFS') of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act). These financial statements were authorized for issue by the Group's Board of Directors on May 26, 2023.

(II) BASIS OF MEASUREMENT

The financial statements have been prepared on a historical cost basis, except for financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, except when otherwise indicated.

(III) PRESENTATION OF FINANCIAL STATEMENTS

The Group presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Group has unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:
A. The normal course of business
B. The event of default
C. The event of insolvency or bankruptcy of the Group and/or its counterparties.

(IV) BASIS OF CONSOLIDATION

The CFS comprise the financial statements of the Holding Company and its subsidiary as at 31 March 2023 including controlled structured entities. The Group consolidates a subsidiary when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee

(ii) Rights arising from other contractual arrangements

(iii) The Group's voting rights and potential voting rights

(iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of subsidiary used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on 31 March 2023

CONSOLIDATION PROCEDURE:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in its subsidiary and the parent's portion of equity of its subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

If the Group loses control over a subsidiary, it:

(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary

(ii) Derecognises the carrying amount of any non-controlling interests

(iii) Derecognises the cumulative translation differences recorded in equity

(iv) Recognises the fair value of the consideration received

(v) Recognises the fair value of any investment retained

(vi) Recognises any surplus or deficit in profit or loss

(vii) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues and expenses for the year, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effect are disclosed in the notes to the financial statements. Also, refer note 4 for significant accounting judgements, estimates and assumptions used by the Group.

3.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash balances on hand, cash balances in bank, other demand deposits with banks and highly liquid investments with maturity period of three months or less from the date of investment.

3.3 RECOGNITION OF INCOME AND EXPENSE

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115

Step 1:
Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2:
Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3:
Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties

Step 4:
Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5:
Recognise revenue when (or as) the Group satisfies a performance obligation

INTEREST AND SIMILAR INCOME

Interest income, for all financial instruments measured either at amortised cost or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable and are an integral part of the EIR, but not future credit losses.

FORECLOSURE CHARGES AND OTHER FEES

Foreclosure charges and other fees which include cheque bounce charges, penal fee, legal charges and prepayment charges etc. are recognised as income when there Tis certainty regarding the receipt of payment.

DIVIDEND INCOME

Dividend income is recognized when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

LEASE RENTAL INCOME

Lease rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit or loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms.

DEBT ADVISORY FEES

Revenue from contract with customer is recognised point in time when performance obligation is satisfied (when the trade is executed). These include debt advisory fees which is charged per transaction executed.

INCOME ON DERECOGNIZED (ASSIGNED) LOANS

Gains arising out of direct assignment transactions comprises of the difference between interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flow on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

OTHER INCOME

Other Income represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract

3.4 FOREIGN CURRENCY

The CFS are presented in Indian Rupees (INR) which is also the Group's functional currency.

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Income and expenses in foreign currencies are initially recorded by the Group at the exchange rates prevailing on the date of the transaction

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.5 EXPENDITURE

Expenses are recognised on accrual basis and provisions are made for all known losses and liabilities. The Group has also entered into certain cost sharing arrangements for resources shared with other entities. The costs allocated to the Group under the cost sharing arrangements are included in the respective expenses. The costs allocated to other entities under the cost sharing arrangement are shown as amounts recoverable from the respective parties.

A) INTEREST EXPENSE

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

3.6 PROPERTY, PLANT AND EQUIPMENT (PPE) AND INTANGIBLE ASSETS

PPE

PPE are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

INTANGIBLE ASSETS

The Group's intangible assets mainly include the value of loan management system. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

3.7 DEPRECIATION AND AMORTIZATION

DEPRECIATION

(I) OWNED ASSETS

(a) Leasehold improvements are amortised over the lease term as stated in the lease agreement or useful life of the asset whichever is lower.

(b) Depreciation on other owned fixed assets is provided on straight line method at the rates, computed based on estimated useful life of those assets as prescribed under Schedule II to the Companies Act, 2013. Land is not depreciated.

The estimated useful lives are, as follows:

- Computers* - 3 years
- Office equipment - 5 years
- Furniture and fixtures - 10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(II) ASSETS GIVEN ON OPERATING LEASE

Assets given on operating lease are depreciated to their residual value as estimated by the management, on a straight-line basis over the expected useful life of the asset or lease term, whichever is lower.

(III) COMPUTER SOFTWARE AND GOODWILL*

Computer software are amortised using the straight line method over the Management's estimate of useful life during which the benefits are expected to accrue. The useful lives of Computer software are reviewed at each financial year end and adjusted prospectively, if appropriate. The estimated useful life considered by the Group for Computer Software 1 to 10 years. Goodwill is tested for impairment in accordance with Applicable Ind AS at each Balance Sheet date.

(IV) INTANGIBLE ASSETS UNDER DEVELOPMENT

The Group recognises internally generated intangible assets when it is certain that the future economic benefit attributable to the use of such intangible assets are probable to flow to the Group and the expenditure incurred for development of such intangible assets can be measured reliably. The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by the Group.

*The useful lives for Computer Software and Computer differs from the prescribed Schedule II rates under Part C of the Companies Act i.e. 6 years for both category of assets. However, the Company is taking 1 to 10 years for Computer Software and 3 years for Computers basis the Management's internal assessment of estimate of useful life of these assets.

3.8 IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.9 PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, therisks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.10 CONTINGENT LIABILITIES AND ASSETS

The Group does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation

- A present obligation arising from past events, when no reliable estimate is possible

- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent liabilities are reviewed at each balance sheet date.

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

3.11 RETIREMENT AND OTHER EMPLOYEE BENEFITS

The Group's obligation towards various employee benefits has been recognised as follows:

SHORT-TERM EMPLOYEE BENEFITS

All employee benefits payable/ available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

DEFINED CONTRIBUTION PLAN

Provident fund is a defined contribution plan. The contribution towards provident fund has been deposited with Regional provident fund commissioner and is charged to Statement of Profit and Loss.

DEFINED BENEFIT PLAN

The Group pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The Group makes contributions to its own Gratuity Trust. The gratuity trust invests the contribution in insurer managed scheme.

OTHER LONG-TERM BENEFITS – COMPENSATED ABSENCES

Entitlements to annual leave are recognised when they accrue to employees. Balance leaves, if any can be encashed at the time of retirement/ termination of employment. The Group determines the liability for such accumulated leave entitlements on the basis of actuarial valuation as at the year end. The liability in respect of all defined benefit plans and other long term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods

3.12 TAXES

Tax expense comprises current and deferred tax.

CURRENT INCOME TAX

Current income tax is measured at the amount expected to be paid to the taxation authorities in accordance with Income tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which during the specified period gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as anasset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

DEFERRED TAX

Deferred tax is recognised using the asset-liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward ofunused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.13 EARNING PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.14 SHARE BASED PAYMENTS

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Group`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.15 FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.15.1 FINANCIAL ASSETS

3.15.1.1 INITIAL RECOGNITION AND MEASUREMENT

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

3.15.1.2 CLASSIFICATION AND SUBSEQUENT MEASUREMENT

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

3.15.1.3 DEBT INSTRUMENTS AT AMORTISED COSTS

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

3.15.1.4 DEBT INSTRUMENTS AT FVOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method

3.15.1.5 DEBT INSTRUMENTS AT FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

3.15.1.6 EQUITY INVESTMENTS

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

3.15.2 FINANCIAL LIABILITIES

3.15.2.1 INITIAL RECOGNITION AND MEASUREMENT

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

3.15.2.2 CLASSIFICATION AND SUBSEQUENT MEASUREMENT - FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

3.15.2.3 LOANS AND BORROWINGS

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

3.15.3 RECLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The Group doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

3.15.4 DE RECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

3.15.4.1 DERECOGNITION OF FINANCIAL ASSETS DUE TO SUBSTANTIAL MODIFICATION OF TERMS AND CONDITIONS

The Group derecognises a financial asset, such as a loan to a customer, when the modification of terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

3.15.4.2 DERECOGNITION OF FINANCIAL ASSETS OTHER THAN DUE TO SUBSTANTIAL MODIFICATION

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets)is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- The Group has transferred its contractual rights to receive cash flows from the financial asset, or'

- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

-The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

- The Group cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:
- The Group has transferred substantially all the risks and rewards of the asset, or
-The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Group would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

3.15.4.3 FINANCIAL LIABILITIES

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

3.16 IMPAIRMENT OF FINANCIAL ASSETS

3.16.1 OVERVIEW OF THE ECL PRINCIPLES

The Group is recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, (in this section all referred to as 'financial instruments'). Equity instruments are not subject to impairment under IND AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) .

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on collective basis.

The Group has established 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 this is further explained in Note 7.2 and 40.2.

Based on the above process, the Group groups its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognised, the Group recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired (as outlined in Note 7). The Group records an allowance for the LTECLs

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset

3.16.2 THE CALCULATION OF ECLS

The Group calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanism of the ECL calculations are outlined below and the key elements are, as follows

•**Probability of Default (PD) -** The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

•**Exposure at Default (EAD) -** The Exposure at Default is an estimate of exposure at default date.

• **Loss Given Default (LGD) -** The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The maximum period for which the credit losses are determined is the expected life of a financial instrument.

The mechanism of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a EAD and multiplied by the expected LGD .

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanism are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired (as outlined in Note 7), the Group recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%

3.16.3 FORWARD LOOKING INFORMATION

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and the market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc with the estimate of PD, LGD determined by the Group based on its internal data. While the internal estimates of PD, LGD rates by the Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

3.16.4 COLLATERAL REPOSSESSED

The Group's policy is to sell repossessed assets. Non financial assets repossessed are transferred to assets held for sale at fair value less cost to sell or principal outstanding, whichever is less, at repossession date.

3.16.5 WRITE-OFFS

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. However financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to profit and loss account.

3.17 FAIR VALUE MEASUREMENT

The Group measures financial instruments at fair value at each balance sheet date using valuation techiques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly Transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.18 DIVIDEND

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

3.19 TRANSFER PRICING

The Group has established a comprehensive system for maintenance of information and documents as required by the transfer pricing legislation under Section 92- 92F of the Income Tax Act, 1961. The Group ensures that its transactions are at arm's length so that the aforesaid legislation do not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

3.20 LEASES

MEASUREMENT OF LEASE LIABILITY

At the time of initial recognition, the Group measures lease liability as present value of all lease payment discounted using the Group's incremental cost of borrowing rate. Subsequently, the lease liability is

(i) Increased by interest on lease liability; and

(ii) Reduced by lease payment made;

MEASUREMENT OF RIGHT-OF-USE ASSET

At the time of initial recognition, the Company measures 'Right-of-Use assets' which comprises of amount of initial recognition of lease liability, initial direct cost and cost of dismantling and restoration . Subsequently, 'Right-of-Use assets' are measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-Use assets' is provided on straight line basis over the lease period.

3.21 BUSINESS COMBINATION

A Common control business combination, involving entities or business in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 “Business Combination”.

Business combinations involving entities or business under common control are accounted for using the pooling of interest method as follows:

- The financial information in the financial statements in respect of prior period are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.

- The identity of the reserves are preserved and appear in the financial statements of the transferee in same form in which they appeared in the financial statements of the transferor.

The difference between the amount of investment in the Equity shares of the Transferor Group appearing the books of account of the Transferee Group and the amount of issued, subscribed and paid up share capital standing credited in the books of accounts of the Transferor Group and reserve as on the date of acquiring control in the books of accounts of the Transferor Group shall be accounted in accordance with Appendix C of Ind AS -103 read with ICAI ITFG clarification Bulletin 9 and is presented separately in the financials.

3.22 ASSET HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. They are measured at lower of their carrying amount and fair value less costs to sell.

Non -current assets are not depreciated while they are classified as held for sale and are presented separately from other assets in the balance sheet.

3.23 SEGMENT INFORMATION

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 Operating Segments, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segment.

3.24 STATEMENT OF CASH FLOWS

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of :

i) changes during the period in operating receivables and payables transactions of a non-cash nature;

ii) non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses; and

iii) All other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

4.1 BUSINESS MODEL ASSESSMENT

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how financial assets of the Group are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

4.2 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of aluation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), correlation and volatility.

4.3 EFFECTIVE INTEREST RATE (EIR) METHOD

The Group's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / borrowings taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

4.4 IMPAIRMENT LOSS ON FINANCIAL ASSET

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Group's internal model, which assigns PDs.
- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs.
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

4.5 DEFINED EMPLOYEE BENEFIT ASSETS AND LIABILITIES

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date

4.6 SHARE BASED PAYMENTS

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

4.7 PROVISIONS AND OTHER CONTINGENT LIABILITIES

The Group operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Group's business.

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

4.8 LEASES

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

4.8.1 LEASES : AS A LESSOR

The Group as a lessor, classifies leases as either operating lease or finance lease.
A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of a underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Group's net investment in the lease.

A lease which is not classified as a finance lease is an operating lease. Accordingly, the Group recognises lease payments as income on a straightline basis in case of assets given on operating leases. The Group presents underlying assets subject to operating lease in its balance sheet under the respective class of asset

SHORT-TERM LEASES

The Group has elected not to recognise right of- use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term

5 RECENT INDIAN ACCOUNTING STANDARDS / PRONOUNCEMENTS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

A) IND AS 1 – PRESENTATION OF FINANCIAL STATEMENTS & IND AS 34 – INTERIM FINANCIAL REPORTING

Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.

B) IND AS 107 – FINANCIAL INSTRUMENTS: DISCLOSURES

Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.

C) IND AS 8 – ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATE AND ERRORS

Clarification on what constitutes an accounting estimate provided.

D) IND AS 12 – INCOME TAXES

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The Group does not expect the effect of this on the financial statements to be material, based on preliminary evaluation.

(All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Note 6A: Cash and cash equivalents		
Balance with banks in current accounts	38,294	14,724
In deposits with original maturity of less than three months	1,264	14,001
	39,558	28,725
Note 6B: Bank balance other than above		
Balances with bank	2,658	-
Earmarked balances with bank*	25,279	17,648
	27,937	17,648
Total	67,495	46,373
* Earmarked balances with bank are held as Margin money/ are under lien. The Group has the complete beneficial interest on the income earned from these deposits		
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:		
Balance with banks in current accounts	38,294	14,724
In deposits with original maturity of less than three months	1,264	14,001
Bank Overdraft (refer note-15)	(1,908)	(2,060)
	37,650	26,665

(All amount in INR lacs, except for share data unless stated otherwise)

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Note 7: Loans		
In India		
At Amortised cost		
Term loans	419,994	358,694
Finance lease receivables	5,781	7,136
Total (A) Gross	425,775	365,830
Less: Impairment loss allowance	13,223	22,743
Total (A) Net	412,552	343,087
Secured *	147,687	144,270
Unsecured#	278,088	221,560
Total (B) Gross	425,775	365,830
Less: Impairment loss allowance	13,223	22,743
Total (B) Net	412,552	343,087
Loans in India		
Public sector	-	-
Others	425,775	365,830
Total (C) Gross	425,775	365,830
Less: Impairment loss allowance	13,223	22,743
Total (C) Net	412,552	343,087

* Secured by tangible assets (hypothecation of equipment's, plant and machinery, vehicles, equitable mortgage of immovable property), pledge of securities and trade receivables, etc.

Unsecured loans includes loan assets amounting to INR 10,663 (31 March 2022: INR 16,581) which are also backed by guarantee by government under CGTSME and ECLGS schemes

(i) Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparies.

ii) No Loans or Advances are granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are:

(a) repayable on demand or

(b) without specifying any terms or period of repayment

(iii) Finance lease receivable:

Assets given under finance lease have been recognised as receivables at an amount equal to the net investment in lease. Reconciliation between the total gross investment in leases and the present value of minimum lease payments receivable as at 31 March 2023 and 31 March 2022 is as follows:

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Present value of minimum lease payments receivable	4,615	6,050
Add: Un-guaranteed residual values accruing to the benefit of the lessor	1,264	1,239
Add: Unearned finance income	968	1,083
Gross investment in finance lease	6,847	8,372

(All amount in INR lacs, except for share data unless stated otherwise)

The maturity profile of the finance lease receivables as at 31 March 2023 and 31 March 2022 is as follows:

PARTICULARS	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022	
	MINIMUM LEASE PAYMENTS	PRESENT VALUE	MINIMUM LEASE PAYMENTS	PRESENT VALUE
Receivable within one year	3,706	3,220	4,552	3,940
Receivable between 1-5 years	3,141	2,659	3,820	3,349
More than 5 year	-	-	-	-
Total	6,847	5,879	8,372	7,289

During the year, an amount of INR 682 was recognized as income from finance leases in the statement of profit and loss (31 March 2022: INR 1,074).

(iii) Transfer of Financial assets

Transfers of financial assets that are not derecognised in their entirety

Securitisation:

The Group uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets. The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirely and associated liabilities.

LOANS AND ADVANCES MEASURED AT AMORTISED COST	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Carrying amount of transferred assets measured at amortised cost	99,218	61,729
Carrying amount of associated liabilities	91,109	54,556

The carrying amount of above assets and liabilities is a reasonable approximation of fair value.

TRANSFER OF FINANCIAL ASSETS THAT ARE DERECOGNISED IN THEIR ENTIRELY

During the year ended 31 March 2023, the Group has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Group's balance sheet. The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan, the Group business model remains to hold the assets for collecting contractual cash flows.

The carrying amount of the derecognised financial assets not in default category measured at amortised cost as on date of transfer during year is INR 25,401 (31 March 2022: INR 2,415) and consideration received for such transfer is INR 25,401 (31 March 2022: INR 2,415) respectively.

The net carrying amount of the derecognised financial assets under in stressed category measured at amortised cost as on date of transfer during year is INR 2,833 (31 March 2022: INR 24,845) and consideration received for such transfer is INR 2,810 (31 March 2022: INR 23,847) respectively.

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 7.1.1 CREDIT QUALITY OF ASSETS

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties. The exposure is grouped into smaller homogeneous portfolios, based on a combination of internal and external characteristics. The table below represents homogeneous pools determined by the Group for risk categorisation. The amounts presented are gross of impairment allowances. Details of Group's risk assessment model are explained in Note 40 and policies whether ECL allowances are calculated on individual/collective basis are set out in Note 7.3 and & 7.4

NAME OF PORTFOLIO	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Corporate	9,992	24,805
Retail Portfolio	415,783	341,025
Gross carrying amount closing balance	425,775	365,830

7.1.2 CORPORATE PORTFOLIO

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to corporate lending is, as follows:

	FY 2022-23				FY 2021-22			
PARTICULARS	STAGE 1	STAGE 2	STAGE 3	TOTAL	STAGE 1	STAGE 2	STAGE 3	TOTAL
Gross carrying amount opening balance	17,343	7,462	-	24,805	43,371	33,674	-	77,045
New assets originated or purchased	1,943	-	-	1,943	9,295	765	-	10,060
Assets derecognised or repaid (excluding write offs)	(15,169)	(1,281)	(22)	(16,472)	(39,020)	(20,770)	(1,049)	(60,839)
Transfers to Stage 1	-	-	-	-	3,697	(3,697)	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	(2,167)	-	2,167	-	-	(2,150)	2,150	-
Amounts written off (nett of recoveries	-	-	(284)	(284)	-	-	(1461)	(1461)
Gross carrying amount closing balance	1,950	6,181	1,861	9,992	17,343	7,462	-	24,805

Reconciliation of ECL balances is given below:

	FY 2022-23				FY 2021-22			
PARTICULARS	STAGE 1	STAGE 2	STAGE 3	TOTAL	STAGE 1	STAGE 2	STAGE 3	TOTAL
ECL allowance - opening balance	209	747	-	956	278	5,118	-	5,396
New assets originated and changes to models and inputs used for ECL Calculations	8	11	-	19	29	76	-	105
Assets derecognised or repaid (excluding write offs)	(158)	(128)	(0)	(268)	(149)	(3,849)		(3,998)
Transfers to Stage 1					(51)	(73)		(22)
Transfers to Stage 2								
Transfers to Stage 3	(50)		222	172		(525)	525	
Amounts written off (nett of recoveries			(17)	(17)			(525)	(525)
ECL allowance - closing balance	9	630	205	844	209	747	-	956

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 7.1.3 RETAIL LENDING PORTFOLIO

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to retail portfolio is, as follows:

PARTICULARS	FY 2022-23				FY 2021-22			
	STAGE 1	STAGE 2	STAGE 3	TOTAL	STAGE 1	STAGE 2	STAGE 3	TOTAL
Gross carrying amount opening balance	282,899	39,860	18,266	341,025	269,699	53,137	14,340	337,176
New assets originated or purchased	355,924	-	-	355,924	350,195	-	-	350,195
Assets derecognised or repaid (excluding write offs)	(241,528)	(10,016)	(7,127)	(258,671)	(305,473)	(9,054)	(4,978)	(319,505)
Transfers to Stage 1	6,778	(6,134)	(644)	-	1,749	(1,680)	(69)	(0)
Transfers to Stage 2	(17,262)	18,072	(810)	(0)	(19,905)	20,021	(116)	0
Transfers to Stage 3	3,792	(7,342)	11,134	0	(13,366)	(22,564)	35,930	0
Amounts written off (nett of recoveries	-	(10,372)	(12,123)	(22,495)	-	-	(26,841)	(26,841)
Gross carrying amount closing balance	383,019	24,068	8,696	415,783	282,899	39,860	18,266	341,025

Reconciliation of ECL balances is given below:

PARTICULARS	FY 2022-23				FY 2021-22			
	STAGE 1	STAGE 2	STAGE 3	TOTAL	STAGE 1	STAGE 2	STAGE 3	TOTAL
ECL allowance - opening balance	2,741	6,127	12,919	21,787	6,200	4,137	7,942	18,279
New assets originated and changes to models and inputs used for ECL Calculations	6,218	(1,670)	(508)	4,040	1,275	2,346	793	4,414
Assets derecognised or repaid (excluding write offs)	(1,775)	(790)	(3,435)	(6,000)	(4190)	(506)	(891)	(5,587)
Transfers to Stage 1	82	(852)	(414)	(1,184)	15	(55)	(27)	(67)
Transfers to Stage 2	(217)	400	(423)	(240)	(292)	1,082	(60)	730
Transfers to Stage 3	(98)	(1,417)	3,256	1,741	(267)	(877)	11,188	10,044
Amounts written off (nett of recoveries)	-	(55)	(7,710)	(7,765)	-	-	(6,062)	(6,062)
ECL allowance - closing balance	6,951	1,743	3,685	12,379	2,741	6,127	12,919	21,787

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 7.2 LOAN COMMITMENT

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loan commitment is, as follows:

PARTICULARS	FY 2022-23	FY 2021-22
Gross carrying amount opening balance	531	963
New assets originated or purchased	-	287
Assets disbursed/cancelled	(531)	(719)
Gross carrying amount closing balance		531

Reconciliation of ECL balances is given below:

PARTICULARS	FY 2022-23	FY 2021-22
ECL allowance - opening balance	3	5
New assets originated or purchased	-	1
Assets disbursed/cancelled	(3)	(3)
ECL allowance - closing balance		3

MODIFIED FINANCIAL ASSETS

The Group renegotiates loans given to customers in financial difficulties (referred to as forbearance activities, restructuring or rescheduling) to improve the potential of repayment by the borrower maximize collection opportunities and to minimise the risk of default. Under the Companies forbearance policy, loan forbearance is granted on a selective basis if the customer is currently in default on its debt or if there is a high risk of default, there is evidence that the customer made all reasonable efforts to pay under the original contractual terms and the customer is expected to be able to meet the revised terms. The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. The Senior team Risk Management Committee regularly reviews reports on forbearance activities and performance. Upon renegotiation, such accounts are downgraded basis management assessment and are subsequently upgraded to Stage 1 only upon observation of satisfactory repayments of one year from the date of such down-gradation and accordingly loss allowance is measured using 12 month PD

NOTE 7.3 IMPAIRMENT ASSESSMENT

The references below show the Group's impairment assessment and measurement approach as set out in these notes. It should be read in conjunction with the summary of significant accounting policies.

- DEFINITION OF DEFAULT AND CURE

The Group considers a financial instrument as defaulted and classifies it as Stage 3 (credit-impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Group may also classify a loan in Stage 3 if there is significant deterioration in the loan collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment.

Thus, as a part of the qualitative assessment of whether an instrument is in default, the Group also considers a variety of instances that may indicate delay in or non repayment of the loan. When such events occur, the Group carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Classification of accounts into stage 2 is done on a conservative basis and typically accounts where contractual repayments are more than 30 days past due are classified in stage 2.

It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria are present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade once the account is cured, and whether this indicates there has been a significant reduction in credit risk.

- PROBABILITY OF DEFAULT

The credit rating provided by the external rating agencies/account level delinquency/ internal matrix has been considered while assigning Probability of Default (PD) at a portfolio level. The PDs are computed for homogenous portfolio segments. Further refer note 40.2.1

- EXPOSURE AT DEFAULT

The outstanding balance as at the reporting date is considered as EAD by the Group. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

- LOSS GIVEN DEFAULT

Loss Given Default ("LGD") is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. Further refer note no. 40.2.1.

- SIGNIFICANT INCREASE IN CREDIT RISK

The Group evaluates the loans on an ongoing basis. The Group also assesses if there has been a significant increase in credit risk since the previously risk taking into consideration both qualitative and quantiative information. One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due or where existing terms are renegotiated.

One time restructuring (OTR) of loan accounts was permitted by RBI vide circulars dated 6 August 2020 'resolution framework for COVID-19 related stress' and 'Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances' and circulars dated 5 May 2021 'Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses' and 'Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs)'. The Group has considered OTR as an indicator of significant increase in credit risk and accordingly classified such loans as stage 2. Further, the Group has, on demonstration of regular payment for certain accounts post renegotiation and subject to no overdue as per the respective circular guidelines regarding the reversal of provision. No other indicators of significant increase in credit risk on the reporting date, and hence reclassified such loans to stage 1

(All amount in INR lacs, except for share data unless stated otherwise)

- GROUPING FINANCIAL ASSETS MEASURED ON A COLLECTIVE BASIS

The Group calculates ECLs on Retail Portfolio at an obligor level whilst PD rates are applied on collective basis and corporate portfolio on individual basis.

NOTE 7.4 COLLATERAL

The nature of products across these broad categories are either unsecured or secured by collateral. Although collateral is an important risk mitigant of credit risk, the Group's practice is to lend on the basis of assessment of the customer's ability to repay rather than placing primary reliance on collateral. Based on the nature of product and the Group's assessment of the customer's credit risk, a loan may be offered with suitable collateral.

The Group hold collateral to mitigate credit risk associated with secured financial assets. The main type of collateral and type of assets these are associated with are listed in the table below. The collateral presented relates to instruments that are measured at amortised cost.

NATURE OF COLLATERAL	FY 2022-23	FY 2021-22
Corporate-		
Equity shares of the Company, personal guaran tee of the director / promoter, charge against land and building and other collaterals such as fixed assets, debtors, etc.	8,047	24,805
Retail-		
Cars	40	203
Two wheeler	262	2,171
Property	106,464	79,885
Healthcare equipments	32,873	37,205
ECL allowance - closing balance	147,686	144,269

The Group periodically monitors the market value of collateral and evaluates its exposure and loan to value metrics for high risk customers. The Group exercises its right of repossession across all secured products but primarily in its two wheeler and user cars financing business. It also resorts to invoking its right under the SARFAESI Act and other judicial remedies available against its mortgages and commercial lending business. For its corporate loans where collateral is shares, the Group recoups shortfall in value of shares through part recall of loans or additional shares from the customer, or sale of underlying shares

The Group did not hold any financial instrument for which no loss allowance is recognised because of collateral at 31 March 2023 and 31 March 2022. There was no change in the Group's collateral policy or collateral quality during the period.

Refer Note 40.2.2 for risk concentration based on "Sub portfolio's and Secured/unsecured" for Corporate and retail portfolio.

(All amount in INR lacs, except for share data unless stated otherwise)

7.5 - RISK ASSESSMENT MODEL

The Group has designed and operates its risk assessment model that factors in both quantitative as well as qualitative information on the loans and the borrowers. Depending on the nature of the product, the model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour.

	AS AT 31 MARCH 2023				AS AT 31 MARCH 2022			
	AMORTISED COST	FAIR VALUE THROUGH PROFIT OR LOSS*	OTHERS	TOTAL	AMORTISED COST	FAIR VALUE THROUGH PROFIT OR LOSS*	OTHERS	TOTAL
Note 8: Investments								
Mutual funds	-	-	-	-	-	22,130	-	22,130
Mutual funds (Earmarked)	-	217	-	217	-	-	-	
Equity shares	-	475	-	475	-	1,567	-	1,567
Securities receipts#	-	19,258	-	19,258	-	19,628	-	19,628
Government securities	1	-	-	1	1	-	-	1
Pass through Certificates**	3,196	-		3,196	-	-	-	-
Total gross (A)	3,197	19,950	-	23,147	1	43,325	-	43,326
Investments in India	3,197	19,950	-	23,147	1	43,325	-	43,326
Total (B)	3,197	19,950	-	23,147	1	43,325	-	43,326
Total (A) to tally with (B)	3,197	19,950	-	23,147	1	43,325	-	43,326
Less: Allowance for Impairment loss (C)	14	1,538	-	1,552	1	1,510	-	1,511
Total Net D = (A) -(C)	3,183	18,412	-	21,595	-	41,815	-	41,815

*More information regarding the valuation methodologies can be found in note 39.

During the year Group has transferred stressed loan to ARC against security receipts (refer to note 7 & A(4)(b)). The Group has taken Allowance for impairment loss of INR 1,538 as on 31 March 2023 (31 March 2022: INR 1,510) against these security receipts. Sub-sequent to balance sheet date, the Group has received amounting to INR 3,801 towards Security Receipts related to one of the Corporate exposure.

**Investment in Pass through certificates as at 31 March 2023: INR 3,196 (31 March 2022 : Nil) are in Stage 1 Category. ECL on Investment in Pass through Certificates is INR 14 (31 March 2022 : Nil)

NATURE OF COLLATERAL	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Note 9: Other financial assets		
Security deposit	386	340
Other financial assets*	4,523	2,454
Less: Impairment loss allowance	(241)	(312)
Operating lease receivables	78	153
Total	4,746	2,635

*Including EIS receivable of INR 4,051 as at 31 March 2023 (31 March 2022 : INR 2,122)

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 10A: PROPERTY, PLANT AND EQUIPMENT

		GROSS BLOCK				DEPRECIATION				NET BLOCK
S. NO	PARTICULARS	COST AS AT 1 APRIL 2022	ADDITION DURING THE YEAR	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	COST AS AT 31 MARCH 2023	AS AT 1 APRIL 2022	FOR THE PERIOD	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	AS AT 31 MARCH 2023	AS AT 31 MARCH 2023
	Freehold land	22		(22)						
	Leasehold improvements	496		4	500	379	65	4	448	52
	Computers	845	71	(4)	912	822	36	(10)	848	64
	Vehicles									
	Office equipment	342	20	(63)	299	280	36	(61)	255	44
	Furniture and fittings	85	2	(1)	86	42	8	0	50	36
	Owned assets given on lease									
	Plant and equipment's	5,414	1531	(965)	5,980	1549	863	(529)	1883	4097
	Computers	151		(53)	98	109	24	(47)	86	12
	Vehicles	4,105	88	(3,394)	799	2875	222	(2,614)	483	316
	Assets taken on finance lease									
	Vehicles									
	Total	11,460	1,712	(4,498)	8,674	6056	1254	(3257)	4053	4621

		GROSS BLOCK				DEPRECIATION				NET BLOCK
S. NO	PARTICULARS	COST AS AT 1 APRIL 2021	ADDITION DURING THE YEAR	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	COST AS AT 31 MARCH 2022	AS AT 1 APRIL 2021	FOR THE PERIOD	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	AS AT 31 MARCH 2022	AS AT 31 MARCH 2022
	Freehold land	22	-	-	22	-	-	-	-	22
	Leasehold improvements	1246	-	(750)	496	847	242	(710)	379	117
	Computers	922	-	(77)	845	796	99	(73)	822	23
	Vehicles	60	17	(77)	-	35	16	(51)	-	-
	Office equipment	390	-	(48)	342	236	72	(28)	280	62
	Furniture and fittings	216	-	(131)	85	129	25	(112)	42	43
	Owned assets given on lease									
	Plant and equipment's	6174	314	(1,074)	5414	1302	903	(656)	1549	3,865
	Computers	164	-	(13)	151	87	34	(12)	109	42
	Vehicles	13,263	172	(9330)	4105	8562	1447	(7134)	2875	1230
	Assets taken on finance lease									
	Vehicles	163	-	(163)	-	107	21	(128)	-	-
	Total	22,620	503	(11663)	11460	12101	2859	(8904)	6056	5404

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 10B: OTHER INTANGIBLES ASSET

		GROSS BLOCK				AMORTISATION				NET BLOCK
S. NO	PARTICULARS	COST AS AT 1 APRIL 2022	ADDITION DURING THE YEAR	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	COST AS AT 31 MARCH 2023	AS AT 1 APRIL 2022	FOR THE PERIOD	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	AS AT 31 MARCH 2023	AS AT 31 MARCH 2023
1.	Software	6,899	1,095	(5)	7,989	4,517	865	-	5,382	2,607
2.	Goodwill (refer note 55)	36,768	-	-	36,768	-	-	-		36,768
	Total	43,667	1,095	(5)	44,757	4,517	865	-	5,382	39,375

		GROSS BLOCK				AMORTISATION				NET BLOCK
S. NO	PARTICULARS	COST AS AT 1 APRIL 2021	ADDITION DURING THE YEAR	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	COST AS AT 31 MARCH 2022	AS AT 1 APRIL 2021	FOR THE PERIOD	ADJUSTMENTS/ DEDUCTIONS DURING THE YEAR	AS AT 31 MARCH 2022	AS AT 31 MARCH 2022
1.	Software	6,437	462	-	6,899	2,970	1,547	-	4,517	2,382
2.	Goodwill (refer note 55)	36,768	-	-	36,768	-	-	-		36,768
	Total	43,205	462	-	43,667	2,970	1,547	-	4,517	39,150

NOTE 10C:

No Title deeds of Immovable properties which are not held in name of the Holding Company as at 31 March 2023 except below

RELEVANT LINE ITEM IN THE BALANCE SHEET	DESCRIPTION OF ITEM OF PROPERTY	GROSS CARRYING VALUE	TITLE DEEDS HELD IN THE NAME OF	WHETHER TITLE DEED HOLDER IS PROMOTER, DIRECTOR OR RELATIVE # OF PROMOTER/DIRECTOR OR EMPLOYEE OF PROMOTER/DIRECTOR	PROPERTY HELD SINCE WHICH DATE	REASON FOR NOT BEING HELD IN THE NAME OF THE COMPANY
Asset held for sale	Residential Flat	501	K.C. Sheth (HUF)	No	31-Mar-21	Property repossessed as per the court decree order against receivables.
Asset held for sale	Collateral properties against loans	344	Respective borrowers	No	April 22 - March 23	Possession of assets taken under Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI")
Total		845				

(All amount in INR lacs, except for share data unless stated otherwise)

No Title deeds of Immovable properties which are not held in name of the Holding Company as at 31 March 2023 except below

RELEVANT LINE ITEM IN THE BALANCE SHEET	DESCRIPTION OF ITEM OF PROPERTY	GROSS CARRYING VALUE	TITLE DEEDS HELD IN THE NAME OF	WHETHER TITLE DEED HOLDER IS PROMOTER, DIRECTOR OR RELATIVE # OF PROMOTER/DIRECTOR OR EMPLOYEE OF PROMOTER/DIRECTOR	PROPERTY HELD SINCE WHICH DATE	REASON FOR NOT BEING HELD IN THE NAME OF THE COMPANY
Asset held for sale	Collateral properties against loans	424	Respective borrowers	No	April 22 - March 23	Possession of assets taken under Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI")

NOTE 10D OPERATING LEASES – GROUP AS LESSOR

The Group leases vehicles, machine tools, cranes, research and development equipment's, earth moving machines, computers, etc. and air jet looms on operating leases. These leases have an average life of between three and five years with no renewal option included in the contracts.

Future minimum lease payments under non–cancellable operating leases as at 31 March 2023 and 31 March 2022 are, as follows:

PARTICULARS	31 MARCH 2023	31 MARCH 2022
Asset held Within one year	1,559	1,604
After one year but not more than five years	4,345	4,572
More than five years	86	37
Total	5,990	6,213

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 11A: INTANGIBLE ASSETS UNDER DEVELOPMENT

S. NO.	PARTICULARS	GROSS BLOCK			
		Cost as at 1 April 2022	Addition during the year	Adjustments/ Deductions during the year	Cost as at 31 March 2023
1	Intangible assets under development #	793	411	(1,095)	109
	Total	793	411	(1,095)	109

S. NO.	PARTICULARS	GROSS BLOCK			
		Cost as at 1 April 2021	Addition during the year	Adjustments/ Deductions during the year*	Cost as at 31 March 2022
1	Intangible assets under development #	478	783	(468)	793
	Total	478	783	(468)	793

* Out of INR 468 , Group has capitalized INR 441 in Software under " Other Intangible assets " and remaining amount has been expensed off as it does not satisfy the criteria for recognition as intangible assets.

INTANGIBLE ASSETS UNDER DEVELOPMENT AGING AS AT 31 MARCH 2023

INTANGIBLE ASSETS UNDER DEVELOPMENT*	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lending software and components	93	16	-	-	109

INTANGIBLE ASSETS UNDER DEVELOPMENT AGING AS AT 31 MARCH 2022

INTANGIBLE ASSETS UNDER DEVELOPMENT*	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lending software and components	582	199	12	-	793

*The Group does not have any project temporary suspended or any Intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence Intangible asset under development completion schedule is not applicable.

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 11B: RIGHT-OF-USE ASSETS		
Opening balance of Right-of-use assets	593	1,436
Add: Additions to right-of-use assets during the year	282	144
Less: Depreciation on right-of-use assets during the year	(412)	(524)
Less: Re-measurement impact on right-of-use during the year	(4)	(463)
Closing balance of right-of-use assets	459	593

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 11C: LEASE LIABILITIES		
Opening balance of lease liability	795	1,749
Add: Additions to lease liability during the year	282	144
Add: Interest cost charged during the year	77	153
Less: Lease rentals paid during the year	(538)	(687)
Less: Impact of Re-measurement of lease liability during the year	1	(564)
Closing balance of Lease liabilities	617	795

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 12: OTHER NON-FINANCIAL ASSETS		
Prepaid expenses	1,794	1,060
Minimum alternate tax recoverable (refer note-56)	-	2,053
Advance to suppliers	224	115
Less: Provision	(45)	(50)
	179	65
Balance with statutory and government authorities		
- Considered good	2,140	866
- Considered doubtful	2,667	1,847
Less: Provision	(2,667)	(1,847)
	2,140	866
Security deposit		
- Considered doubtful	2	2
Less: Provision	(2)	(2)
	-	-
Lease rental accrued but not due	356	450
Total	4,469	4,494

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 13: PAYABLES		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises#	229	37
Total outstanding dues of creditors other than micro enterprises and small enterprises	14,280	7,456
Other payables		
Total outstanding dues of micro enterprises and small enterprises#	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,086	8,460
Total	24,595	15,953

(All amount in INR lacs, except for share data unless stated otherwise)

THE AGEING SCHEDULE FOR TRADE PAYABLES DUE FOR PAYMENT: AS AT 31 MARCH 2023-

PARTICULARS	UNBILLED/ NOT DUE	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT#				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	220	9	-	-	-	229
(ii) Others	13,598	682	-	-	-	14,280
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

THE AGEING SCHEDULE FOR TRADE PAYABLES DUE FOR PAYMENT: AS AT 31 MARCH 2022-

PARTICULARS	UNBILLED/ NOT DUE	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT#				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	37	0	-	-	-	37
(ii) Others	7,455	1	-	-	-	7,456
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

#Based on and to the extent of the information received by the Group from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at the year-end are furnished below:

	As at 31 March 2023	As at 31 March 2022
Principal amount due to suppliers under MSMED Act, as at the year end.	229	37
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 14: DEBT SECURITIES AT AMORTISED COST SECURED		
Non-convertible debentures#		
- From Bank	8,778	13,068
- From Other parties	17,920	20,357
UNSECURED		
Commercial paper		
- From Bank	3,408	2,403
- From Other parties	1,553	4,859
Non-convertible debentures		
- From Other parties	20,006	40,013
Total gross (A)	51,665	80,700
Debt securities in India	51,665	80,700
Debt securities outside India	-	-
Total (B) to tally with (A)	51,665	80,700

Out of total secured debentures of INR 26,698 lacs, debentures amounting to INR.22,634 lacs are fully secured by first ranking pari passu and continuing charge by the way of hypothecation on the receivables, present and future and debentures amounting to INR. 4,064 lacs are fully secured by way of an exclusive charge over the specific asset portfolio of receivables.

NON-CONVERTIBLE DEBENTURES - 31 MARCH, 2023

ORIGINAL MATURITY OF NCDS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
ISSUED AT PAR AND REDEEMABLE AT FACE VALUE					
365 - 730	6,400	1,250	-	-	7,650
730 - 1095	5,500	-	2,500	-	8,000
1095 - 1460	-	-	-	-	-
More than 1460	20,000	-	-	-	20,000
Total	31,900	1,250	2,500	-	35,650

- Interest rate ranges from 9.20% p.a. to 11.55% p.a. as at 31 March 2023.

ORIGINAL MATURITY OF NCDS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
ISSUED AT PAR AND REDEEMABLE AT PAR (MARKET LINKED INTEREST RATE)					
365 - 730	7,000	-	-	-	7,000
730 - 1095	-	3,500	-	-	3,500
1095 - 1460	-	-	-	-	-
More than 1460	-	-	-	-	-
Total	7,000	3,500	-	-	10,500

- Interest rate ranges from Nil p.a. to 10.66% p.a. as at 31 March 2023.
- INR (413) difference on account of EIR adjustment and INR 965 on account of interest accrued but not due.

(All amount in INR lacs, except for share data unless stated otherwise)

NON-CONVERTIBLE DEBENTURES - 31 MARCH, 2022

ORIGINAL MATURITY OF NCDS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
Issued at par and redeemable at face value					
365 - 730	6,200	3,000	-	-	9,200
730 - 1095	-	5,500	-	-	5,500
1095 - 1460	-	-	-	-	-
More than 1460	-	40,000	-	-	40,000
Total	6,200	48,500	-	-	54,700

- Interest rate ranges from 9.20% p.a. to 11.55% p.a. as at 31 March 2022.

ORIGINAL MATURITY OF NCDS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
Issued at par and redeemable at par (Market linked interest rate)					
365 - 730	12,610	4,440	-	-	17,050
730 - 1095	-	-	-	-	-
1095 - 1460	-	-	-	-	-
More than 1460	-	-	-	-	-
Total	12,610	4,440	-	-	17,050

- Interest rate ranges from 9.20% p.a. to 11.55% p.a. as at 31 March 2022.
- INR (235) difference on account of EIR adjustment and INR 1,924 on account of interest accrued but not due.

[2] COMMERCIAL PAPERS AS AT 31 MARCH 2023 ARE REPAYABLE AT PAR AS FOLLOWS:

ORIGINAL MATURITY OF CPS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
Issued at par and redeemable at par	-	-	-	-	-
Up to 365	5,245	-	-	-	5,245
Total	5,245	-	-	-	5,245

- discount rate ranges from 9.6 % p.a. to 9.81% p.a. as at 31 March 2023.
- INR (284) is on account of amortisation of discount on Commercial paper.

COMMERCIAL PAPERS AS AT 31 MARCH 2022 ARE REPAYABLE AT PAR AS FOLLOWS:

ORIGINAL MATURITY OF CPS (IN NO. OF DAYS)	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	More than 3 years	Total
Issued at par and redeemable at par	-	-	-	-	-
Up to 365	7,500	-	-	-	7,500
Total	7,500	-	-	-	7,500

- discount rate ranges from 7 % p.a. to 9.10% p.a. as at 31 March 2022.
- INR (238) is on account of amortisation of discount on Commercial paper.

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 15: BORROWINGS (OTHER THAN DEBT SECURITIES)		
At Amortised cost Secured		
Term loans*		
- from Banks	118,912	90,781
- from other parties	73,265	50,168
Loan repayable on demand		
- from Banks**	1,908	2,060
Finance lease obligation from related parties	-	-
Borrowing against Securitised Portfolio***	91,109	54,556
Unsecured		
Loans from related parties	-	-
Total gross (A)	285,194	197,565
Borrowings in India	285,194	197,565
Borrowings outside India	-	-
Total (B) to tally with (A)	285,194	197,565

TERMS OF REPAYMENT OF BORROWINGS OUTSTANDING AS AT 31 MARCH 2023

PARTICULARS	DUE WITHIN 1		DUE 1 TO 3		>3 YEARS		TOTAL	
	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount
Monthly repayment schedule	401	78,405	335	40,018	550	4,356	1,286	122,779
Quarterly repayment schedule	136	60,656	149	70,115	29	11,880	314	142,651
Half yearly repayment schedule	-	-	-	-	-	-	-	-
At the end of tenure*	8	20,907	-	-	-	-	8	20,907
Total	545	159,968	484	110,133	579	16,236	1,608	286,337

- Interest rate range from 8.00% p.a. and 12.00% p.a. as at 31 March 2023.
- INR (1,948) difference on account of EIR adjustment and INR 805 on account of interest accrued but not due.

*Include Loan repayable on demand INR 1,908.

TERMS OF REPAYMENT OF BORROWINGS OUTSTANDING AS AT 31 MARCH 2022

PARTICULARS	DUE WITHIN 1		DUE 1 TO 3		>3 YEARS		TOTAL	
	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount
Monthly repayment schedule	198	49,423	310	16,829	17	231	525	66,483
Quarterly repayment schedule	119	44,937	150	54,712	49	15,200	318	114,849
Half yearly repayment schedule	4	4,500	-	-	-	-	4	4,500
At the end of tenure*	8	13,060	-	-	-	-	8	13,060
Total	329	111,920	460	71,541	66	15,431	855	198,892

- Interest rate range from 6.75% p.a. and 11.50% p.a. as at 31 March 2022.
- INR (1,606) difference on account of EIR adjustment and INR 299 on account of interest accrued but not due.

*Include Loan repayable on demand INR 2,060.

*** Term Loans :**

-Term loan INR 1,46,927 (31 March 2022: INR 1,40,949) is secured by first pari passu charge on all current and future standard book debts/receivable of the borrower excluding i) any moveable, fixed or immovable asset; ii) any investments in affiliate, group companies, joint venture or subsidiary; and iii) statutory liquid ratio investment of the borrower from time to time.

-Term loan INR 33,289 is secured by first pari passu charge on all current and future standard book debts/receivable and fixed deposit of the borrower excluding i) any moveable, fixed or immovable asset; ii) any investments in affiliate, group companies, joint venture or subsidiary; and iii) statutory liquid ratio investment of the borrower from time to time.

-Term loans INR 11,961 is secured by first ranking, exclusive charge via a deed of hypothecation over the asset portfolio of receivables.

** Bank Overdraft is secured by first pari passu charge on all current and future standard book debts/receivable of the borrower excluding i) any moveable, fixed or immovable asset; ii) any investments in affiliate, group companies, joint venture or subsidiary; and iii) statutory liquid ratio investment of the borrower from time to time.

***Borrowing against Securitised Portfolio is associated liabilities to securitized asset that has been re-recognised due to non fulfilment of derecognition criteria as per Ind AS The Group's working capital sanctioned limits were in excess of INR 500 lacs during the year, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the group with such banks are in agreement with the books of account of the group.

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 16: OTHER FINANCIAL LIABILITIES		
Security deposit from customers	3,999	3,193
Employee payables	1,391	804
Capital creditors	57	146
Advances received from customer	4,990	4,714
Total	10,437	8,857

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 17: PROVISIONS		
Provision for employee benefits		
- Compensated absences (Refer note 31)	187	226
- Gratuity (Refer note 31)	67	53
Provision for loan commitment	-	3
Provision for sales tax and service tax (Refer note 34 (B))	3,064	2,917
Provision for customer disputes (Refer note 34 (B))	49	49
Provision for CSR Expenses	68	124
Other Provisions	2	14
Total	3,437	3,384

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 18: OTHER NON-FINANCIAL LIABILITIES		
Statutory dues payable	2,652	2,018
Others	1,210	630
Total	3,862	2,648

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 19: EQUITY SHARE CAPITAL **AUTHORIZED SHARE CAPITAL**		
3,361,000,000 (31st March, 2022: 2,160,000,000) Equity Shares of INR 10/- each	336,100	216,000
Total	336,100	216,000
NOTE 19: EQUITY SHARE CAPITAL **ISSUED , SUBSCRIBED & PAID UP CAPITAL**		
ISSUED CAPITAL 1,435,993,643 (31st March, 2022: 1,435,993,543) Equity Shares of INR 10/- each	143,599	143,599
SUBSCRIBED, CALLED-UP AND PAID UP CAPITAL Fully Paid-Up 143,599 143,599 1,435,993,643 (31st March, 2022: 1,435,993,543) Equity Shares of INR 10/- each	143,599	143,599
Total	143,599	143,599

*Change in Authorized share capital is on account of Amalgamation of Clix Finance Private Limited into the Holding Company (refer note - 55)

(All amount in INR lacs, except for share data unless stated otherwise)

THE RECONCILIATION OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD:

NAME OF THE SHAREHOLDER	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022	
	No. of shares	Amount	No. of shares	Amount
Equity share at the beginning of period	1,435,993,543	143,599	1,435,993,543	143,599
Add: Shares issued during the period	100	0.01	-	-
Equity share at the end of period	1,435,993,643	143,599	1,435,993,543	143,599

During the year the Holding Company has issued 100 shares (Face Value INR 10 per share) at INR 19.35 per share to Catalyst Trusteeship Limited (Clix Employee Stock Trust) on exercise of ESOP options raising total capital of INR 1,935 (absolute value) including security premium of INR 935 (absolute value).

SHARES HELD BY HOLDING COMPANY, / ULTIMATE HOLDING COMPANY AND/ OR THEIR SUBSIDIARIES/ ASSOCIATES

NAME OF THE SHAREHOLDER	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022	
	No. of shares	% of holding	No. of shares	% of holding
Plutus Financials Private Limited (Mauritius)	1,435,993,541	100.00%	1,435,993,541	100.00%
Plutus Capital Private Limited (Mauritius) Add: Shares issued during the period	2	0.00%	2	0.00%
Total	1,435,993,543	100.00%	1,435,993,543	100.00%

As per records of the Holding Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

SHARES HELD BY PROMOTERS

NAME OF THE SHAREHOLDER	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022		% CHANGE DURING THE YEAR
	No. of shares	% of holding	No. of shares	% of holding	
Plutus Financials Private Limited (Mauritius)	1,435,993,541	100.00%	1,435,993,541	100.00%	0.00%
Total	1,435,993,541	100.00%	1,435,993,541	100.00%	0.00%

As per records of the Holding Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE HOLDING COMPANY

NAME OF THE SHAREHOLDER	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022		% CHANGE DURING THE YEAR
	No. of shares	% of holding	No. of shares	% of holding	
Plutus Financials Private Limited (Mauritius)	1,435,993,541	100.00%	1,435,993,541	100.00%	0.00%
Total	1,435,993,541	100.00%	1,435,993,541	100.00%	0.00%

As per records of the Holding Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares..

(All amount in INR lacs, except for share data unless stated otherwise)

RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO SHARES

The Holding Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder of the Holding Company is entitled to vote in proportion of the share of paid-up capital of the Holding Company held by the shareholder. Each shareholder is entitled to receive interim dividend when it is declared by the Board of Directors. The final dividends proposed by the Board of Directors are paid when approved by the shareholders at Annual General Meeting. In the event of liquidation, the shareholders of the Holding Company are entitled to receive the remaining assets of the Group after discharging all liabilities of the Group in proportion to their shareholdings.

AGGREGATE NUMBER OF BONUS SHARES ISSUED DURING THE PERIOD OF FIVE YEARS IMMEDIATELY PRECEDING THE REPORTING DATE

	AS AT 31 MARCH 2022	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020	AS AT 31 MARCH 2019	AS AT 31 MARCH 2018
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	-	-
Equity shares allotted as fully paid bonus shares by capitalisation of general reserve	-	-	-	-	-
Equity shares allotted as fully paid bonus shares by capitalisation of Credit balance in Statement of Profit and Loss	-	-	-	-	-
Total	-	-	-	-	-

AGGREGATE NUMBER OF SHARES BOUGHT BACK DURING THE PERIOD OF FIVE YEARS IMMEDIATELY PRECEDING THE REPORTING DATE

	AS AT 31 MARCH 2022	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020	AS AT 31 MARCH 2019	AS AT 31 MARCH 2018
Equity shares bought back by capitalisation of Statement of Profit and Loss and transferred to capital redemption reserve (INR 10 face value of each share)	-	-	-	-	-
Total	-	-	-	-	-

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 20: OTHER EQUITY		
Capital reserve		
Opening balance	121	121
Addition/(Deduction)	-	-
Closing balance	121	121
Capital reserve created pursuant to merger		
Opening balance	4,000	4,000
Addition/(Deduction)	-	-
Closing balance	4,000	4,000
Statutory reserve		
Opening balance	23,134	23,081
Addition/(Deduction)	553	53
Closing balance	23,687	23,134
Capital redemption reserve pursuant to buy back of shares		
Opening balance	11,880	11,880
Addition/(Deduction)	-	-
Closing balance	11,880	11,880
Share based payment reserve		
Opening balance	1,107	654
Addition/(Deduction)	853	453
Closing balance	1,960	1,107
Share premium		
Opening balance	10,304	10,304
Addition/(Deduction)	0.01	-
Closing balance	10,304	10,304
Retained earnings		
Opening balance	4,685	14,532
Profit/ (loss) for the year	2,833	(9,847)
Remeasurement of gains on defined employee benefit plans, net of tax	30	53
Transfer to statutory reserves	(553)	(53)
Closing balance	6,995	4,685
Total	58,947	55,231

NATURE AND PURPOSE OF RESERVES:

(a) Capital reserve: Till the year ended 31 March 2012, the Group was not required to pay any amount to the General Electric Company, USA (then ultimate holding company) towards the cost of options granted or shares allotted to the employees of the Group under these share based compensation plans. Therefore, till the year ended 31 March 2012, the Group recognized share based compensation in the Statement of Profit and Loss with a corresponding credit to Capital Reserve Account (Share Options Outstanding Account). There is no corresponding liability for the same and therefore same is in the nature of free reserve.

(b) Capital reserve created pursuant to merger: During the financial year 2012-13, Maruti Countrywide Auto Financial Services Private Limited (MCW) was amalgamated with GE Money Financial Services Private Limited (GEMFSPL) pursuant to the scheme of amalgamation. Upon the Scheme becoming effective, the entire amount of authorised share capital of the transferor company amounting to INR 4,000 divided into 40,000,000 equity shares of INR 10 each got transferred from the authorised share capital to the authorised share capital of GEMFSPL as equity shares and Capital Reserve of INR 4,000 was created during the year ended 31 March 2013.

(c) Statutory reserve: Statutory reserve represents the reserve fund created under Section 45-IC of the Reserve Bank of India Act, 1934 and reserve fund created under Section 29C of the National Housing Bank Act, 1987 . Under aforementioned Sections, the Group is required to transfer sum not less than twenty percent of its net profit every year. During the year ended 31 March 2023, the Group has transferred INR 553 in reserve fund being twenty percent of the profits. However, the Group has incurred losses on a consolidated level in previous financial year, the Group has transferred INR 53 for year ended 31 March 2022, being twenty percent of net profits generated by Clix Housing Finance Limited, its wholly owned subsidiary,for the financial year to the statutory reserve. The statutory reserve can be utilised for the purposes as specified by the Reserve Bank of India and National Housing Bank from time to time.

(d) Capital redemption reserve pursuant to buy back of shares: During the year ended March 2017, the Board of Directors in their meeting held on 4 November 2016 approved buy back 118,803,425 equity shares of the paid-up equity share capital of the Holding Company at a price of INR 12.7 per fully paid equity share from shareholders. The total number of equity shares of 118,803,425 were purchased by the Holding Company under the offer of buy back for a consideration of INR 15,088.

(e) Securities premium: Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(f) Share based payment reserve: The share based payment reserve is used to recognise the value of equity-settled share based payments provided to employees and its subsidiary's employees, including key managerial personnel, as part of their remuneration.

(g) Retained earnings: These represent the surplus in the profit and loss account and is free for distribution of dividend.

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 21: INTEREST INCOME		
On financial assets measured at amortised cost		
Interest on loans		
- On term loans	61,390	54,688
- On finance lease receivables	682	1,074
Interest income on pass through certificates	293	-
Total (A) Gross	62,365	55,762

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 22: FEES AND COMMISSION		
Credit compliance and debt advisory fees (refer note 38)	290	-
Application fees	198	36
Insurance commission (refer note 38)	-	23
Other charges	2,443	3,384
	2,931	3,443

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 23: NET GAIN/ (LOSS) ON FAIR VALUE CHANGES		
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio	966	2,955
Total Net gain on fair value changes (A)	966	2,955
(B) Fair value changes:		
-Realised	1,604	2,286
-Unrealised	(638)	669
Total Net gain on fair value changes(A) to tally with (B)	966	2,955

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 24: OTHER INCOME		
Liabilities/provisions no longer required written back	25	102
Interest income		
- on income tax refund	935	1,456
- on fixed deposits	1,189	733
Interest income on unwinding of discount on security deposit	(91)	140
Net gain on Sale of investment in Pass through certificates	15	-
Net gain/(loss) on derecognition of property, plant and equipment	30	(3)
Miscellaneous Income	681	186
Total	2,784	2,614

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 25: FINANCE COSTS		
At amortised cost		
Interest on borrowings (other than debt securities)		
- Term loan from banks	9,737	8,269
- Term loan from Other parties	5,484	4,028
- On bank overdraft	204	281
- Securitised borrowin	7,067	4,443
Other interests	-	154
Bank charges	1	1
Interest on debt securities		
- Discount on commercial papers	485	445
- Non convertible debentures	8,276	11,334
Unwinding of discount on security deposits	(106)	140
Interest on Lease liability	77	153
Total (A) Gross	31,225	29,248

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 26: IMPAIRMENT ON FINANCIAL INSTRUMENTS		
At amortised cost		
ECL on loan assets	(9,524)	(934)
ECL adjusted against interest income on Stage 3 loans #	(240)	
ECL on other financial assets	(76)	239
Bad debt written off/recovered*	22,779	28,302
Investments	40	1,510
Total	12,979	29,117

* includes loss on sale of finance lease amounting to Nil (31 March 2022 : INR 173).
# relating to interest on credit impaired assets, which is netted off from interest income in accordance with Ind AS 109 on Financial Instruments.

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 27: EMPLOYEE BENEFITS EXPENSES		
Salaries and bonus	7,785	7,406
Share based payments to employees (Refer note 44)	853	453
Note 31: Retirement benefit plan Contribution to provident and other funds (Refer note 31)	449	435
Staff welfare expenses	140	83
Total	9,227	8,337

(All amount in INR lacs, except for share data unless stated otherwise)

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
NOTE 28: OTHER EXPENSES		
Rent	277	416
Rates and taxes	346	449
Printing and stationery	82	24
Advertisements and sales promotion	502	335
Legal and professional charges*	2,431	2,362
CSR expense (Refer note 41)	-	92
Outsourced service cost	779	396
Postage, telegrams and telephones	63	100
Travelling and conveyance	426	230
Repairs and maintenance	110	259
Insurance	270	260
Information Technology Cost	2,230	1,966
Collection Expense	3,175	2,119
Electricity and water charges	39	35
Miscellaneous expenses	109	166
Total	10,839	9,209

* LEGAL AND PROFESSIONAL CHARGES INCLUDES PAYMENT TO AUDITORS (EXCLUDING GOODS AND SERVICE TAX) COMPRISES THE FOLLOWING:

PARTICULARS	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
As auditor		
- Statutory audit	24	38
- Limited Review	14	11
- Tax audit	3	3
- Other services	1	10
Reimbursement of expenses	2	2
Total	44	64

NOTE 29: INCOME TAX

THE COMPONENTS OF INCOME TAX EXPENSE FOR THE YEARS ENDED 31 MARCH 2023 AND 31 MARCH 2022 ARE:

PROFIT OR LOSS SECTION YEAR ENDED	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
CURRENT INCOME TAX:		
Current income tax charge	234	16
Adjustments in respect of current income tax of previous year	(432)	(4)
DEFERRED TAX:		
Relating to origination and reversal of temporary differences	1196	(3,048)
Adjustments in respect of Deferred tax recognised for previous year	(3)	26
Income tax expense reported in the statement of profit or loss	955	(3,010)
Current tax	(198)	12
Deferred tax	1,193	(3,022)

OTHER COMPREHENSIVE INCOME SECTION	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
DEFERRED TAX:		
Relating to origination and reversal of temporary differences	10	13
Adjustments in respect of Deferred tax recognised for previous year	-	-
Income tax expense reported in the other comprehensive section	10	13
Income tax expense reported in the statement of profit and loss	1,005	(2,997)

OTHER COMPREHENSIVE INCOME SECTION	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
DEFERRED TAX:		
Relating to origination and reversal of temporary differences	10	13
Adjustments in respect of Deferred tax recognised for previous year	-	-
Income tax expense reported in the other comprehensive section	10	13
Income tax expense reported in the statement of profit and loss	1,005	(2,997)

RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S DOMESTIC TAX RATE FOR 31 MARCH 2023 & 31 MARCH 2022

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Accounting profit/(loss) before income tax	5,882	(12,857)
TAX AT APPLICABLE STATUTORY INCOME TAX RATE (A)	**1,456**	**(3,043)**
Adjustment in respect of Current tax of previous year (B)	(432)	(4)
Non-deductible expenses (C)	(25)	61
Impact due to rate difference on timing items/previous year true up (D)	(4)	(24)
Income tax expense reported in the profit or loss section (A+B+C+D)	995	(3,010)
OTHER COMPREHENSIVE INCOME	**66**	**40**
TAX AT STATUTORY INCOME TAX RATE (E)	**10**	**17**
Impact due to rate difference on timing items/previous year true up (F)	-	-
Impact due to non recognition of DTA on timing difference (G)	-	(4)
Tax impact reported on Other Comprehensive Income (E+F+G)	10	13

DEFERRED TAX

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITY	NET DEFERRED TAX ASSET / (LIABILITIES)	INCOME STATEMENT	OCI
	As at 31 March 2023	As at 31 March 2023	As at 31 March 2023	Year ended 31 March 2023	Year ended 31 March 2023
Property, plant and equipment	6,973	(18)	6,955	(740)	-
ECL on Loan and advances/Investment/Loan commitment	3,323	-	3,323	(2,783)	-
Provision for expense	580	-	580	232	-
43B Disallowance	64	-	64	(5)	-
Unabsorbed loss	6,372	-	6,372	2,916	-
Others	1,974	(1)	1,973	820	-
Unamortised cost (net of unamortised fees)	-	(1,974)	(1,974)	(986)	-
Impact of ARC security receipt	-	(657)	(657)	(657)	-
Remeasurement of defined benefit liability	-	-	-	10	(10)
	19,286	(2,650)	16,636	(1,193)	(10)

	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITY	NET DEFERRED TAX ASSET / (LIABILITIES)	INCOME STATEMENT	OCI
	As at 31 March 2022	As at 31 March 2022	As at 31 March 2022	Year ended 31 March 2022	Year ended 31 March 2022
Property, plant and equipment	7,695	-	7,695	(331)	-
ECL on Loan and advances/Investment/Loan commitment	6,107	-	6,106	285	-
Provision for expense	348	-	348	(3)	-
43B Disallowance	68	-	68	(30)	-
Unabsorbed loss	3,456	-	3,456	3,456	-
Others	1,154	-	1,154	172	-
Unamortised cost (net of unamortised fees)	-	(988)	(988)	(540)	-
Remeasurement of defined benefit liability	-	-	-	13	(13)
	18,828	(988)	17,839	3,022	(13)

NOTE 30: EARNING PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit/(loss) for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the net profit/(loss) attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Following reflects the profit and share data used in EPS computations:		
BASIC		
Weighted average number of equity shares for computation of Basic EPS (in lacs)	14,360	14,360
Net profit/(loss) for calculation of Basic EPS (INR)	2,833	(9,847)
Basic earning per share (In INR)	0.20	(0.69)
DILUTED		
Weighted average number of equity shares for computation of Diluted EPS	14,924	14,749
Net profit/(loss) for calculation of Diluted EPS (INR)	2,833	(9,847)
Diluted earning per share (In INR)	0.19	*(0.69)
*As the weighted average number of shares for diluted EPS are anti-dilutive and resulting in increase in dilutive EPS, diluted EPS has been kept same as basic EPS.		
Nominal / Face Value of equity shares (In INR)	10	10

Reconciliation of weighted average number of equity shares for the year ended 31 March 2023 for basic and diluted earnings per share:

PARTICULARS	WEIGHTED AVERAGE NO. OF SHARES	
	BASIC	DILUTED
Equity shares of face value of INR 10 per share		
Opening	14,360	14,749
Additions	0.001	175
Closing	14,360	14,924

Reconciliation of weighted average number of equity shares for the year ended 31 March 2022 for basic and diluted earnings per share:

PARTICULARS	WEIGHTED AVERAGE NO. OF SHARES	
	BASIC	DILUTED
Equity shares of face value of INR 10 per share		
Opening	14,360	14,227
Additions	-	552
Closing	14,360	14,749

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 31: RETIREMENT BENEFIT PLAN

i) Defined contribution plan

During the year, the Group has recognised the following amounts in the Statement of profit and loss:

	As at 31 March 2023	As at 31 March 2022
Employers' Contribution to Employee's Provident Fund*	324	327
	324	327

* Provident fund is a defined contribution plan. The contribution towards provident fund has been deposited with Regional Provident Fund Commissioner and is charged to Consolidated Statement of Profit and Loss.

ii) Defined benefit plan

The Group pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The Group makes contributions to its own Gratuity Trust. The gratuity trust invests the contribution in insurer managed scheme.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

CHANGES IN THE DEFINED BENEFIT OBLIGATION AND FAIR VALUE OF PLAN ASSETS AS AT 31 MARCH 2023:

PARTICULARS	1 APRIL 2022	GRATUITY COST CHARGED TO PROFIT OR LOSS			1 APRIL 2022	REMEASUREMENT GAINS/(LOSSES) IN OTHER COMPREHENSIVE INCOME						CONTRIBUTIONS BY EMPLOYER	31 MARCH 2023
		Service cost	Net interest expensemount	Sub-total included in profit or loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Change in surplus/ deficit	Sub-total included in OCI		
Defined benefit obligation	348	80	18	98	(42)	-	(10)	5	(23)	-	(28)	-	376
Fair value of plan assets	295	-	18	18	(42)	12	-	-	-	-	12	26	309
Asset ceiling	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability /(assets)	53	80	0	80	-	(12)	(10)	5	(23)	-	(40)	(26)	67

CHANGES IN THE DEFINED BENEFIT OBLIGATION AND FAIR VALUE OF PLAN ASSETS AS AT 31 MARCH 2022:

PARTICULARS	1 APRIL 2021	GRATUITY COST CHARGED TO PROFIT OR LOSS			1 APRIL 2021	REMEASUREMENT GAINS/(LOSSES) IN OTHER COMPREHENSIVE INCOME						CONTRIBUTIONS BY EMPLOYER	31 MARCH 2022
		Service cost	Net interest expensemount	Sub-total included in profit or loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Change in surplus/ deficit	Sub-total included in OCI		
Defined benefit obligation	402	95	18	113	(105)	-	-	3	(65)	-	(62)	-	348
Fair value of plan assets	375	-	20	20	(105)	5	-	-	-	-	5	-	295
Asset ceiling	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability /(assets)	27	95	(3)	93	-	(5)	-	3	(65)	-	(67)	-	53

THE MAJOR CATEGORIES OF PLAN ASSETS FOR GRATUITY ARE AS FOLLOWS:

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
UNQUOTED INVESTMENTS		
Insurer managed funds	207	295
Others	102	-
	309	295

(All amount in INR lacs, except for share data unless stated otherwise)

ACTUARIAL ASSUMPTIONS

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Discount rate (p.a)	7.30%	5.70%
Salary escalation rate (p.a)	9.00%	7.00%
Withdrawal rate (p.a)	30.00%	25.00%

SENSITIVITY ANALYSIS:

ASSUMPTIONS	AS AT 31 MARCH 2023		AS AT 31 MARCH 2022		AS AT 31 MARCH 2023		AS AT 31 MARCH 2022	
	DISCOUNT RATE				FUTURE SALARY INCREASES			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(6)	6	(7)	7	6	(6)	7	(7)

EXPECTED PAYMENT FOR FUTURE YEARS

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

	AS AT 31 MARCH 2023	AS AT 31 MARCH 2022
Within the next 12 months (next annual reporting period)	100	64
After 1st year upto 5th year	264	235
After 5th year upto 9 years	92	94
Year 10 and beyond	39	61
Total expected payments	495	454

The Group expects to contribute INR 110 (31 March 2022: INR 110) to the fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31 March 2023 is 3.66 years (31 March 2022: 4.56 years)

(iii) Compensated Absences

An actuarial valuation of compensated absences has been carried out by an independent actuary. The obligation of compensated absences in respect of employees of the Group as at 31 March 2023 amounts to INR 187 (31 March 2022: INR 226).

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 32:SEGMENT INFORMATION

The Group's primary business segment is reflected based on the principal business carried out, i.e. financing and lending (Including loans to retail and corporate customers). Accordingly, no separate disclosure for segment reporting as per Ind AS 108 is required to be made in the Consolidated financial statements of the Group. The Group operates principally within India and does not have operations in economic environments with different risks and returns; hence, it is considered operating in single geographical segment. The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

NOTE 33. CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

PARTICULARS	1 APRIL 2022	CASH FLOWS	CHANGES IN FAIR VALUES	EXCHANGE DIFFERENCE	OTHER*	31 MARCH 2023
Debt securities	80,700	(29,280)	-	-	245	51,665
Borrowings other than debt securities#	195,505	87,347	-	-	434	283,286
Total liabilities from financing activities	276,205	58,067	-	-	679	334,951

PARTICULARS	1 APRIL 2021	CASH FLOWS	CHANGES IN FAIR VALUES	EXCHANGE DIFFERENCE	OTHER*	31 MARCH 2022
Debt securities	138,381	(59,697)	-	-	2,016	80,700
Borrowings other than debt securities#	166,582	28,668	-	-	255	195,505
Total liabilities from financing activities	304,963	(31,029)	-	-	2,271	276,205

* Others column includes amortisation of transaction cost.
# Excluding bank overdraft which is included in cash and cash equivalents for statement of cash flow.

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 34: CONTINGENT LIABILITIES, PROVISIONS AND COMMITMENTS

To meet the financial needs of customers, the Group enters into various irrevocable commitments, which primarily consist of undrawn commitmnt to lend. Further the Group is also exposed to contingent liabilities arising from legal claims.

A) CONTINGENT LIABILITIES

Claims against Group not acknowledged as debts

The Group's pending litigations comprise of claims against the Group by the customers and pertaining to proceedings pending with Income Tax, Excise, Custom, Sales/ VAT tax and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

Claims against the Group not acknowledged as debts amounts to INR 488 (previous year INR 468). These relate to lawsuits, claims, investigations and proceedings, which arise in the ordinary course of business and includes amounts litigated against the Group net of amount provided for contingencies. While the ultimate liability cannot be ascertained at this time, based on facts currently available and its current knowledge of the applicable law, management believes that the cases will not have a material adverse affect on the Group's financial statements or its business operations.

Based on demand notices received from the income tax department and indirect tax authorities, the Group is contingently liable for INR 3,802 (Previous year INR 3,812). The Group has challenged these demands of the respective authorities. While the ultimate outcome of the above mentioned appeals cannot be ascertained at this time, based on current knowledge of the applicable law, management believes that these law suits should not have a material adverse effect on the Group's financial statements or its business operations.

B) PROVISIONS

The disclosure of provisions movement for the year ended 31 March 2023 is as follows :-

NATURE OF PROVISION	OPENING	ADDITION	REVERSAL/ UTILISATION	CLOSING
Provision for sales tax and service tax	2,917	194	(47)	3,064
Provision for customer disputes	49	-	-	49
Total	2,966	194	(47)	3,113

The disclosure of provisions movement for the year ended 31 March 2022 is as follows:-

NATURE OF PROVISION	OPENING	ADDITION	REVERSAL/ UTILISATION	CLOSING
Provision for sales tax and service tax	2,781	156	(20)	2,917
Provision for customer disputes	49	-	-	49
Total	2,830	156	(20)	2,966

NATURE OF PROVISIONS:

Provision for sales tax and service tax: The Group has recognised provisions on account of estimated potential losses arising out of its inability to recover indirect tax related amounts from clients and other litigation with various sales tax/service tax authorities.

Provision for disputes with clients: The Group has recognised provision for settlement of certain disputes with its customers.

C) COMMITMENT

(i) The Group has a capital commitment of INR 1 as at 31 March 2023 (31 March 2022: INR 207)

(ii) The Group has a revocable loan commitment of INR 9,103 towards undrawn loan sanctions as at 31 March 2023 (31 March 2022: INR 5,038).

(iii) The Group has given corporate guarantees to Banks on behalf of its subsidiary company. The total of such guarantees as on 31 March 2023 amounts to INR 145 (31 March 2022: INR 5,669).

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 35: RELATED PARTY DISCLOSURES

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

A) LIST OF RELATED PARTIES WHERE CONTROL EXISTS AND RELATED PARTIES WITH WHOM TRANSACTIONS HAVE TAKEN PLACE AND RELATIONSHIPS:

PARTICULARS	RELATIONSHIP
Plutus Financials Pvt. Limited (Mauritius)	Holding Company
Clix Analytics Private Limited (under liquidation w.e.f. 23 August 2021)	Fellow Subsidiaries
Clix Loans Private Limited (Liquidated w.e.f. 29 November 2021)	Fellow Subsidiaries
GE Money Financial Services Private Limited Employee Group Gratuity Scheme	Post employment benefit plan
GE Capital Employee Gratuity Fund	Post employment benefit plan

KEY MANAGERIAL PERSONNEL	RELATIONSHIP
Rakesh Kaul (From 16 August 2021)	Whole-time Director and Chief Executive Officer (CEO)
Gagan Aggarwal (From 14 November 2022)	Chief Financial Officer (CFO)
Rashmi Mohanty (Till 21 October 2022)	Whole-time Director and Chief Financial Officer (CFO)
Ashhish K Paanday (Till 6 March 2023)*	Company Secretary

*The full time Company Secretary of the Holding Company (CS) resigned during the year and the management is in the process of filling the vacancy at the earliest.

B) THE NATURE AND VOLUME OF TRANSACTIONS CARRIED OUT WITH THE ABOVE RELATED PARTIES IN THE ORDINARY COURSE OF BUSINESS ARE AS FOLLOWS :

1. REMUNERATION TO KEY MANAGERIAL PERSONNEL*

	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Short term employee benefits	819	477
Post employment benefits	602	319
Total	1,421	796

* The remuneration given to key managerial personnel does not include the provisions made for gratuity and leave benefit, as they are determined on actuarial basis for the Group as a whole.

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 36: CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a capital adequacy ratio and debt equity ratio.

THE ACTUAL DEBT EQUITY RATIO IS AS UNDER:

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Debts	336,859	278,265
Net worth	202,546	198,830
Total	1.66	1.40

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit some lender to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

NOTE 37. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

refer note 13

NOTE 38: REVENUE FROM CONTRACTS WITH CUSTOMERS

Credit compliance and debt advisory fees

The performance obligation in regards of arrangements where fees is charged per transaction executed is recognised at point in time when trade is executed. In other arrangements, where fees is fixed irrespective of number of transaction executed is recognised over the term of contract.

INSURANCE COMMISSION

The performance obligation in regards of insurance arrangements are recognised upon issue of the insurance policy.

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Type of services or service		
Credit compliance and debt advisory fees	290	-
Insurance commission	-	23
Total revenue from contracts with customers	290	23
Geographical markets		
India	290	23
Outside India	-	-
Total revenue from contracts with customers	290	23
Timing of revenue recognition		
Services transferred at a point in time	290	23
Services transferred over time	-	-
Total revenue from contracts with customers	290	23

NOTE 39: FAIR VALUE MEASUREMENT

39.1 Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly/ indirectly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

39.2 Valuation governance

The Group's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by Asset Liability Committee (ALCO) which shall be reported to the Board of Director. The responsibility of ongoing measurement resides with business units . Once submitted, fair value estimates are also reviewed and challenged by the Risk and Finance functions.

39.3 Assets and liabilities by fair value hierarchy

The Group's investment in Mutual Fund, Equity shares and Security receipts are the financial asset measured at fair value through Profit & Loss. The fair value of such financial assets are measured based on their published net asset value (NAV) and market price taking into account redemption and/or any other restrictions. Such instruments are classified under Level 1 and Level 3. Fair value of such investments held at 31 March 2023 is INR 18,412 (31 March 2022: INR 41,815).

The Group's loans assets are financials assets measured at amortised cost. The fair value of such financial assets are measured under Level 3 approach. The Fair value of such loans held at 31 March 2023 is INR 4,42,314 (31 March 2022: INR 3,65,830) gross of ECL.

39.4: Valuation techniques

Mutual funds/Equity shares

Units held in funds/demat are measured based on their published net asset value (NAV)/Market value, taking into account redemption and/or other restrictions as per the Level 1 hierarchy.

Security receipts

Units held against security receipts are measured based on the expected recoveries discounted at various yields to arrive at present value (Discounted Cash Flow approach) as per Level 3 approach(Unobservable Inputs are Gross Recoveries and Discount Rates). Further for sensitivity analysis refer note no. 40.4(c).

39.5 Valuation methodologies of financial instruments measured at amortised cost

Loans - The fair value of loans are estimated by discounted cash flow models. For fixed rate loans, the fair value represent the discounted value of the expected future cash flow. For floating rate interest loans, the carrying amount of loans represent fair market value of loans.

Investment in Pass through certificates - These instrument include asset backed securities. The market for these securities is not active and considering the cash flow of the instrument associated with securitized liabilities management approximate the carrying amount its fair value.

Borrowings and Debt Securities - The Group's most of the borrowings are at floating rate which approximates the fair value. Debt securities and other borrowings are fixed rate borrowings and fair value of these fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans and carrying value approximates the fair value for fixed rate borrowing at financial statement level.

Short Term and Other Financial Assets and Liabilities - The management assessed that cash and cash equivalents, investments, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTE 40: RISK MANAGEMENT

40.1 Introduction and risk profile

Whilst risk is inherent in the Group's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk, interest rate risk and market risk. It is also subject to various operating and business risks.

40.1.1 Risk management structure and policies

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Board.

The Risk Management Unit is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with and reports to the Risk Management Committee, to ensure that procedures are compliant with the overall framework.

The Unit is also responsible for monitoring compliance with risk principles, policies and limits across the Group. Each business group has its own unit which is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks of new products and structured transactions. The Group's treasury function is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

40.2 Credit Risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits. Credit risk is monitored by the credit risk department of the Group's independent Risk management Unit. It is their responsibility to review and manage credit risk. It has a diversified lending model and focuses on four broad categories viz: (i) Healthcare and other equipment finance, (ii) Loan against properties, (iii) School Finance (iv) SME and Consumer finance. The Group assesses the credit quality of all financial instruments that are subject to credit risk.

40.2.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was INR 4,33,719 and INR 3,68,464 as of 31 March 2023 and 31 March 2022 respectively, being the total of the carrying amount of loan balances/investment in PTC and other financial assets.

The table below summarises the approach adopted by the Group for various components of ECL viz. PD(Probability of default), EAD (Exposure at default) and LGD (Loss given default) across product lines using empirical data where relevant:

<table>
<tr><th rowspan="2">LENDING VERTICALS</th><th colspan="3">PD</th><th rowspan="2">EAD</th><th rowspan="2">LGD</th></tr>
<tr><th>STAGE 1</th><th>STAGE 2</th><th>STAGE 3</th></tr>
<tr><td>Corporate Portfolio (Loan and Lease)</td><td colspan="2">Internal Matrix based on CRISIL Default Study Report or Model suggested by CRISIL including industry risk, business risk, financials risk & management risk but not limited to or its Equivalent and management estimate</td><td rowspan="6">100%</td><td rowspan="6">The outstanding balance as at the reporting date is considered as EAD by the Group. Considering that PD determined factors in amount at default, there is no separate requirement to estimate EAD</td><td>Internally computed based on Model suggested by CRISIL or its Equivalent</td></tr>
<tr><td>Personal Loan</td><td colspan="2">Based on industry benchmarks / credit bureau reports like Static Pool/ Internal Performance etc.</td><td rowspan="3">Based on Foundation IRB (FIRB) rates using average LGD applicable to unsecured exposures</td></tr>
<tr><td>Business Loan</td><td colspan="2">Based on industry benchmarks / credit bureau reports like Static Pool/ Internal Performance etc.</td></tr>
<tr><td>Two Wheeler</td><td colspan="2">Based on industry benchmarks / credit bureau reports like Static Pool/ Internal Performance etc.</td></tr>
<tr><td>Loan Against Property (Including K12 and Housing Loan)</td><td colspan="2">Based on industry benchmarks / credit bureau reports like Static Pool/ Internal Performance etc.</td><td>Based on Management estimate/past trends of recoveries.</td></tr>
<tr><td>HFS (Health Care) and other Equipment Finance (Loan and Lease)</td><td colspan="2">Based on industry benchmarks / credit bureau reports like Static Pool etc.</td><td>Based on Management estimate/past trends of recoveries.</td></tr>
</table>

(All amount in INR lacs, except for share data unless stated otherwise)

40.2.2 Analysis of risk concentration

The Group's concentrations of risk for loans are managed by type of loan- Corporate and Retail.

	31 MARCH 2023	31 MARCH 2022
Corporate		
- Airlines & related services	-	582
- FMCG	-	398
- Hotels & Restaurants	4	947
- Manufacturing	6,180	7,461
- Real estate	-	2,476
- Hire / Info lease/ finance lease	1,863	2,370
- Financial services	-	2,617
- Education	-	2,478
- Auto Ancillary	-	2,500
- IT	1,945	2,976
	9,992	24,805
(B) Secured/ Unsecured		
- Secured	8,047	24,805
- Unsecured	1,945	-
Retails	9,992	24,805
(A) Sub-portfolio		
- Housing Loan	6,182	14,130
- Loan against Property (including K12)	100,282	65,754
- Hire / Info lease/ finance lease	3,918	4,766
- Healthcare and equipment finance	28,955	32,440
- Business Loan	188,367	133,471
- Personal loans	87,677	85,855
- Loan against electronic payables	100	2,235
- Used cars	40	203
- Two Wheeler	262	2,171
	415,783	341,025
(B) Secured/ Unsecured		
- Secured	139,640	119,465
- Unsecured	276,143	221,560
	415,783	341,025
Total	425,775	365,830

(All amount in INR lacs, except for share data unless stated otherwise)

40.3 Liquidity risk

Liquidity Risk refers to the risk that the Group can not meet its financial obligations. The objective of Liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. The unavailability of adequate amount of funds to repay the financial liabilities and further growth of business may lead to an Asset Liability Management (ALM) mismatch caused by a difference in the maturity profile of Group assets and liabilities. It may be related to funding i.e impossibility to obtain new funding and inability to sell or convert liquid investments into cash without significant losses. Therefore, the Group manages liquidity risk by maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecasted and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity risk is managed by ALCO through its periodic reviews relating to the liquidity position and stress tests under 'what if' scenarios and comparing probable gaps with the liquidity buffers maintained.

PARTICULARS	31 MARCH 2023					31 MARCH 2022				
	BORROWINGS (INCLUDING DEBT SECURITIES)	PAYABLES	LEASE LIABILITY	OTHER FINANCIAL LIABILITIES	TOTAL	BORROWINGS (INCLUDING DEBT SECURITIES)	PAYABLES	LEASE LIABILITY	OTHER FINANCIAL LIABILITIES	TOTAL
Less than 1 year	226,796	24,595	577	7,210	259,178	154,882	15,943	463	6,217	177,505
Over 1 year to 3 years	127,155	-	84	814	128,053	133,981	-	415	738	135,134
Over 3 year to 5 years	19,867	-	-	1,307	21,174	18,541	-	-	1,359	19,900
Over 5 years	396	-	-	1,106	1,502	-	-	-	832	832
Total	374,214	24,595	661	10,437	409,907	307,404	15,943	878	9,146	333,371

40.4 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Groups's exposure to market risk is primarily on account of interest rate risk.

Interest rate risk

The Group is subject to interest rate risk, primarily since it lends to customers at rates and for maturity periods that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Group seek to optimize borrowing profile between short-term and long-term loans. The Group adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.

The Group mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Group's statement of profit and loss:

(A) LOANS (FLOATING)

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX
Increase in basis points	50	625	50	433
Decrease in basis points	-50	(625)	-50	(433)

(All amount in INR lacs, except for share data unless stated otherwise)

(B) BORROWINGS (FLOATING)

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX
Increase in basis points	50	(782)	50	(562)
Decrease in basis points	-50	782	-50	562

(C) DEBT SECURITIES (FLOATING)

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX	BASIS POINTS	EFFECT ON PROFIT BEFORE TAX
Increase in basis points	50	(59)	50	(259)
Decrease in basis points	-50	59	-50	259

(All amount in INR lacs, except for share data unless stated otherwise)

EQUITY PRICE RISK

The Group's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

EQUITY PRICE SENSITIVITY/ SECURITY RECEIPTS(SR) NAV SENSITIVITY

The following table demonstrates the sensitivity to a reasonably possible change in Equity prices (all other variables being constant) of the Group's statement of profit and loss:

(A) INVESTMENT IN UNITS OF MUTUAL FUND

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	%	EFFECT ON PROFIT BEFORE TAX	%	EFFECT ON PROFIT BEFORE TAX
Increase in NAV	0.5	1	0.5	111
Decrease in NAV	-0.5	(1)	-0.5	(111)

(B) INVESTMENT IN EQUITY SHARES

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	%	EFFECT ON PROFIT BEFORE TAX	%	EFFECT ON PROFIT BEFORE TAX
Increase in market price	0.5	2	-0.5	8
Decrease in market price	-0.5	(2)	0.5	(8)

(C) INVESTMENT IN SECURITY RECEIPTS

PARTICULARS	YEAR ENDED 31 MARCH 2023		YEAR ENDED 31 MARCH 2022	
	%	EFFECT ON PROFIT BEFORE TAX	%	EFFECT ON PROFIT BEFORE TAX
Increase in NAV	0.5	96	0.5	98
Decrease in NAV	-0.5	(96)	-0.5	(98)

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 41. CORPORATE SOCIAL RESPONSIBILITY

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
(a) amount required to be spent by the Group during the year	-	92
(b) amount of expenditure incurred***	(55)	(25)
(c) shortfall at the end of the year*	68	123
(d) total of previous years shortfall	68	31
(e) reason for shortfall**		
(f) nature of CSR activities	Education, Environment and healthcare related activities	Covid-19 and healthcare related activities
(g) Details of related party transactions	NA	NA
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation.		
Opening provision balance	123	56
Provision created during the year	-	92
Provision utilized during the year	(55)	(25)
Closing provision balance	68	123

* Previous year shortfall pertain to Financial year 2021-22 and 2020-21

**The Group during the year had contributed towards the ongoing projects to Covid -19, Healthcare, Education, Environment and a portion of the allocated money remained unspent as on March 31, 2023. The Group proposes to spend this money on healthcare facilities and services with a long term impact to the community. The unspent amount has been transferred to a separate Bank account and will be spent in the next three Financial years.

*** Pertain to Financial year 2021-22 and 2020-21

NOTE 42. EXPENDITURE IN FOREIGN CURRENCY

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Information Technology Cost	758	848
	758	848

NOTE 43. UN-HEDGED FOREIGN CURRENCY EXPOSURE

The Group does not have exposure in respect of foreign currency denominated assets (trade receivable) not hedged as at 31 March 2023 by derivative instruments or otherwise. [31 March 2022: USD Nil (INR Nil)]. The Group have exposure in respect of foreign currency denominated liabilities (trade payable) is USD 4 (INR 331) [31 March 2022: USD 2 (INR 177)].

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 44. EMPLOYEE STOCK OPTION PLAN

(I) DETAILS OF THE PLAN ARE GIVEN BELOW:

PARTICULARS	GRANT-I	GRANT-II
Scheme Name	Employee Stock Option Plan 2017 ("Plan")	Employee Stock Option Plan 2017
Date of grant	18-Oct-17	7-Dec-18
No. of options approved	129,708,445	129,708,445
No. of options granted	25,658,650	7,735,000
Exercise price per option (in INR)	13.10	15.10
Method of settlement	Equity	Equity
Fixed vesting period is as:	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")
- 1st vesting "3 years from the date of grant (in case of IVth, Vth and VIth tranche- 1st vesting will be 2 years from the date of grant and in case of VIIth, VIIIth , IXth and Xth tranche 1 year from the date of grant)	8,552,883	2,578,333
- 2nd vesting "On expiry of one year from the 1st vesting date"	8,552,883	2,578,333
- 3rd vesting "On expiry of one year from the 2nd vesting date"	8,552,883	2,578,333
- 4th vesting "On expiry of one year from the 3rd vesting date"		
Conditional Vesting	Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan
Exercise period	Five years from the date of each vesting	Five years from the date of each vesting

PARTICULARS	GRANT-VI	GRANT-VII
Scheme Name	Employee Stock Option Plan	Employee Stock Option Plan
Date of grant	1-Jun-20	1-Jun-21
No. of options approved	129,708,445	129,708,445
No. of options granted	5,635,000	25,825,000
Exercise price per option (in INR)	14.00	13.00
Method of settlement	Equity	Equity
Fixed vesting period is as:	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")
- 1st vesting "3 years from the date of grant (in case of IVth, Vth and VIth tranche- 1st vesting will be 2 years from the date of grant and in case of VIIth, VIIIth , IXth and Xth tranche 1 year from the date of grant)	1,408,750	6,456,250
- 2nd vesting "On expiry of one year from the 1st vesting date"	1,972,250	6,456,250
- 3rd vesting "On expiry of one year from the 2nd vesting date"	2,254,000	6,456,250
- 4th vesting "On expiry of one year from the 3rd vesting date"	-	-
Conditional Vesting	Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan
Exercise period	Five years from the date of each vesting	Five years from the date of each vesting

(I) DETAILS OF THE PLAN ARE GIVEN BELOW:

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022
Expense/(reversal) arising from equity-settled share-based payment transactions	853	853
Total expense arising from share-based payment	853	853

GRANT-III	GRANT-IV	GRANT-V
Employee Stock Option Plan 2017	Employee Stock Option Plan 2017 ("Plan")	Employee Stock Option Plan 2017 ("Plan")
1-Jun-19	18-Oct-17	1-May-20
129,708,445	129,708,445	129,708,445
10,550,000	12,885,000	4,656,000
15.10	14.00	14.00
Equity	Equity	Equity
A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")
3,516,667	3,221,250	2,328,000
3,516,667	4,509,750	2,328,000
3,516,667	5,154,000	
Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan
Five years from the date of each vesting	Five years from the date of each vesting	Five years from the date of each vesting

GRANT-VIII	GRANT-IX	GRANT-X
Employee Stock Option Plan 2017 ("Plan")	Employee Stock Option Plan 2017 ("Plan")	Employee Stock Option Plan 2017 ("Plan")
16-Aug-21	1-Jul-22	1-Jan-23
129,708,445	129,708,445	129,708,445
21,000,000	25,150,000	600,000
13.00	10.00	10.00
Equity	Equity	Equity
A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfilment of stipulated conditions ("Conditional Vesting")
5,250,000	6,287,500	150,000
5,250,000	6,287,500	150,000
5,250,000	6,287,500	150,000
5,250,000	6,287,500	150,000
Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan	Linked with conditions over the three years as stipulated in stock option plan
Five years from the date of each vesting	Five years from the date of each vesting	Five years from the date of each vesting

(III) MOVEMENTS DURING THE YEAR

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements during the year:

PARTICULARS	GRANT-I	GRANT-II	GRANT-III	GRANT-IV	GRANT-V	GRANT-VI	GRANT-VII
Outstanding at 1 April	1,350,000	1,675,000	400,000	5,280,000	1,108,500	1,975,000	14,040,000
Granted during the year	-	-	-	-	-	-	-
Forfeited during the year	(350,000)	(355,000)	-	(2,930,000)	(441,000)	(725,000)	(4,570,000)
Exercised during the year	-	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-	-
Expired during the year	1,000,000	1,320,000	400,000	2,350,000	667,500	1,250,000	9,470,000
Exercisable at 31 March	-	-	-	-	-	-	-
Weighted average exercise prices (WAEP)	13.10	15.10	15.10	14.00	14.00	14.00	13.00

PARTICULARS	GRANT-I	GRANT-II	GRANT-III	GRANT-IV	GRANT-V	GRANT-VI	GRANT-VII
Outstanding at 1 April	6,523,750	4,455,000	1,500,000	9,310,000	3,121,000	3,710,000	-
Granted during the year							25,825,000
Forfeited during the year	(5,173,750)	(2,780,000)	(1,100,000)	(4,030,000)	(2,012,500)	(1,735,000)	(11,785,000)
Exercised during the year	-	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-	-
Expired during the year	1,350,000	1,675,000	400,000	5,280,000	1,108,500	1,975,000	14,040,000
Exercisable at 31 March	-	-	-	-	-	-	-
Weighted average exercise prices (WAEP)	13.10	15.10	15.10	14.00	14.00	14.00	13.00

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements during the year:

PARTICULARS	YEAR ENDED 31 MARCH 2023	YEAR ENDED 31 MARCH 2022	YEAR ENDED 31 MARC
Model used	Black-Scholes	Black-Scholes	Black-Scholes
Dividend yield (%)	0 %	0 %	0 %
Expected volatility (%)			
- Tranche I	Grant IX (37%), Grant X (42%)	50%	60%
- Tranche II	Grant IX (37%), Grant X (42%)	50%	60%
- Tranche III	Grant IX (37%), Grant X (42%)	50%	60%
- Tranche IV	Grant IX (37%), Grant X (42%)	50%	NA
Risk-free interest rate (%)			
- Tranche I	Grant IX (6.98% - 7.21%)), Grant X (7.05% - 7.21%)	Grant VII (4.90% - 6.00%), Grant VIII (5.10% - 6.20%)	Grant V (5.50% - 5.70%), Grant VI (5
- Tranche II	Grant IX (6.98% - 7.21%)), Grant X (7.05% - 7.21%)	Grant VII (4.90% - 6.00%), Grant VIII (5.10% - 6.20%)	Grant V (5.50% - 5.70%), Grant VI (5
- Tranche III	Grant IX (6.98% - 7.21%)), Grant X (7.05% - 7.21%)	Grant VII (4.90% - 6.00%), Grant VIII (5.10% - 6.20%)	Grant V (5.50% - 5.70%), Grant VI (5
- Tranche IV	Grant IX (6.98% - 7.21%)), Grant X (7.05% - 7.21%)	Grant VII (4.90% - 6.00%), Grant VIII (5.10% - 6.20%)	
Life of the options granted (years)			
- First Vesting	1 year	1 year	2 years (Grant-V) and (Gra
- Second Vesting	2 year	2 year	3 years (Grant-V) and (Gra
- Third Vesting	3 year	3 year	4 years (Grant-VI)
- Fourth Vesting	4 year	4 year	
Fair value of the option (INR)			
- First Vesting	6.89 (Grant-IX) and 7.17 (Grant-X)	6.89 (Grant-IX) and 7.17 (Grant-X)	7.56 (Grant-V) and 7.50 (Gr
- Second Vesting	7.52 (Grant-IX) and 7.82 (Grant-X)	7.52 (Grant-IX) and 7.82 (Grant-X)	8.30 (Grant-V) and 8.28 (Gr
- Third Vesting	8.09 (Grant-IX) and 8.39 (Grant-X)	8.09 (Grant-IX) and 8.39 (Grant-X)	8.92 (Grant-VI)
- Fourth Vesting	8.60 (Grant-IX) and 8.88 (Grant-X)	8.60 (Grant-IX) and 8.88 (Grant-X)	NA

GRANT-VIII	GRANT -IX	GRANT -X
21,000,000	-	-
-	25,150,000	600,000
-	-	-
-	-	-
-	-	-
21,000,000	25,150,000	600,000
-	-	-
13.00	10.00	10.00

The weighted average remaining contractual life for the share options outstanding as at 31 March 2023 was 3.55 years (Grant-I), 4.69 years (Grant -II), 5.17 years (Grant-III), 4.91 years (Grant-IV), 4.59 years (Grant-V), 5.32 years (Grant-VI), 5.51 years (Grant-VII), 5.88 years (Grant-VIII), 6.76 years (Grant-IX), 7.26 years (Grant-X) (31 March 2022 : 4.55 years (Grant-I), 5.69 years (Grant -II), 6.17 years (Grant-III), 5.91 years (Grant-IV), 5.59 years (Grant-V), 6.32 years (Grant-VI), 6.51 years (Grant-VII), 6.88 years (Grant-VIII)).

2 The weighted average fair value of options granted during the year was 7.78 (Grant- IX) and 8.07 (Grant- X).

3 The range of exercise prices for options outstanding at the end of the year was INR 10 per option to INR 15.10 per option (31 March 2022: INR 13 per option to INR 15.10).

GRANT-VIII
-
21,000,000
-
-
-
21,000,000
-
13.00

H 2021	YEAR ENDED 31 MARCH 2020	YEAR ENDED 31 MARCH 2019	YEAR ENDED 31 MARCH 2018
	Black-Scholes	Black-Scholes	Black-Scholes
	0 %	0 %	0 %
	40%	43.37%	43.66%
	40%	43.43%	43.99%
	40%	43.68%	44.18%
	NA	NA	NA
5.10% - 5.80%)	6.80% - 6.90%	7.39%	6.77%
5.10% - 5.80%)	6.80% - 6.90%	7.44%	6.87%
5.10% - 5.80%)	6.80% - 6.90%	7.47%	6.95%
nt-VI)	3 years (Grant-III) and 2 Years (Grant-IV)	3 year	3 year
nt-VI)	4 years (Grant-III) and 3 Years (Grant-IV)	4 year	4 year
	5 years (Grant-III) and 4 Years (Grant-IV)	5 year	5 year
ant-VI)	7.29 (Grant-III) and 5.70 (Grant-IV)	6.18	6.25
ant-VI)	7.96 (Grant-III) and 6.41 (Grant-IV)	6.82	6.86
	8.57 (Grant-III) and 7.03 (Grant-IV)	7.40	7.39
	8.60 (Grant-IX) and 8.88 (Grant-X)	NA	NA

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 45 : MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations:

PARTICULARS	31 MARCH 2023			31 MARCH 2022		
	WITHIN 12 MONTHS	AFTER 12 MONTHS	TOTAL	WITHIN 12 MONTHS	AFTER 12 MONTHS	TOTAL
FINANCIAL ASSETS						
Cash and cash equivalents	39,558	-	39,558	28,725	-	28,725
Bank balance other than above	23,104	4,833	27,937	17,648	-	17,648
Loans	190,279	222,273	412,552	174,912	168,175	343,087
Investments	745	20,850	21,595	23,697	18,118	41,815
Other financial assets	1,561	3,185	4,746	347	2,288	2,635
NON-FINANCIAL ASSETS						
Current tax asset	-	9,030	9,030	-	6,044	6,044
Deferred tax assets (net)	-	16,636	16,636	-	17,839	17,839
Property, Plant and Equipment	-	4,621	4,621	-	5,404	5,404
Intangible assets under development	-	109	109	-	793	793
Goodwil	-	36,768	36,768	-	36,768	36,768
Other intangible assets	-	2,607	2,607	-	2,382	2,382
Right of use assets	-	459	459	-	593	539
Other non-financial assets	1,950	2,519	4,469	1,153	3,341	4,494
ASSETS HELD FOR SALE	1,266	-	1,266	505	-	505
Total	258,463	323,890	582,353	246,987	261,745	508,732
LIABILITIES						
FINANCIAL LIABILITIES						
Payables						
I) Trade payables						
a) Total outstanding dues of micro enterprises & small enterprises	-	-	-	-	-	-
b) Total outstanding dues of creditors other than micro enterprises & small enterprises	229	-	229	37	-	37
II) Other payables	14,280	-	14,280	7,456	-	7,456
a) Total outstanding dues of micro enterprises & small enterprises	-	-	-	-	-	-
b) Total outstanding dues of creditors other than micro enterprises & small enterprises	10,086	-	10,086	8,460	-	8,460
Debt securities	44,658	7,007	51,665	27,682	53,018	80,700
Borrowings (other than debt securities)	160,770	124,424	285,194	101,523	96,042	197,565
Lease Liabilities	577	40	617	332	463	795
Other financial liabilities	7,210	3,227	10,437	6,411	2,446	8,857
NON-FINANCIAL LIABILITIES						
Provisions	145	3,292	3,437	219	3,165	3,384
Other non-financial Liabilities	2,669	1,193	3,862	2,165	483	2,648
Total	240,624	139,183	379,807	154,285	155,617	309,902
Net	17,839	184,707	202,546	92,702	106,128	198,830

(All amount in INR lacs, except for share data unless stated otherwise)

NOTE 46: ADDITIONAL INFORMATION PURSUANT TO PARA 2 OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2023

The consolidated financial statements include the financial statements of Group and its subsidiary. Group does not have any joint ventures or associates.

NAME OF ENTITY	NET ASSETS		SHARE IN PROFIT OR LOSS		SHARE IN OTHER COMPREHENSIVE INCOME		SHARE IN OTHER COMPREHENSIVE INCOME	
	AS % OF CONSOLIDATED NET ASSETS	AMOUNT	AS % OF CONSOLIDATED PROFIT OR LOSS	AMOUNT	AS % OF COMPHREHENSIVE INCOME	AMOUNT	AS % OF COMPHREHENSIVE INCOME	AMOUNT
HOLDING COMPANY Clix Capital Services Private Limited	100%	203,123	86%	2,441	93%	28	86%	2,469
SUBSIDIARY COMPANY Clix Housing Finance Limited	3%	5,729	11%	296	7%	2	11%	298
INTERCOMPANY ELIMINATION AND CONSOLIDATION ADJUSTMENTS	-3%	(6,306)	3%	96	-	-	3%	96
Total	100%	202,546	100%	2,833	100%	30	100%	2,863

47. The Group has not undertaken any transactions with any company whose name is struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial years ended 31 March 2023 and 31 March 2022.

48. The Group has not traded or invested in Crypto currency or Virtual currency during the financial years ended 31 March 2023 and 31 March 2022.

49. No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the financial years ended 31 March 2023 and 31 March 2022.

50. The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender during the financial years ended 31 March 2023 and 31 March 2022.

51. All charges or satisfaction are registered with ROC within the statutory period for the financial years ended 31 March 2023 and 31 March 2022. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

52. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate beneficiaries). The Group has also not received any fund from any parties (Funding party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries

53. The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31 March 2023 and 31 March 2022.

54. There have been no events after the reporting date that require disclosure in these financial statements (31 March 2022 INR Nil)

55. During the previous financial year, the Board of Directors of the Holding Company, in its meeting dated 04 June 2021, had approved a scheme of amalgamation ("the Scheme") with Clix Finance India Private Limited, one of its wholly owned subsidiary company into the Holding Company. The Scheme has been approved by the Central Government (Regional Director, Northern Region) on 25 March 2022 with effect from 01 April 2021 ("Appointed Date") and pursuant to the Scheme, the Holding Company has filed the said Order of Central Government (Regional Director, Northern region) approving the scheme of Amalgamation with the Registrar on 01 April 2022 ("Effective Date"). The said amalgamation has been accounted for as per the requirements of Appendix C to Ind AS 103 "Business Combination".

The Transferee Company (Clix Capital Services Private Limited), on the scheme becoming effective, from the appointed date, recorded all the assets (including Goodwill amounting to Rs.36,768) and liabilities of the Transferor Company (Clix Finance India Private Limited) vested in it pursuant to this Scheme, at their carrying amounts and in the same form as recorded/appearing in the consolidated financial statements of the Transferee Company as on the date immediately before the appointed date and prepared in accordance with Appendix C of Indian Accounting Standard 103, Business Combination.

56. The Holding Company has decided to opt for lower tax regime under Income Tax Act 1961, as benefit of utilization of MAT credit in future years basis projections will be offset due to higher current tax/cash tax outflow under current tax regime. Since statute does not allow carried forward of MAT credit in lower tax regime, hence MAT credit has been written off during the year.

57. As per Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), out of total secured debentures of INR 26,698 lacs, debentures amounting to INR.22,634 lacs are fully secured by first ranking pari passu and continuing charge by the way of hypothecation on the receivables, present and future and debentures amounting to INR 4,064 lacs are fully secured by way of an exclusive charge over the specific asset portfolio of receivables. Pursuant to Regulations 52(7) and 52(7A) of Listing Regulations, the Group confirms that issue proceeds of Non Convertible Debentures(NCDs) issued by the Group and outstanding as at 31 March 2023 are being utilized as per the objects stated in the offer document.

58. RBI vide circular dated November 12, 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications" has clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Group has implemented the requirements of the circular and already taken necessary steps to comply with Para 10 of the circular with effect from October 01, 2022 as clarified by RBI vide circular dated February 15, 2022. This has resulted in classification of loans amounting to INR 639 lacs as additional Non Performing Assets (Stage 3) as at March 31,2023.

59. The Board of Directors of the Holding Company has approved a Scheme of Amalgamation ("the Scheme") for Amalgamation of its wholly owned subsidiary Clix Housing Finance Limited into the Holding Company. The Scheme has been approved by Reserve Bank of India (RBI) for the Holding Company and Clix Housing Finance Limited vide their No Objection letter dated October 27, 2022 and January 31, 2023 respectively. The Holding Company will file the Scheme with the Regional Director, Registrar of Companies, as required under the Companies Act, 2013. As per the Scheme, the appointed date for amalgamation is proposed as April 1, 2022

60. The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Group towards applicable social security schemes. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

61. There is no transaction that has not been recorded in the books of accounts and surrendered or disclosed as income during the year in the tax assessments under Income tax Act. 1961.

(All amount in INR lacs, except for share data unless stated otherwise)

62. The group has changed the classification/ presentation of trade payables, other payables, debt securities, borrowings (other than debt securities) and other financial liabilities to better conform to the requirements of Schedule III which are as given below

BALANCE SHEET (EXTRACT)	AS AT 31 MARCH, 2022 (AS PREVIOUSLY REPORTED)	INCREASE/ (DECREASE)	AS AT 31 MARCH, 2022 (RECLASSIFIED)
Payables			
I) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises	-	37	37
- total outstanding dues of creditors other than micro enterprises and small enterprises	8,139	(683)	-
II) Other Payables			
- Total outstanding dues of micro enterprises and small enterprises	37	(37)	(37)
-Total outstanding dues of creditors other than micro enterprises and small enterprises	7,769	691	8,460
Debt Securities			
- Non-convertible debentures	78,625	2,075	80,700
Borrowings (other than Debt Securities)			
- Term Loans	197,286	279	197,565
Other Financial Liabilities			
- Interest accrued but not due	2,362	(2,362)	-

As per our report of even date

For Brahmayya & Co,
ICAI Firm Registration No. 000511S
Chartered Accountants

For and on behalf of the Board of Directors
Clix Capital Services Private Limited

N Venkata Suneel
Partner
Membership No.: 223688

Place: Gurugram
Date: 26 May 2023

Rakesh Kaul
Whole Time Director and CEO
DIN: 03386665

Gagan Aggarwal
Chief Financial Officer

Place: Gurugram
Date: 26 May 2023

K Ramakrishnan
Director
DIN: 08303198

Place: Mumbai
Date: 26 May 2023

Registered Address: Plot No. 23, 5th Floor,
Govind Lal Sikka Marg, Rajendra Place, New Delhi- 110008
CIN: U65929DL1994PTC116256
P: +91-120-6465400
E: hello@clix.capital