

Annual Report
2022-23



BEYOND FINANCIAL SERVICES
BUILDING
BETTER LIVES

IIFL Samasta Finance Limited

Index



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Investor Information

CIN	U65191KA1995PLC057884
BSE Code	973128
AGM Date	July 27, 2023
AGM Venue	110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru-560027 Karnataka, India

For more investor-related information, please visit:

<https://iiflsamasta.com/investor-relations/>

Or, simply just scan this QR code:



Disclaimer: This document contains statements about expected future events and financials of IIFL Samasta Finance Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

About the Report

Basic of Reporting

We are pleased to present our maiden Integrated Report <IR> for the year FY 2022-23. This report serves as a key communication document intended for all our stakeholders. It provides comprehensive insights into our operational and financial performance, as well as its impact on our strategic objectives and our ability to generate sustainable value. We are committed to continually enhancing this report by incorporating additional elements in the future, maintaining our dedication to building trust and fostering transparency with all our stakeholders.

Approach to Reporting

During the course of FY 2022-23, IIFL Samasta Finance Limited (referred to as 'the Company' or 'we') made a proactive choice to embrace Integrated Reporting <IR>. With the unveiling of this report, we aim to provide our stakeholders with a comprehensive understanding of our integrated value-creation process, which is based on the six capitals framework aligned with the principles established by the International Integrated Reporting Council (IIRC). These capitals encompass both financial and non-financial forms, including Physical, Intellectual, Human, Social, Relationship, and Natural capital.

Reporting Scope and Boundary

The reporting period for this Integrated Report is from April 1, 2022 to March 31, 2023. It includes an overview of our operations, business segments and key focus strategies.

Reporting Principles and Framework

The financial information presented in this report is in line with the requirements of:

- The Companies Act, 2013 (including the rules made thereunder)
- The Companies (Indian Accounting Standards) Rules, 2015
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Report has been prepared in accordance with the <IR> framework prescribed by the International Integrated Reporting Council (IIRC) and United Nations Sustainable Development Goals (UN SDGs).

Target Audience

The intended recipients of this Integrated Report <IR> typically comprise various stakeholders, including customers, investors, employees, communities, lenders, regulatory bodies, and the general public. These stakeholders demonstrate a keen interest in the Company's financial and non-financial performance, overarching strategy, potential risks and opportunities, as well as its future prospects. They also prioritize transparency, accountability, and assurance that the Company operates in an ethical and sustainable manner. Accordingly, the Annual Report should adopt a clear, succinct, and easily understandable writing style, ensuring the provision of pertinent and dependable information that meets the diverse requirements of its target audience.

Leveraging Three Strategies for Optimising Our Future



1

Expanding the product offerings



2

Strengthening the market position



2

Optimising capital allocation

[Read more on Pages 16-19](#)

BEYOND FINANCIAL SERVICES. BUILDING BETTER LIVES.

At IIFL Samasta Finance, we go beyond the boundaries of traditional financial services in our commitment to enhancing lives. Our overarching theme, 'Beyond Financial Services. Building Better Lives.', encapsulates our steadfast dedication to effecting holistic and enduring change, surpassing the realm of mere transactions.

We firmly believe that genuine progress lies in equipping individuals and communities with the necessary tools and resources to thrive. Our services are designed to uplift society and empower individuals, enabling them to unleash their full potential. By extending access to financial services to underserved populations and promoting financial inclusion, as well as supporting livelihood enrichment and empowering rural women communities, we are fully committed to making a meaningful and lasting impact on people's lives.

Furthermore, we recognize the vital importance of sustainable development and our responsibility to safeguard the environment for future generations. Our comprehensive approach seamlessly integrates sustainability principles into our operations, ensuring that our initiatives generate positive outcomes for both people and the planet.





FY 2022-23 Scorecard

Key Business Metrics

Our stronghold in the market reflects through the businesses we do while maintaining trust with our customers



Facilitating
Financial Inclusion
for our customers



Empowering our customers to
Enrich their Livelihoods



Helping our customers to realise their dream of
Owning a House



Adding value through our service to the lives of
Rural Women Community

Operational Highlights

Our pan-India reach, diversified product offerings, advanced digital platform, and robust workforce help us to steadfast our operational credibility

Branches

1,267

Presence in the Country

19 States

Happy Employees

13,287

New Products Launched

1

Total Rural and Semi-Urban Customers

2.3 Million

Financial Highlights

Our financial figures are the testimonial of our prudent performance, reflecting our business excellence

Assets Under Management

102.52 Billion

Total Income

₹17.54 Billion

Profit After Tax

₹1.28 Billion

GNPA

2.12%

Return on Equity

11.43%

Sustainability Highlights

As a business, we remain steadfast in our commitment to sustainability, ensuring that our efforts serve as a testament to our standing as a responsible and sustainable entity.

Invested in CSR Activities
₹ 0.02 Billion

Lives Benefited
44,185

Trees Planted
1,450



Lineage with IIFL Finance

EXPANDING HORIZONS OF IMPACT

Incorporated in 1995, IIFL Finance Limited strives to work towards the mission of providing easy-to-avail loans with a core vision: to become 'the country's most respected financial services company'. IIFL Finance Limited has over two-and-a-half decades of experience and excellence in customer service. IIFL Finance provides a wide suite of products and services to meet the diverse financial needs of our customers, from retail and institutional clients to micro, small and medium enterprises.

As a part of the prestigious IIFL Group, we hold immense pride in doing business within India's changing financial landscape. We are committed to foster a lasting legacy in our field and positioning ourselves as the leading microfinance institution in the country.



Vision

To be the most respected financial services company in India. Not necessarily the largest or most profitable.





Core Values

Our core values serve as a moral compass in all our activities. Fairness, Integrity, and Transparency – FIT – is the driving force behind all we do at IIFL Finance. We work with people who fit into our professional ethos. It is our constant endeavor to create sustainable value for all our stakeholders. We are resolute in the observance of these values and will let go of any growth opportunities that deem unfit.

F

FAIRNESS

Fairness in our transactions with all stakeholders, including employees, customers, communities, regulators, Government, investors, and vendors, bereft of fear or favor

I

INTEGRITY

Integrity and honesty of the utmost nature, in the letter, in spirit, and in all our dealings with people, internal or external

T

TRANSPARENCY

Transparency in all our dealings with stakeholders, media, investors, and the public at large

Assets Under Management

₹ **646.38** Billion

Total Income (Consolidated)

₹ **84.5** Billion

Profit After Tax (Consolidated)

₹ **16.4** Billion

Branches

4,267

Employees

33,910

GNPA (Consolidated)

1.8%

Return on Equity

19.9%

About IIFL Samasta Finance

TRANSFORMING LIVES THROUGH FINANCIAL SERVICES

IIFL Samasta Finance Limited (hereinafter referred to as 'IIFL Samasta', or 'ISFL', or 'We', or 'the Company'), a prominent entity within the IIFL Group, is guided by visionary leaders committed to driving women's economic empowerment. Established in March 2008, the Company has become a prominent name in providing innovative and affordable financial products for women in underserved segments of society, both in rural and semi-urban areas.

The Company underwent a rebranding process, transitioning from Samasta Microfinance Limited to IIFL Samasta Finance Limited, to better align its identity while remaining committed to its core mission of serving marginalized communities. With a wide range of loans tailored for underserved individuals who lack access to traditional banking services, IIFL Samasta operates across the country, effectively providing responsible financial products and services that act as catalysts for sustainable and inclusive economic growth. Going beyond financial assistance, the Company has earned recognition for its provision of non-financial services, including life and hospicash insurance, along with valuable financial counseling, ensuring comprehensive support for its valued customers.





Vision

To be the chosen financial products and services provider backed by technology and passionate human capital



Mission

To bridge the gap between our customers' ambition and achievement by providing topnotch financial products and services



Values

- Integrity Always
 - Respect for Individuals and Communities
 - Excellence in Everything We Do
-

Diversified Product Portfolio

EMPOWERING FINANCIAL WELLBEING

Our diversified product portfolio signifies our commitment to meeting the financial needs of underserved communities, driving economic empowerment, and fostering financial resilience. By offering a range of products and services tailored to the diversified demands of its customers, we are positively impacting the lives of individuals and contributing to the overall development of the communities we serve.

IIFL Samasta plays a crucial role in empowering individuals and enriching communities by addressing financial challenges faced by underprivileged individuals. We bridge the gap between ambition and achievement by providing financial support tailored to the specific needs of our clients. We are dedicated to supporting low-income women, encompassing cultivators, agricultural laborers, vegetable and flower vendors, cloth traders, tailors, craftsmen, as well as household and industrial workers. By assessing their income-generating potential and reliability, we determine the tailored financial assistance they need. To cater to our diverse customer base, we provide a comprehensive range of loan products. These include Income Generation Loans, Dairy Cattle Loans, Product Loans, MSME Loans, Education Loans, Top-up Loans, and Insurance. Each product is meticulously designed to address specific financial needs and facilitate our clients' path to economic empowerment.



Samriddhi

(Income Generating Loan - IGL)

Samriddhi empowers women customers by providing access to capital, facilitating the establishment and expansion of their micro enterprises. This versatile loan product addresses various financial needs such as capital requirements, working capital growth, and stock purchases, among others.

Loan size

₹ 10,000-70,000



Samvardhana

(Top-up Loan)

Samvardhana supports customers in enhancing their financial capabilities by offering top-up loans. These loans are exclusively provided to Income Generating Loan (IGL) customers with a commendable repayment history. By being able to access more cash through top-up loans, customers can amplify their income generation activities and further augment their financial prospects.

Loan size

₹ 10,000-35,000



Sampark Advantage

(Loan Against Property)

Sampark Advantage is meticulously crafted to bolster customers' business capabilities and facilitate retail financing by utilizing their property as collateral. This loan product offers a competitive interest rate and ensures prompt and secure lending, thereby fostering the enhancement of business capabilities for customers residing in rural and semi-urban areas.

Loan size

₹ 0.6-5 lakhs



Sampark

(Loan Against Property)

Sampark is a loan product aimed at bolstering the business capabilities of self-employed and salaried individuals in rural and semi-urban areas. It offers financial assistance to improve living conditions and enhance financial stability, with competitive interest rates and collateral requirements.

Loan size

₹ 3-15 lakhs



Swabhimaan

(Micro Enterprise Loan)

Swabhimaan is a loan product that offers timely and affordable lending solutions to micro-enterprises without any collateral requirement. This unique loan product caters to the expansion needs of customers and is supported by the net cash flow at a higher, but affordable interest rate.

Loan size

₹ **60,000-5** lakhs



Surabhi

(Dairy Cattle Loan)

Surabhi is a specialized loan product designed to support women in fulfilling their dairy development needs, including the procurement of new cattle. This inclusive loan offering includes insurance coverage to mitigate risks associated with dairy farming.

Loan size

₹ **60,000-90,000**



Sajal

(Sanitation and Jal loans for Rural India)

Sajal empowers customers with affordable credit for securing essential life necessities like sanitation and hygiene. This collateral-free loan, ranging from ₹4,000 to ₹30,000, is exclusively offered to existing IGL customers. It can be utilized for various purposes, such as setting up filtration units, tap water connections, water storage facilities, toilet construction/improvement, and other vital amenities.

Loan size

₹ **10,000-35,000**



Suvidha

(Product Loans)

Suvidha enriches customers' lifestyles through loans dedicated to the acquisition of daily-use items like cook stoves, water purifiers, solar lights, mobile phones, and other products enhancing their way of life. This loan product is designed to bring convenience and elevate the overall quality of life for our valued customers.

Loan size

₹ **2,000-25,000**

Our Success Stories

INSPIRING GROWTH AND SUSTAINABILITY



State	Bihar
Branch	Sakri
Name of the Customer	Shobha Devi
Loan Type	Micro-Enterprise Loan
Loan Amount	₹ 50,000

IIFL Samasta's commitment to fostering exponential growth and empowering its partners is exemplified through the inspiring story of an extraordinary entrepreneur from the Sakri branch. Through the provision of a first-cycle loan, IIFL Samasta enabled this ambitious woman to expand her small general store and turn it into a thriving cosmetic store. The loan acted as a pivotal springboard for her business transformation, allowing her to diversify her inventory and attract a broader customer base. This success story stands as a testament to the significant impact of IIFL Samasta in empowering individuals and improving their financial stability. The entrepreneur is grateful for the support and dedication shown by IIFL Samasta, which has played a vital role in her journey towards success.



State	Kerala
Branch	Aluva
Name of the Customer	Sheela
Loan Type	Micro-Enterprise Loan
Loan Amount	₹ 47,000

Sheela, a resident of Vazhakulam, Aluva, experienced a remarkable transformation in her life with the support of IIFL Samasta. Recognizing Sheela's potential, IIFL Samasta provided her with the necessary financial support to expand her tailoring business. With the assistance of IIFL Samasta, Sheela was able to invest in modern equipment and machinery, significantly increasing her production capacity and creating employment opportunities for others. Sheela successfully diversified her offerings, catering to market demand by accepting orders from large shops, thereby ensuring the sustainability of her business. The financial support and unwavering belief from IIFL Samasta played a pivotal role in transforming Sheela's life, empowering her to achieve her dreams and secure the well-being of her family.



State	Karnataka
Branch	Magadi Road
Name of the Customer	Mrs. Girijambika
Loan Type	Micro-Enterprise Loan
Loan Amount	₹ 50,000

Since 2014, Mrs. Girijambika has been a valued customer of IIFL Samasta. Initially, she operated a small vegetable shop on the roadside near Mysore Road Kavika Layout. However, after learning about our Company, she approached us for financial assistance. In 2014, she obtained a loan of ₹ 15,000 from IIFL Samasta, which allowed her to establish a business in a small shop.

Today, Girijambika is not only a satisfied customer but also a successful entrepreneur. She is delighted with the progress she has made, and her loan repayments have been consistently on time. Her success has motivated her to seek further support from IIFL Samasta, as she now plans to expand her business and aims to secure a loan amount of ₹ 1,00,000. Girijambika's journey exemplifies the positive impact of IIFL Samasta in empowering individuals and supporting their entrepreneurial aspirations.



State	Odisha
Branch	Rasgovindpur
Name of the Customer	Mrs. Sujata Pradhan
Loan Type	Micro-Enterprise Loan
Loan Amount	₹ 1.10 lakhs

Mrs. Sujata Pradhan, a resident of Luhapada village in Balasore district, Odisha, has experienced a remarkable transformation in her life with the support of IIFL Samasta. As her husband worked as a daily wage laborer, managing household expenses became challenging. Determined to contribute to her family's financial stability and provide quality education for her children, Mrs. Pradhan decided to start a small grocery store in her locality. With the financial assistance of IIFL Samasta, she received a loan of ₹ 1.10 lakhs in three instalments till 2022, which enabled her to successfully establish the shop. Over time, Mrs. Pradhan expanded her business, diversified her product range, and earned ₹ 900 – 1,000 per day. Her inspiring journey stands as a testament to the transformative impact of IIFL Samasta in empowering individuals and promoting financial independence.

MD's Communique



We are delighted to announce that we crossed a remarkable milestone of 2 Million customers during the year, and by the end of FY 2022-23, our customer count stood at an impressive 2.3 Million.



Dear Stakeholders,

As we reflect on the achievements and milestones of FY 2022-23, it fills us with immense pride and gratitude for the journey we have embarked upon together. This past year was truly exceptional, as it not only demonstrated our unwavering resilience but also showcased our commitment to growth and customer-centric innovation.

One of our most notable accomplishments was the significant expansion of our customer base. We are delighted to announce that we crossed a remarkable milestone of 2 Million customers during the year, and by the end of FY 2022-23, our customer count stood at an impressive 2.3 Million. This represents a remarkable 63% increase in our portfolio, growing from ₹ 6,483 Crore to ₹ 10,552 Crore. Such remarkable growth exemplifies the trust our customers have placed in us and our ability to meet their financial needs effectively.

Furthermore, our strategic diversification efforts yielded outstanding results. In particular, our Retail vertical experienced remarkable success by surpassing ₹ 1,000 Crore with a growth rate of 115%. Additionally, our Dairy and Cattle loan vertical achieved a phenomenal growth rate of 147%, exceeding ₹ 430 Crore in the portfolio. These achievements affirm our ability to identify new market opportunities and tailor our offerings to meet the evolving needs of our diverse customer base.

In our relentless pursuit of financial inclusion, we expanded our operations to Arunachal Pradesh and Andhra Pradesh. By extending our reach to these regions, we have been able to welcome new customers into our fold and empower them with the financial resources they need to thrive. Importantly, all our expansions and growth initiatives were conducted in strict adherence to the updated RBI guidelines for NBFC MFIs, reflecting our commitment to regulatory compliance and responsible lending practices.

FY 2022-23 was also characterized by significant technological advancements. We successfully introduced E-sign, a cutting-edge electronic signature system, and implemented various system-level upgrades. These technological enhancements have streamlined our processes, enabling us to provide our customers with a more efficient and seamless experience. By embracing technology, we have not only improved our operational efficiency but also positioned ourselves at the forefront of digital transformation in the financial sector.

Looking ahead to FY 2023-24, we are filled with enthusiasm and anticipation for the journey that lies before us. As the effects of the pandemic gradually recede and the economy

begins to bounce back, we foresee a surge in credit demand. We are confident that our well-established position and robust infrastructure will allow us to leverage this potential upswing effectively.

To cater to the evolving needs of our customers, we have developed strategic plans to introduce new products and services. In the upcoming year, we will be launching consumer loans, two-wheeler loans, and other offerings that align with our mission of providing a comprehensive suite of financial solutions tailored to our customers' unique requirements. These additions to our product portfolio will enable us to better serve our customers and solidify our position as a trusted partner in their financial journey.

As we continue our growth trajectory, we remain committed to investing in technology, our talented workforce, and innovative products. By channeling our resources into these key areas, we will not only enhance our operational efficiency but also drive sustained growth in the years to come. Our focus on technology will enable us to remain at the forefront of the industry, empowering us to deliver cutting-edge solutions to our customers.

None of these achievements would have been possible without the dedication and hard work of our exceptional team. I would like to express my deepest gratitude to each and every member of our organization. It is your unwavering commitment and tireless efforts that have propelled us to new heights. Your perseverance in the face of challenges, your passion for innovation, and your unwavering dedication to our core values have been the bedrock of our success.

I would also like to extend my heartfelt appreciation to our customers. Your trust in us has been instrumental in our growth and success. We remain committed to providing you with the highest level of service and tailored financial solutions to meet your needs. Your loyalty inspires us to continually raise the bar and exceed your expectations.

The accomplishments of the past year are a testament to the dedication of our employees, the trust of our customers, and the continued support from our stakeholders. As the Managing Director, I extend my deepest gratitude. With your support, we are looking forward to forging ahead in our mission of financial inclusion and setting new benchmarks in FY 2023-24.

Best regards,
Venkatesh N.
Managing Director

Strategising for the Future

SUSTAINABLE STRATEGIES FOR FUTURE SUCCESS

At IIFL Samasta, we are devoted to refining our strategies to drive growth and deliver value to stakeholders. An essential element of our approach is expanding product offerings to diversify our loan portfolio, meeting evolving customer demands. Through the introduction of new and innovative financial products, we strive to maintain our competitive advantage and uphold our position as a prominent player in the microfinance sector. Additionally, we are committed to strengthening our market presence through strategic partnerships and collaborations. Geographical expansion

is another pivotal component of our growth strategy, as we seek to enter new markets and extend our footprint across multiple states, expanding our reach and impact on underserved communities. In line with our unwavering commitment to efficient capital management, we prioritize optimizing capital allocation to drive sustainable growth. We evaluate investment opportunities, allocate resources to high-potential areas, and continually monitor and assess the performance of our portfolio to ensure optimal outcomes.

#1 Strategy

Expanding Our Product Portfolio

To expand our product portfolio strategy, we mainly focus towards continuous innovation and customer-centric solutions. We are committed to offering a comprehensive range of financial products and services that cater to the evolving needs of our customers.

Through extensive market research and analysis, we identify gaps and opportunities in the market, allowing us to develop and introduce new products that address specific customer requirements. We leverage technology and data-driven insights to design innovative solutions that provide convenience, flexibility, and value to our customers.

We actively collaborate with strategic partners to enhance our product offerings and access new markets. These

partnerships enable us to tap into expertise, resources, and distribution channels, accelerating our ability to bring new products to market and expand our reach.

Additionally, we continuously invest in research and development to stay ahead of industry trends and emerging technologies. This proactive approach ensures that our product portfolio remains relevant and competitive in a rapidly evolving financial landscape.

New Products Launched

1



#2
Strategy

Strengthening the Market Position

Strengthening our market position is a core strategy at IIFL Samasta Finance Limited, and we have taken several initiatives to achieve this goal. One key aspect is branch expansion, and in FY 2022-23, we successfully added 460 new branches to our network, extending our presence across the country. This expansion allows us to reach new markets and serve a larger customer base.

New Branches Added

460

To support our growing operations, we have prioritized strengthening our human resources. In FY 2022-23, we hired 14,225 talented individuals who bring diverse skills and expertise to our organization. By investing in our workforce, we enhance our ability to deliver exceptional service and meet the evolving needs of our customers.

New Employees Hired

14,225

We are proud to have added 11.52 lakhs new customers in FY 2022-23. This substantial increase reflects our

commitment to reaching out to more individuals and providing them with access to our comprehensive range of financial solutions.

New Customers Onboarded

11.52 lakhs

To facilitate our market expansion efforts, we leverage the power of ML-based data analysis. By harnessing the insights generated through advanced analytics, we can identify market opportunities with greater accuracy and make informed decisions to expand our operations efficiently.

ML-Based Data Analytics

Utilization for Market Research and Expansion

In line with our customer-centric approach, we have enhanced our customer support capabilities. We have established an in-house contact center to ensure timely resolution and comprehensive assistance for any customer queries or concerns. This dedicated support system reinforces our commitment to delivering excellent customer service at every touchpoint.

#3
Strategy

Optimizing Capital Allocation

At IIFL Samasta Finance Limited, efficient capital allocation serves as a pivotal strategy, forming the foundation for our sustainable growth and value creation for stakeholders. We recognize the significance of deploying our capital efficiently, and we have implemented a rigorous process to evaluate investment opportunities. This entails thorough assessments of risk and reward profiles, informed by data-driven insights and robust financial models. By allocating resources to high-potential areas that align with our business objectives and risk appetite, we ensure prudent capital deployment.

To support our capital allocation objectives, our treasury fund-raising team has devised a well-planned funding strategy. We are actively diversifying our funding sources to fuel business growth and strengthen our balance sheet. In FY 2022-23, we successfully added five new lenders, raising a total of ₹ 7,400 Crore. We will continue to engage with existing lenders and seek new partnerships in the current

fiscal year, aiming to raise funds of a similar magnitude. In the coming years, our focus will be on diversifying funding sources through engagements with Development Financial Institutions (DFIs) and retail investors. We are currently in discussions with several DFIs and retail investors to explore funding opportunities through various structures.

Fund Raised

₹ 7,400 Crore


In anticipation of the upcoming FY 2023-24, we have set an ambitious target of raising funds between ₹ 11,000 - ₹ 11,500 Crore. This planned capital infusion will fuel our projected business growth, allowing us to seize market opportunities, expand operations, and enhance our capabilities.

Value Creation Model


BEYOND PROFITS - CREATING SUSTAINABLE VALUE




FINANCIAL CAPITAL

 <p>Amalgamation of equity and debt funding to create adequate financial assets to support our business</p>	<p>Total equity funding : ₹ 2 Billion</p> <p>Total debt funding : ₹ 52.20 Billion</p>
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PHYSICAL CAPITAL

 <p>The wide reach of our branch network to address maximum number of customers at a time</p>	<p>Total branch network : 1,267</p> <p>New branches added : 460 in FY 2022-23</p> <p>Presence across : 19 states</p>
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INTELLECTUAL CAPITAL

 <p>We harness the potential of our technology-backed infrastructure, complemented by our in-depth market knowledge, extensive experience, and proficient credit underwriting. This synergy empowers us to efficiently process loans, effectively manage risks, and provide exemplary customer service</p>	<p>Strengthening the Cybersecurity domain</p> <p>Conducting Regular Risk Assessment Programmes</p> <p>Enhancing the Network Security Protocols</p> <p>Conducting Regular Employee Awareness and Training on information security matters</p>
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HUMAN CAPITAL

 <p>An efficient work force enabling our credibility to provide services with better prospects</p>	<p>Total training hours : 880 Hours provided in FY 2022-23</p> <p>Gurukul Training module for area and divisional managers</p>
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SOCIAL AND RELATIONSHIP CAPITAL

 <p>Strong relationship with the stakeholders to create an ecosystem of trust within and outside the organization</p>	<p>Amount invested : ₹ 0.023 Billion towards CSR</p> <p>No. of CSR activities : 10 undertaken</p>
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NATURAL CAPITAL

 <p>Our judicious consumption of the resources for the prosperity of business and steps to environmental conservation</p>	<p>No. of initiatives undertaken during FY 2022-23 : 4</p> <p>Project Paryavaran – Tree plantation initiative</p>
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Our Robust Diversified Offerings



Samridhhi
(Income Generating Loan - IGL)



Samvardhana
(Top-up Loan)



Suvidha
(Product Loans)



Sajal
(Sanitation and Jal Loans for Rural India)



Stakeholders Engaged



Customers



Investors/
Shareholders



Employees



Communities/
NGOs



Government/
Regulators



Business
Partners/
Suppliers



Lenders

Output

SDG Linked



Swabhimaan
(Micro Enterprise Loan)



Surabhi
(Dairy Cattle Loan)



Sampark
(Loan Against Property)



Sampark Advantage
(Loan Against Property)

Strategic Imperatives

Expanding the Product Offerings

Diversifying our product portfolio by introducing innovative offerings, targeting untapped market segments, and leveraging customer insights to meet evolving needs and capture new growth opportunities

Strengthening the Market Position

Implementing a comprehensive market penetration strategy that includes aggressive marketing campaigns, strategic partnerships, and continuous product enhancements to increase brand visibility, capture a larger market share, and solidify our position as a market leader

Optimising Capital Allocation

Employing a disciplined approach to capital allocation by conducting thorough financial analysis, prioritizing investments with the highest potential for returns, and actively managing our capital structure to enhance profitability, maximize efficiency, and drive sustainable long-term growth

Prudent Governance

Establishing robust governance frameworks, implementing rigorous risk management practices, and ensuring compliance with regulatory requirements to foster transparency, integrity, and accountability across all levels of the organization, safeguarding the interests of stakeholders and maintaining a solid foundation for sustainable business growth

FINANCIAL CAPITAL

Revenue: ₹ **17.46 Billion**
EBITDA: ₹ **7.59 Billion**
PAT: ₹ **1.28 Billion**
Provision Coverage Ratio: **62.03%**



PHYSICAL CAPITAL

Total customer base: **2.34 Million**
No. of customer added in FY 2022-23: **1.15 Million**



INTELLECTUAL CAPITAL

Deployed platforms
MAVRC, ZOHO
To strengthen inter-departmental communication
Samasta Sakhi
App for the customers to get the updates regarding loans and repayments



HUMAN CAPITAL

Total workforce: **13,287**
New employees onboarded: **14,225**



SOCIAL AND RELATIONSHIP CAPITAL

Lives benefited through CSR activities: **44,185**



NATURAL CAPITAL

Trees planted under project Paryavaran: **1,450**



Financial Capital

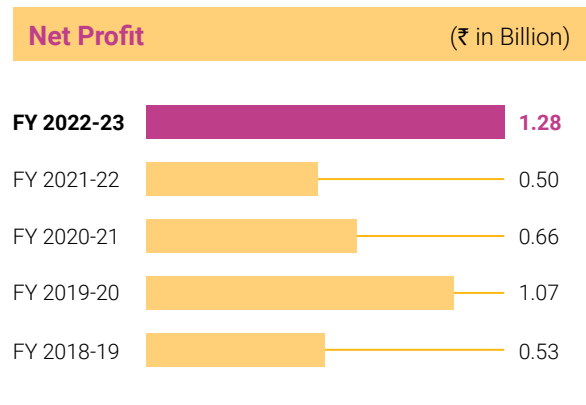
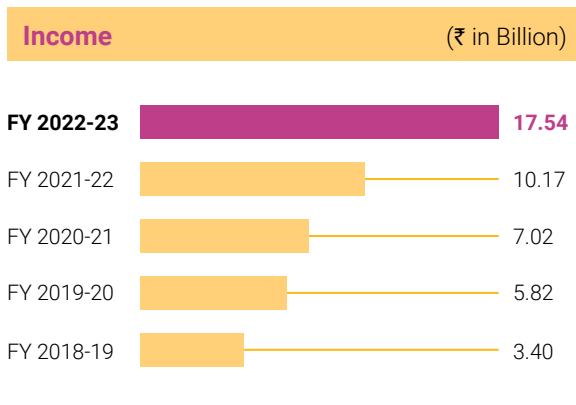
STRENGTHENING FINANCIAL FOUNDATIONS

With a steadfast commitment to financial excellence, at IIFL Samasta Finance Limited, we have demonstrated consistent growth and solidified our leadership position in the industry. Our financial performance remains robust, as evidenced by the remarkable income growth of 72% in the current year. We take pride in maintaining a healthy and strong balance sheet, which serves as a testament to our disciplined approach to financial management. As we continue to drive sustainable growth, our focus on optimizing capital allocation and maximizing returns for our stakeholders remains unwavering. With our strong financial foundation, we are well-equipped to navigate the dynamic market landscape and deliver value to our valued customers and investors.

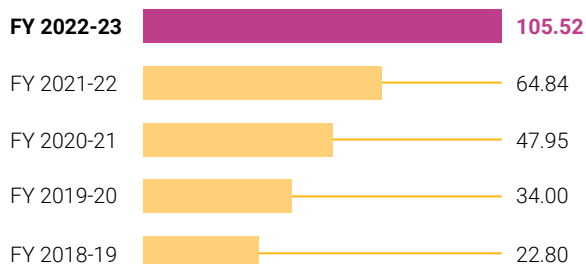
Effectively understanding and fulfilling customers' financial needs and maintaining strong customer relationships have helped us achieve a notable increase in loan disbursement by 79%. Our vigilant cost management and focus on operational efficiencies have resulted in a commendable cost-to-income ratio of 47% for FY 2022-23.

Also, our Net Interest Margin experienced a reduction of 3.18%. This outcome reflects the effectiveness of our risk management system, robust credit policy, and strong underwriting skills, as evidenced by the high quality of our assets and a low Gross Non-Performing Assets (GNPA) ratio of 2.12%. Furthermore, as responsible lenders, we increased our specific provision coverage to 62.03%.

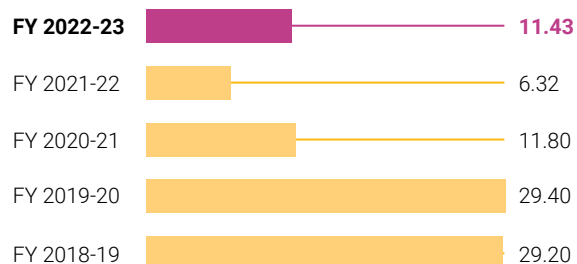
Our commitment to delivering strong growth is evident in our financial performance. We have achieved a significant growth in Profit After Tax by 153% and witnessed an increase in Return on Equity to 11.43%. These results highlight our dedication to generating sustainable earnings and maximizing returns for our stakeholders.



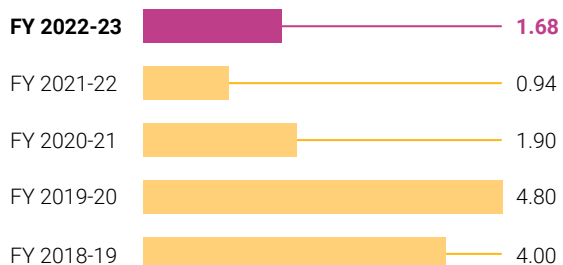
Loan Assets Under Management (₹ in Billion)



Return on Equity (%)



Return on Average Assets (%)



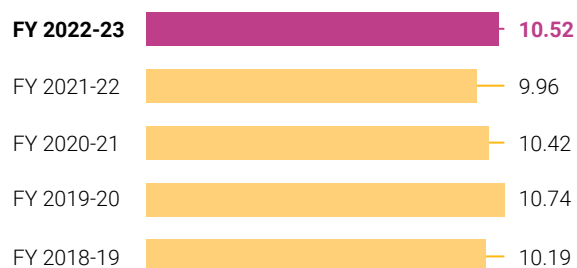
Capital Adequacy Ratio (CAR) (%)



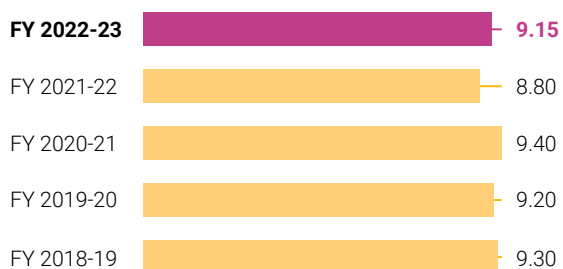
Gross NPA (%)



Cost of Funds (%)



Net Interest Margin (%)



Physical Capital

INVESTING IN SUSTAINABLE DEVELOPMENT

Our extensive coverage across India, particularly in tier 2 and tier 3 regions, empowers us to effectively deliver our services to the final destinations. With a specific emphasis on offering credit solutions primarily in rural areas, our physical presence plays a crucial role in fortifying our market position. Furthermore, it enables us to foster a strong bond with the customer community and cultivate a trusted ecosystem within society. Our overarching objective is to address the challenges encountered by marginalized segments, and our widespread network of branches greatly adjust spacing, remove justify.

In FY2022-23

460 new branches
that added to our total count of
1,267

Across

19 states in the country

Expanded the physical presence in

Andhra Pradesh
Arunachal Pradesh

No. of Branches (as on March 31, 2023)

2 Andhra Pradesh	2 Arunachal Pradesh	17 Assam
169 Bihar	18 Chhattisgarh	3 Goa
38 Gujarat	30 Jharkhand	169 Karnataka
49 Kerala	79 Madhya Pradesh	26 Maharashtra
113 Odisha	2 Puducherry	142 Rajasthan
209 Tamil Nadu	7 Tripura	89 Uttar Pradesh
103 West Bengal		



Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

Intellectual Capital

INTELLECTUAL ASSETS FOR SUSTAINABLE IMPACT

In the ever-evolving landscape of finance, technology has opened up a world of possibilities, providing both financial institutions and consumers with greater accessibility to services. Keeping pace with this transformative momentum, we have taken significant strides towards enhancing our organization through technology. With improved digitization, we have strengthened inter-organizational connectivity, while enhancing our customer support services to provide better service prospects.

Technological Adoption



FY 2022-23 has shown significant progress in IT & Strategic Implementations. The focus of this year was on introducing Features and Functionalities towards 'Enhancing Ease of Business', 'Improving Operational Efficiency', 'Arresting possibility of Frauds & Non Compliance'

e-Sign has significantly reduced time and cost of documentation. 100% of disbursements are now driven through e-sign which has also benefited in taking the organization towards its goal of 'Going Paperless'. Redundancy built in through D-sign ensures that there is no manual documentation even in case of e-sign not happening in remote scenarios. Customers benefit by shorter Document Execution time frames. They no longer need to preserve their manual documentation. The same is available as a link for them to see and use through the Customer App, 'Samasta Sakhi'

IT systems were enhanced to handle 'Co-Lending' which opened new tangents in Sourcing of Funds and given us additional confidence to increase disbursement through shared funding with partners such as Canara Bank. This is also beneficial to customers in the form of more attractive Interest rates as against direct lending.

Zoho CRM based Agile Contact Center was developed which has given our Operations team, the much needed

flexibility to create both 'Inbound and Outbound Campaigns' without any involvement of the Development team. 'Customer Experience' is now a notch higher with this improved facility used by our Operations Team.

Penetration of Digital Collections has improved by Leaps and Bounds this year. BBPS, UPI and NACH have taken the Retail Cashless collections to about ~70% & Microfinance to about 3.5 lakhs accounts per month.

With rapid business growth and alongside the Field-HO Manpower increase, it became imperative for us bring in higher levels of efficiency and to make our activities "Process Dependent. With this objective, we built several applications and IT systems to meet the purpose of automating routine activities through 'Bots', 'Digitization' and 'Workflow based approach' on both Zoho and MAVRC platforms.

'Digital Registers' helped us inch a step closer to our 'Go-Paperless' and 'Digitization' vision of the organization.

MAVRC, our Field Supervisory & Monitoring tool has been enhanced with Modules for Retail Business - Credit and Vigilance teams. Cash Management module connecting the 'Cash in hand' and 'Cash in Transit' modules have provided the visibility on Cash Status in Branch and in transit to Deposit locations.

Introducing Our Cashlight Approach for Enhanced Business Efficiency

At IIFL Samasta, we are spearheading the drive for efficiency through our revolutionary 'Cashlight Approach'. By leveraging innovative digital payment solutions such as UPI and Aadhar Enabled Payment Services, we empower our customers to transact seamlessly and securely.

Through strategic initiatives like business correspondence (BC) point deposits, efficient bank deposit formats, and robust cash management services, we have successfully transformed our Samasta branches into cashless entities. This not only minimizes operational risks but also optimizes overall efficiency.

To mitigate cash-carrying risks for our Customer Relationship Officers (CROs), we have established a robust network of transit BC points. This allows for a direct Customer Cash Drop model, eliminating unnecessary intermediaries and enhancing security. As a testament to our commitment, we have significantly bolstered our BC network, compared to FY 2021-22.



Introducing 'Samasta Sakhi' – The Ultimate Loan Account Companion

The 'Samasta Sakhi' application serves as a customer-centric app, providing users with the ability to access loan-related information such as Loan Schedules and Repayment Details. Additionally, it enables users to make EMI payments through the application conveniently. IIFL Samasta emphasizes a fully digital approach for collection, utilizing BBPS and UPI platforms, alongside the inclusion of a UPI payment option within the 'Samasta Sakhi' app.

The Future Roadmap

We have outlined several significant technology integration initiatives that are going to be implemented in the future to maintain a stronghold in terms of technological advancement within the organization. These initiatives aim to strengthen the Company's security measures and improve operational efficiency. The key initiatives include:

Security Information and Event Management (SIEM):

Our focus is on enhancing incident response capabilities by automating the detection and response to security incidents. Through the implementation of SIEM systems, we aim to effectively identify and address any potential security threats.

Endpoint Protection, Response, and Encryption:

We plan to enhance our endpoint protection platforms (EPP) to offer advanced features such as malware detection, prevention, response, and encryption. These measures will ensure the security and integrity of our endpoints.

Single Sign-On and Identity and Access Management (IAM):

To streamline user access management and bolster security, we are implementing robust IAM solutions. These solutions will enable us to manage user identities, access rights, and authentication mechanisms efficiently. Additionally, integrating multi-factor authentication (MFA) will strengthen access controls and mitigate the risk of unauthorized access.

Data Loss Prevention (DLP) Solutions:

In order to safeguard sensitive data, we are deploying a dedicated DLP solution. This solution will enable us to monitor, classify, and protect sensitive information from unauthorized access, leakage, or exfiltration.

Human Capital

PEOPLE-CENTRIC APPROACH TO BUILDING BETTER LIVES

With a comprehensive approach to HR management, we strive to create a positive work environment, foster talent, and ensure fairness and inclusivity in all our practices. By aligning our HR strategies with the organization's goals and values, we aim to cultivate a motivated and high-performing workforce that drives our mission forward.

At IIFL Samasta, we believe in nurturing our employees' growth, career advancement, and continuous learning. We have established key principles that act as catalysts for their development:

- Aligning individual goals with organizational objectives, ensuring clarity and focus on achieving desired outcomes
- Fostering a culture of continuous learning and development by providing employees with immersive training programs, real-time simulations, and role plays
- Customising learning programs in regional languages to further enhance clarity on job roles
- Ensuring that opportunities for career advancement, such as the ICA (Internal Career Advancement) program, are accessible to all employees, irrespective of their backgrounds; thus, promoting fast-track career growth and meeting the career aspirations of our workforce
- Following pay equity across all grades, functions, age groups, and gender; also regularly benchmark ourselves with competitors to maintain external parity. Herein, specially abled employees receive equal pay and are recognized for their dedication, contributing to our diverse workforce

We embrace the spirit of 'Ubuntu' within our organization

This reflects that we recognize our collective success depends on collaborative efforts. By fostering a sense of community and shared purpose, we strive to meet organizational goals together.

Operating in 19 states 1 union territory

It allows us to hire individuals from diverse backgrounds, promoting cultural inclusivity within our workforce.

Each year, we hire approximately 4,000 individuals from rural parts of India

Thus, contributing to Government initiatives and generating employment opportunities for young rural talent.

Our leaders also participate in Coach the Coachee succession planning programs



Safe and Healthy Work Environment

We prioritize the well-being of our employees and promote a safe work environment. Key measures include:

- **Grievance Redressal**

All employees have access to an app for raising grievances, ensuring their concerns are addressed promptly and through a structured flow.

- **Preventing Accidents and Promoting Mental Health:**

We provide additional accidental insurance and medical benefits to our field employees. Furthermore, we promote mental health awareness and support employee well-being through various initiatives.



Employee Engagement and Communication

We foster a culture of employee engagement and open communication through measures that include:

- **E-Sangam and Townhall**

Our annual townhall, leadership meets, strategic meets, and zonal meets provide platforms for interactive discussions and employee participation.

- **Employee Awareness of Sustainability Goals**

To ensure employee awareness of our sustainability goals and initiatives, we have an ESG committee and an annual calendar of awareness initiatives. Employees are encouraged to participate and contribute to these initiatives.

We conduct

Sankalp Meetings in Rajasthan

and maintain one-on-one communication

- **Surveys and Ideation Fests**

We conduct surveys and ideation fests, encouraging employees to share their ideas and contribute to decision-making and organizational improvement.

- **Employee Feedback and Recognition**

Pulse surveys, rewards and recognition programs, and open channels of communication allow employees to provide feedback and receive recognition for their contributions.





- o 'Gaurav' awards for all quarters were commemorated with the involvement of our Chief Executives from Head Office and Zonal Heads.
- o To foster a culture of appreciation and support within our organization, we have developed an online appreciation module in our HRMIS. This module enables employees from various functions to acknowledge and appreciate each other for their invaluable contributions towards our organizational objectives.
- o Additionally, we have created multiple badges to further facilitate the recognition and appreciation process. These badges serve as symbols of acknowledgment for the support received by employees in their day-to-day work.
- o We have also launched a series highlighting employee success stories. These stories showcase the journeys of individuals who have thrived within the IIFL Samasta community. By sharing their career paths, success factors, tips, and learnings, we aim to provide guidance and inspiration to our fellow colleagues.
- o In March 2023, we joyfully celebrated the 16th Anniversary of IIFL Samasta, commemorating our remarkable journey. Special allowances were granted to branches to organize local celebrations, further enhancing the spirit of togetherness and camaraderie among our employees.



Talent Management and Succession Planning

We have a dedicated Gurukul program that focuses on developing mid-level leaders. This program, conducted in collaboration with CMR University, aims to engage team members and ensure continuity of leadership and key skills through a well-designed 30-day module spread over 9 months.





Compliance with Labor Laws and Ethical Employment Practices

We prioritize compliance with labor laws and ethical employment practices through the following measures:

- **Trackers and Audits**

To ensure labor law compliance, we conduct internal and external audits and utilize trackers for effective monitoring.

- **Code of Conduct**

We provide all employees with a Code of Conduct, promoting ethical behavior and compliance with Company policies for increased awareness and adherence.



Employee Compensation and Benefits

Our employee compensation and benefits approach includes:

- **Competitive Pay**

We offer attractive salaries and incentives, including milestone-based salary increments, to attract and retain the best talent in the industry.

- **Promotions and PMS**

Promotions follow a clear policy with defined guidelines based on tenure, competencies, and milestone achievements, ensuring transparency and employee satisfaction.

- **Retirement Benefits**

Employees are entitled to benefits such as Provident Fund, Gratuity, and NPS (National Pension Scheme).

- **Monitoring HR Performance and Driving Continuous Improvement**

We employ defined Key Performance Indicators (KPIs) and parameters for HR process management, ensuring continuous improvement over time. These KPIs are managed through Standard Operating Procedures (SOPs) reviewed and refined annually.



Employee Refreshment

Employee refreshment is an essential aspect of maintaining a vibrant work environment. We understand the significance of work-life balance and the need for rejuvenation. To infuse an element of fun into our work culture, we have introduced exciting games and activities. We firmly believe that beyond their entertainment value, these games contribute to fostering unity and team spirit among our employees, which are crucial for the success of any organization. Moreover, they instil a renewed sense of determination within the participants.

One of our notable initiatives was the organization of 'Champions 2023', where employees actively participated in a variety of sports events. These activities not only served as team-building exercises but also fuelled employee motivation. Effective communication was facilitated among individuals at all hierarchical levels, fostering stronger bonds across the Company. The sports week provided employees with an active break from their monotonous routines, keeping them energized and engaged.

Social and Relationship Capital

BUILDING LASTING RELATIONSHIPS FOR COLLECTIVE PROSPERITY

As a socially responsible organization, we prioritize building strong relationships and partnerships with various stakeholders. Through these collaborations, we aim to leverage our collective resources, knowledge, and networks to address key social challenges and drive positive change. By actively engaging with and understanding the needs of different communities, we strive to build trust, promote inclusivity, and empower individuals and groups to achieve their full potential.

By implementing these initiatives, IIFL Samasta aims to contribute to the overall development of livestock, improving productivity, and empowering rural communities engaged in animal husbandry.

Our Company's CSR approach is deeply rooted in our philosophy, guided by our CSR Policy. IIFL Samasta prioritizes sustainable programs that create a meaningful impact on underprivileged communities. Our initiatives span areas such as livestock development, girls' education, financial literacy, youth skill development, health, environment, and rural women's micro-entrepreneurship.

To address social and community impacts associated with our operations, we follow a strategic and holistic approach. We actively involve individuals and communities in creating social change where it is most needed. As catalysts for change and development, our aim is to empower individuals

to overcome challenging circumstances and work towards sustainable livelihoods.

Our Company's CSR initiatives are guided by principles of honesty, social impact, strengthening relationships with communities, and employee engagement. They emphasize innovation, collaboration, transparency, and accountability in their CSR projects. These values are woven into their initiatives to foster sustainable growth and uplift underprivileged sections of society. Most of their CSR projects are implemented in collaboration with trusted NGO partners.



Financial Literacy Program (FLP)

Financial literacy stands as a crucial asset for any nation, closely tied to economic growth. It encompasses the skills and knowledge necessary to make informed decisions, effectively managing resources and income for prudent consumption and saving. In essence, financial literacy empowers individuals to create sound and sustainable financial plans that align with their resources and income, catering to both present and future needs.

In India, only 24% of the population possesses financial literacy, while a staggering 76% lack basic understanding.

Alarming, 80% of women in India suffer from financial illiteracy. This knowledge gap hinders sound decision-making and financial adaptability during challenging times.

IIFL Samasta tirelessly addresses these nationwide concerns. We educate women, youth, and farmers on financial literacy through village training, fostering tangible shifts in saving habits, promoting formal finance, and enrolling them in government schemes. Moreover, we support financial inclusion by establishing village kiosks and conducting post training follow-up visits.



Women trained

17,878

Kiosks set up in all for FY 2022-23

202

Shiksha Ki Udaan

In many parts of the world, including India, girls and women continue to face obstacles in obtaining education due to various socioeconomic and cultural factors. Gender inequality remains a significant concern, with more than 50% of girls in India discontinuing their education due to financial constraints.

Scholarships specifically designed for girls play a vital role in addressing this issue and providing them with improved educational and career opportunities. These scholarships serve as a means to overcome financial barriers by offering financial support to cover tuition fees, books, and other educational expenses. Moreover, scholarships have broader benefits, such as encouraging girls to pursue education, promoting gender equality, and reducing gender gaps in various fields.

IIFL Samasta takes immense pride in its commitment to supporting the education of young girls. Through our scholarship program, we aim to empower students from financially weaker sections by providing them with financial assistance. Additionally, we offer guidance and coaching through our mentorship program, ensuring that the recipients receive comprehensive support. Over the past year, we have awarded scholarships to 549 girl students from across the country, positively impacting their educational journeys and creating a path for a brighter future.

No. of meritorious girl students benefited through scholarship programs

549



Livestock Development Program

Animal husbandry plays a vital role in Indian agriculture as it sustains the livelihoods of nearly 55% of the rural population. The objective of rearing livestock is to make them beneficial for various purposes, many of which hold economic value. Consequently, animal husbandry holds immense potential for generating non-farm employment and income in rural areas. In India, where a significant portion of the population is less literate and unskilled, agriculture becomes the primary source of livelihood. However, as agriculture is seasonal, providing employment for a maximum of 180 days per year, those without land or with limited land rely on livestock to utilize their labor during the lean agricultural season.

One of the major challenges in animal husbandry is improving the productivity of farm animals. The average annual milk yield of Indian cattle stands at 1,172 liters,

Youth Skills Development and Sustainability Program

The development of a nation heavily relies on its youth, especially in India. With the right skills and adequate training, young Indians have the potential to make a significant impact on the country's economy. However, there is a growing concern about the inadequate skill development among the youth.

Skill development plays a crucial role in empowering the youth by enhancing their employability, enabling them to acquire new skills, and ensuring their competitiveness in the job market. In response to this need, we have, in collaboration with Lok Bharthi Education Society, initiated a project to provide training on BFSI (Banking, Financial Services, and Insurance) skill sets to the youth. This initiative aims to equip them with the necessary skills and knowledge required to excel in the BFSI sector and create better career opportunities for themselves.

By focusing on skill development, we can empower the youth of India to contribute effectively to the nation's growth and development. Through this project, young individuals will have the opportunity to enhance their capabilities, expand their employment prospects, and contribute positively to the economy.

Youth enrolled

450



Our efforts have reached

13,807
dairy cattle farmers
 in Rajasthan, Odisha, and Karnataka



Women Empowerment

Rural women in India heavily rely on agriculture and livestock for their livelihoods. However, the well-being of rural communities, especially small and marginal households, including women, is at risk due to the shrinking of land holdings through successive divisions among generations. Agriculture alone is insufficient to meet the livelihood requirements of poor and marginal households. Moreover, the increasing unpredictability of rainfall patterns has heightened the risks and uncertainties in the farming sector, leading to a growing trend of individuals leaving agriculture and seeking opportunities in other sectors.

Recognizing the potential of non-farm rural entrepreneurship in addressing the economic needs of rural households, IIFL Samasta has launched a project aimed at enhancing sustainable income for rural women

through various entrepreneurial activities. As part of this initiative, we have provided support to 212 women who aspire to embark on their entrepreneurial journeys. The project focuses on developing women's skills to independently run their own enterprises.

Key activities of this program include raising awareness about entrepreneurship, mobilizing women within the community, providing training in basic skills and enterprise management, assisting them in setting up their businesses, facilitating exposure visits, and offering support for market linkages to sell their products. By empowering rural women with the necessary skills and resources, we aim to foster their economic independence and contribute to the overall development of rural communities.



Provided support to

212
 Women to embark their
 entrepreneurial journeys



Environment and Renewable Energy

In India, more than 240 Million people currently lack adequate access to grid-electricity, and an additional 20 Million households receive less than four hours of electricity per day, according to the Climate Group (2015). Despite 75 years of Independence, many villages still do not have access to the minimum required power supply. This energy poverty poses a significant barrier to rural

economic and social development. Access to energy is crucial for improving health, livelihoods, education, and overall well-being. To achieve sustainable development, it is essential to utilize sustainable energy sources and ensure affordable, reliable, and modern energy access for all citizens.

IIFL Samasta has undertaken a project
**in collaboration with SELCO
India Foundation**

This project with SELCO aims at implementing customized renewable energy solutions for sustainable village development.



**97 Solar Streetlights
were Installed**

and solar-powered digital classrooms have been set up

**In 10 Government schools and
5 Anganwadis in Karnataka**

Under the Sustainable Village Development Programme

During the year, we also organized city-based tree plantation drives in partnership with the Lining Foundation Trust 'Project Paryavaran'.

Trees planted

1,450

across four cities in India, including Kolkata, Patna, Purnia, and Bhubaneswar

These tree plantation programs aim to promote greenery and combat the hazards of pollution in cities. In the long run, this initiative will help rejuvenate the entire region with a greener environment and resilient trees that can withstand natural calamities.





Vision Care

The Eye Camp serves as a critical initiative in reaching out to the underprivileged individuals suffering from blindness in rural areas. These camps have a significant impact on the lives of economically disadvantaged individuals who lack access to proper eye care services. By bringing eye care directly to their doorstep, these camps provide much-needed support to those who would otherwise remain untreated. The importance of these camps cannot be overstated, as they bridge the gap and ensure that even the most vulnerable members of society receive the eye care they desperately need.



Free Eye Check-up camps

22

Individuals screened in rural areas of Bihar and Tamil Nadu

2,224

Needy people were provided with free spectacles

1,109



Distributed the Desk/School bags

These are convertible into a study table. It has a compact design and is waterproof and it helps kids to maintain a proper and comfortable sitting posture while studying.

Provided **1,200** desk/school bags to underprivileged students studying in govt schools in MP, Bihar, WB and Odisha



Flood Relief Activities

During the past year, several Indian states faced the devastating impact of heavy rainfall and floods. According to the National Emergency Response Centre, the floods resulted in the loss of around 1,800 lives, with 89 individuals still reported as missing. Moreover, over 1,100 people were injured, and a staggering 1.3 Million individuals had to be evacuated from affected areas. In times of such adversity, IIFL Samasta has consistently extended its support to the affected communities. By offering this assistance, we aimed to provide immediate relief and aid in the recovery process for those affected by this natural calamity.

Provided essential groceries and sustenance to

2,095 individuals

in the states of Assam, Odisha, and Karnataka




Other initiatives undertaken by our Company include conducting vision screening camps to provide eye care services in rural areas, and providing flood relief support to affected communities.





To measure and monitor the social and community impacts of its operations, IIFL Samasta has a dedicated in-house team responsible for implementing CSR interventions. The Team follows standard procedures to monitor and measure the effectiveness of CSR initiatives. It conducts regular visits to project locations, gathers feedback from beneficiaries, and holds quarterly review meetings with NGOs and stakeholders to evaluate progress. The CSR committee plays an active role in finalizing projects and budgets, as well as assessing milestones achieved. The internal audit team conducts periodic audits of all CSR activities to ensure compliance and effectiveness. This information is used to drive continuous improvement in the Company's CSR initiatives over time.

Stakeholder Engagement

COLLABORATIVE PARTNERSHIPS FOR SUSTAINABLE IMPACT

Our dedication to stakeholder engagement transcends traditional communication and consultation. We foster true collaboration and understanding. Actively involving stakeholders in decision-making processes, we value their perspectives, feedback, and ideas to shape our strategies. Through effective stakeholder engagement, we aim to build trust, transparency, and mutual respect.

STAKEHOLDER GROUP	NEEDS AND EXPECTATIONS	ENGAGEMENT MODE AND FREQUENCY	KPIs
 <p>Customers</p>	<ul style="list-style-type: none"> • Customized financial products and services • Competitive interest rates • Access to physical and digital channels • Seamless customer service • Secure transactions • Fair and responsive grievance redressal mechanism 	<ul style="list-style-type: none"> • Ongoing and regular engagement • Emails, calls, SMS, WhatsApp, branch, and managers • Social media communication • Marketing campaigns • Customer satisfaction surveys 	<ul style="list-style-type: none"> • Number of products offered • Number of families supported • Number of branches • Number of loans disbursed
 <p>Investors/ Shareholders</p>	<ul style="list-style-type: none"> • Ethical business practices and good corporate governance • Regular dividends • Sustainable performance and value creation • ESG integration into strategy and operations • Transparent reporting and disclosure 	<ul style="list-style-type: none"> • Annual and quarterly investor meets/calls • Investor presentations • Annual General Meeting • Investor grievance channels • Annual report 	<ul style="list-style-type: none"> • Credit rating • Assets under management • Net profit • Dividend • Return ratios
 <p>Employees</p>	<ul style="list-style-type: none"> • Training and development • Fair and timely remuneration • Rewards, recognition, and appreciation • Diverse, open, non-discriminatory, and safe working environment • Work-life balance 	<ul style="list-style-type: none"> • Town halls, workshops • One-on-one meetings, performance appraisals • Engagement initiatives • Digital apps, collection officers • Learning through online modules 	<ul style="list-style-type: none"> • Number of training hours for employees • Awards received • Diversity in workforce • Number of appraisals and reviews conducted

STAKEHOLDER GROUP	NEEDS AND EXPECTATIONS	ENGAGEMENT MODE AND FREQUENCY	KPIs
 <p>Communities/ NGOs</p>	<ul style="list-style-type: none"> • Social upliftment • Enhancing financial literacy • Community welfare initiatives 	<ul style="list-style-type: none"> • Regular meetings, seminars, workshops • Periodical submission of business performance • One-on-one or group meetings • Written communication 	<ul style="list-style-type: none"> • Number of families supported • Amount spent towards CSR • Current welfare initiatives in operation
 <p>Government/ Regulators</p>	<ul style="list-style-type: none"> • Compliance with laws and regulations • Ethical business • Active participation in industry and regulatory working groups 	<ul style="list-style-type: none"> • Mandatory regulatory filings 	<ul style="list-style-type: none"> • Liquidity ratio • Number of stakeholder grievances addressed
 <p>Business Partners/ Suppliers</p>	<ul style="list-style-type: none"> • Fair and ethical procurement and engagement practices 	<ul style="list-style-type: none"> • Regular meetings, seminars, workshops 	<ul style="list-style-type: none"> • Share of procurements from MSMEs
 <p>Lenders</p>	<ul style="list-style-type: none"> • Institutional loans • Lending to underserved/PSL segments 	<ul style="list-style-type: none"> • Submission of reports 	<ul style="list-style-type: none"> • Credit rating • Liquidity ratio

Natural Capital

PRESERVING NATURE FOR FUTURE GENERATIONS

At IIFL Samasta, we uphold our responsibility as mindful custodians of the planet by seamlessly integrating sustainable practices into our operations. Our commitment to environmental stewardship encompasses a comprehensive range of initiatives aimed at reducing our ecological impact and fostering sustainable practices.

By implementing energy-efficient measures, responsible water management, and effective waste management practices, IIFL Samasta is committed to sustainable and environmentally conscious operations.



Energy Management

- Utilizing direct and indirect energy resources to fuel our operations. Direct energy consumption includes the use of diesel in generator sets and LPG in cafeterias
- Staying cognizant to switch off AC's whenever it is not required
- Reducing our energy footprint involves replacing energy-intensive lighting with energy-efficient alternatives at our branches/offices
- Promoting consciousness at the ground level by fostering behavioral change among employees
- Educating employees about the impact of conscientious participation in energy conservation
- Following mindful approaches include prioritizing the use of pedestal fans over AC units and installing sensor-based lights in offices
- Having installed sensor device in all RO/ZO/HO in all cabins, meeting rooms/discussion room and washrooms
- Using LED in all the branches, RO, ZO and HO





Water Management

Recognizing the pressing issue of water scarcity in India, we are dedicated to minimizing our water footprint. Our water supply primarily relies on groundwater reserves, with some locations supplemented by third-party providers. Within our office premises, we prioritize prudent water management practices to ensure responsible consumption.

- Rain water harvesting, wherein we use the accumulated rain water to water the plants and for cleaning purposes.
- We have installed sensor lights and aerators for water taps in all the RO/ZO/HO to minimize consumption.
- In Bhubaneswar-ZO, Odisha, we had requested LL to install a wash basin outside and the output pipe has been connected to the garden instead of drainage/ sewage line. So, whenever the wash basin is being used the water is supplied directly to the garden through the outer pipe connected with wash basin. In this way, we water plants indirectly.

- At our HO, we have appointed a 3rd party vendor to come and collect waste from our office on daily basis and recycling the same. At RO/ZO, local municipality people have been appointed to clear the waste.



Waste Management

- E-waste is diligently recycled, ensuring responsible disposal
- Other scrap materials are handed over to authorized vendors for recycling and reusing
- Paper waste is securely shredded due to the sensitive personal information it may contain
- Waste management initiatives aim to minimize environmental impact and promote recycling
- Strictly avoid use of plastic in our office. Instead of plastic cups we use ceramic and paper cups
- Carton boxes are used to send materials to various branches



Robust Governance Structure

STRONG FRAMEWORK FOR SUSTAINABLE PRACTICES

IIFL Samasta Finance Limited upholds robust governance practices as a cornerstone of its operations. Transparency, accountability, and ethical conduct form the foundation for building trust with stakeholders and maintaining a sustainable business model. Through effective governance mechanisms and practices, we integrate valuable insights and recommendations from our esteemed Board of Directors, fostering growth and ensuring the organization's long-term success.



Key Focus Areas

Our Company, IIFL Samasta Finance Limited, places significant emphasis on corporate governance as a cornerstone of our operations. We are committed to adhering to best practices and the highest standards of governance to ensure transparency, accountability, and ethical conduct across all levels of the organization. By implementing effective governance mechanisms, we aim to build trust among our stakeholders and foster long-term sustainability.

Compliance to Regulations and Ethical Standards

IIFL Samasta recognizes the importance of compliance with applicable laws, regulations, and ethical standards. Our Company ensures strict adherence to the provisions of the Companies Act 2013 and other relevant regulations prescribed by regulatory bodies such as the Reserve Bank of India and the Securities and Exchange Board of India (SEBI). We operate within the legal framework and continually update our policies and practices to align with evolving legal and ethical requirements.

We maintain a strong awareness of the regulatory guidelines applicable to the financial sector, as mandated by government agencies, and strictly adhere to them. The Reserve Bank of India (RBI) periodically issues guidelines on corporate governance, aimed at assisting Non-Banking Financial Companies (NBFCs) in adopting best practices and enhancing transparency in their operations. These guidelines for corporate governance are outlined in Chapter XI of the Master Direction - Non-Banking Financial Company Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, with subsequent amendments.

In line with the RBI guidelines, we have formulated a robust Corporate Governance Policy that serves as a comprehensive framework to ensure effective governance and transparency across all levels of the organization.

This policy aligns with the relevant regulations and undergoes necessary revisions to reflect any changes in the regulatory landscape. We prioritize the implementation of proper corporate governance practices, guided by the RBI's directives, to uphold transparency, accountability, and ethical conduct throughout our operations.

Public Disclosure of ESG Strategy and Progress:

Our Company is committed to environmental, social, and governance (ESG) principles and recognizes the significance of sustainability in business operations. We proactively disclose our ESG strategy and progress to the public, providing transparency and accountability to our stakeholders. By making this information readily available, IIFL Samasta demonstrates its commitment to responsible and sustainable practices and invites scrutiny and feedback from its stakeholders.



Policy Framework at IIFL Samasta

- ECL Policy
- Fit and Proper Criteria
- Nomination and Remuneration Policy
- Corporate Governance Code
- Policy on Independent Directors
- Insider Trading
- RPT Policy
- Code of Conduct for Directors and Senior Management-IIFL Samasta
- Succession Policy for Appointments to the Board and to Senior Management
- Policy on preservation of the Documents
- Statutory Auditors Appointment
- Board Diversity
- Investment Policy
- Policy for Resource Planning
- Securitization Policy
- POSH Policy
- Compensation Policy
- Whistle Blower
- Vigilance Policy
- Policy on prevention and Detection of Frauds
- Credit Risk Management Policy
- Risk Management Policy
- Business Continuity Planning
- ALM Policy
- ICAAP Policy
- Fair Practices Code
- Pricing Policy
- Customer Grievance Redressal Policy
- Code of Conduct and Process Policy
- KYC & AML Policy
- Credit Policy
- Collection Policy
- Write-off Policy
- One Time Settlement policy
- Co-lending policy
- IT Policies
- CSR Policy
- Risk based Internal Audit Policy



Anti-Corruption and Bribery

At IIFL Samasta, we prohibit:

- Offering or suggesting or authorizing the offer or suggestion of a bribe
- Soliciting or accepting a bribe to influence an action
- Using another party to conduct any of the above
- Using vendors or suppliers that do not have high standards on bribery and corruption
- Processing funds known to be, or reasonably suspected of being, the proceeds of bribery or corruption



Prevention of Sexual Harassment (POSH) Policy

At IIFL Samasta, we prioritize creating a respectful and safe environment for all our employees. In line with The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act and Rules, 2013, we have established a robust Prevention of Sexual Harassment (POSH) Policy. This policy aims to strictly prohibit, prevent, and address any form of harassment that may amount to or connote sexual harassment within our organization.

The POSH Policy applies to all incidents of sexual harassment that occur at IIFL Samasta, involving any individuals who are directly or indirectly associated with our Company, regardless of their employment status. While the Act primarily focuses on protecting women, we believe in inclusivity and have extended the Policy to be gender-neutral.

The scope of the POSH Policy encompasses three key aspects: prohibition, prevention, and redressal. We are committed to maintaining a work environment free from any form of sexual harassment, and our policy outlines clear guidelines and procedures to address any such incidents effectively.

To ensure the proper administration of the POSH Policy, we have established an Internal Committee (IC) comprising senior employees and regional representatives. This committee plays a vital role in overseeing the implementation of the policy, facilitating a supportive and safe workplace for everyone at IIFL Samasta.



The Board of Directors

The Board meetings serve as crucial platforms for shaping the organization's trajectory. These meetings facilitate in-depth discussions on key matters that require the attention and approval of the Board. The suggestions put forth by the Board members are thoroughly considered during the decision-making process, playing a vital role in formulating important strategies for the overall development of our Company.

The esteemed individuals on our Board of Directors bring their extensive expertise, diverse perspectives, and valuable insights to the table, shaping the governance and strategic direction of IIFL Samasta Finance Limited. Their collective wisdom ensures our Company's commitment to upholding the highest standards of corporate governance while fostering its overall growth and success.

Meet the Board



Mr. Venkatesh, *Managing Director*

Mr. Venkatesh N. is the visionary Founder and Managing Director of IIFL Samasta Finance Limited. With over 23 years of experience as an entrepreneur in the financial services industry, he has demonstrated exceptional leadership. Prior to founding IIFL Samasta, Mr. Venkatesh established PNV Techno Acquisitions Private Limited, a company that marketed financial products, and Affluence Edifice, a wealth management service provider. He holds a bachelor's degree in computer science and has completed the prestigious Harvard Business School-ACCION Program on strategic leadership in microfinance.



Mr. Shivaprakash Deviah, *Whole-Time Director*

Mr. Shivaprakash Deviah, leveraging his expertise, spearheads our Company's technology initiatives. He has been instrumental in setting up a comprehensive IT infrastructure for lending activities and driving process efficiency through automation. With a background spanning over two decades in the software and financial services industries, Mr. Shivaprakash previously managed global technology projects for Wipro. He holds a bachelor's degree in computer science and engineering from PSG College of Technology and a diploma in microfinance from the Indian Institute of Banking & Finance.



Mr. Vikraman Ampalakkat, *Independent Director*

Mr. Vikraman Ampalakkat brings a wealth of experience to the Board, having retired as the Chief General Manager of SIDBI Foundation for Micro Credit. With a career spanning 38 years, he has worked with esteemed organizations such as Reserve Bank of India, IDBI, and SIDBI. Mr. Vikraman's expertise lies in the microfinance sector, and he currently serves on the boards of other microfinance and financial corporations.



Mr. Ramanathan Annamalai, *Independent Director*

Mr. Ramanathan Annamalai holds significant experience in development banking in the agriculture and rural sectors. He previously served as the Chief General Manager in the Micro Credit Innovations Department of NABARD, where he managed the world's largest microfinance program, the SHG Bank Linkage program. With his profound knowledge of financial inclusion and rural development, Mr. Ramanathan adds valuable insights to the Board.



Mr. Badrinarayanan Seshadri, *Independent Director*

Mr. Badrinarayanan Seshadri is a multi-faceted professional with a diverse background. He holds a B.Tech in mechanical engineering from IIT Madras and a PhD in mechanical engineering from Cornell University, US. Mr. Seshadri co-founded Cricinfo.com, the leading cricket portal worldwide. He is currently involved in running Synprosoft, a software services company, and Kizhakku Pathippagam, a renowned Tamil book publisher. Additionally, he co-owns Aargee Staffing Services Pvt Ltd, an IT staffing company. Mr. Seshadri is known for his insightful writings on current affairs and politics in both Tamil and English.

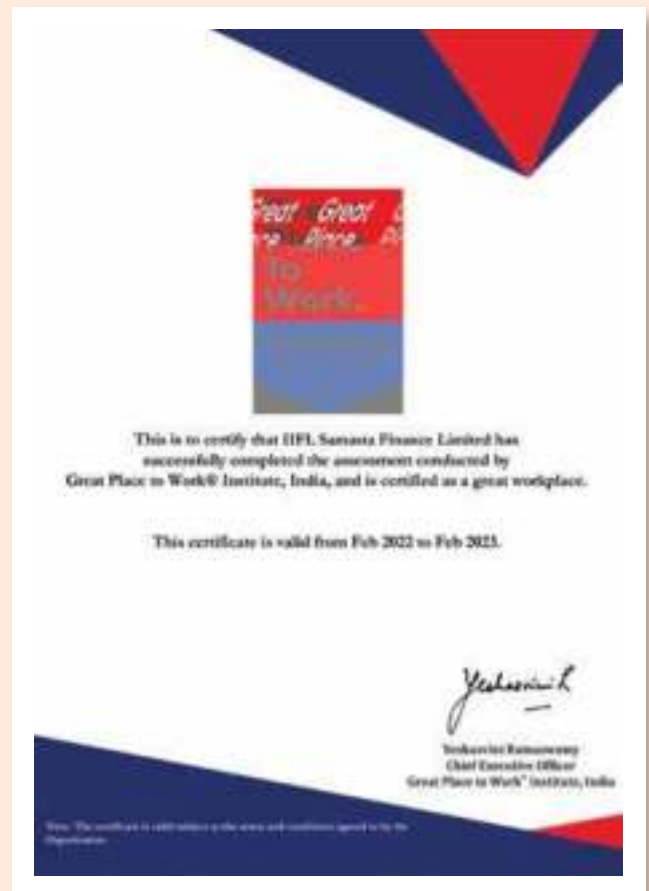


Ms. Malini B. Eden, *Independent Director*

Ms. Malini B. Eden is a distinguished development specialist and strategy consultant with a remarkable career spanning over two decades. She has worked extensively with marginalized communities, advocating for their inclusion in policy development. Ms. Eden holds key positions in bilateral agencies, government boards, and trusts dedicated to economic empowerment, health, and donor relations. She currently heads the Women's Education Project at Trust India and consults for the Azim Premjee Foundation.

Awards and Recognitions

RECOGNIZING EXCELLENCE IN BUILDING BETTER LIVES



Corporate Information

BOARD OF DIRECTORS

- Mr. Venkatesh N.**
Managing Director
- Mr. Shivaprakash Deviah**
Whole-Time Director
- Mr. Badrinarayanan Seshadri**
Independent Director
- Mr. Vikraman Ampalakkat**
Independent Director
- Mr. Ramanathan Annamalai**
Independent Director
- Ms. Malani B. Eden**
Independent Director

COMMITTEES OF BOARD

Audit Committee

- Mr. Vikraman Ampalakkat**
Chairman
- Mr. Ramanathan Annamalai**
Member
- Mr. Shivaprakash Deviah**
Member

Nomination and Remuneration Committee

- Mr. Ramanathan Annamalai**
Chairman
- Mr. Badrinarayanan Seshadri**
Member
- Mr. Vikraman Ampalakkat**
Member

Stakeholders Relationship Committee

- Mr. Vikraman Ampalakkat**
Chairman
- Mr. Ramanathan Annamalai**
Member
- Mr. Venkatesh N.**
Member

Risk Management Committee

- Shivaprakash D.**
Whole-Time Director
- Ramanathan A.**
Independent Director
- Badrinarayanan S.**
Independent Director

Corporate Social Responsibility Committee

- Venkatesh N.**
Managing Director
- Shivaprakash D.**
Whole-Time Director
- Malini Eden**
Independent Director
- Ashwini Kumar**
Chief People Officer

Asset Liability Management Committee

- Mr. Venkatesh N.**
Managing Director
- Mr. Manoj Pasangha**
Chief Business Officer
- Mr. Anantha Kumar T.**
Chief Financial Officer
- Mr. Gaurav Kumar**
Chief Operating Officer
- Mr. Mohan Kumar**
Head- Treasury

I.T. Strategy Committee

- Badrinarayanan S.**
Independent Director
- Shivaprakash D.**
Whole Time Director

STATUTORY AUDITORS

M/s Brahmayya & Co.

INTERNAL AUDITORS

KPMG

CORE MANAGEMENT TEAM

- Mr. Venkatesh N.**
Managing Director
- Mr. Shivaprakash Deviah**
Whole Time Director &
Chief Technology Officer
- Mr. Manoj Pasangha**
Chief Business Officer
- Mr. Anantha Kumar T.**
Chief Financial Officer
- Mr. Gunasekaran Loganathan**
Chief Information Security Officer
- Mr. Ashwini Kumar**
Chief People Officer
- Mr. Sabari Krishna**
Chief Compliance Officer
- Mr. Gaurav Kumar**
Chief Operations Officer
- Mr. Manoranjan Biswal**
Company Secretary and
Compliance Officer

DEBENTURE TRUSTEE

Catalyst Trusteeship Limited

(Erstwhile GDA Trusteeship Limited)
Address: GDA House, First Floor,
Plot No.: 85 S. No. 94 & 95,
Bhusari Colony (right),
Kothrud, Pune - 411038
Phone: 022 49220555
Fax No.: 022 49220505
Email: ComplianceCTL-Mumbai@
ctltrustee.com
Website: www.catalysttrustee.com

Beacon Trusteeship Limited

Address-4C & D Siddhivinayak Chambers,
Gandhi Nagar,
Opp MIG Cricket Club,Bandra (East),
Mumbai - 400051
Phone: 022-26558759
Fax No.: 022-26558759
Email: compliance1@beacontrustee.co.in
Website: https://beacontrustee.co.in

REGISTERED OFFICE

110/3, Lalbagh Main Road, Krishnappa Layout,
Bengaluru-560027, Karnataka, India

LIST OF BANKERS

- Aditya Birla Finance Limited
- Axis Bank Limited
- Bajaj Finance Limited
- Bandhan Bank Ltd
- Bank of Baroda
- Bank of Maharashtra
- Canara Bank
- Capital Small Finance Bank Limited
- Credit Saison India
- DBS Bank Limited
- DCB Bank Limited
- Dhanlaxmi Bank Ltd
- Federal Bank Limited
- HDFC Bank Limited
- Hero Fincorp Limited
- Hinduja Leyland Finance Limited
- HSBC Bank
- ICICI Bank Limited
- IDBI Bank Limited
- IDFC First Bank Limited
- Indian Bank
- Indian Overseas Bank
- Jana Small Finance Bank Limited
- JM Financial Products Limited
- Karnataka Bank Limited
- Karur Vysya Bank
- Kookmin Bank
- Kotak Mahindra Bank Limited
- Maanaveeya Development & Finance Pvt Ltd
- Mahindra & Mahindra Financial Services Limited
- MAS Financial Services Limited
- MUDRA
- NABARD
- Nabkisan Finance Limited
- Nabsamruddhi Finance Limited
- Northern Arc
- Piraml Enterprises Limited
- Punjab and Sind Bank
- RBL Bank Limited
- SBM Bank (Mauritius) Ltd
- SIDBI
- South Indian Bank Limited
- Standard Chartered Bank
- State Bank of India
- Suryoday Small Finance Bank Limited
- Tata Capital Financial Services Limited
- UCO Bank
- Union Bank of India
- Utkarsh Small Finance Bank Limited
- Woori Bank
- YES Bank

ANNEXURE - III TO DIRECTORS' REPORT

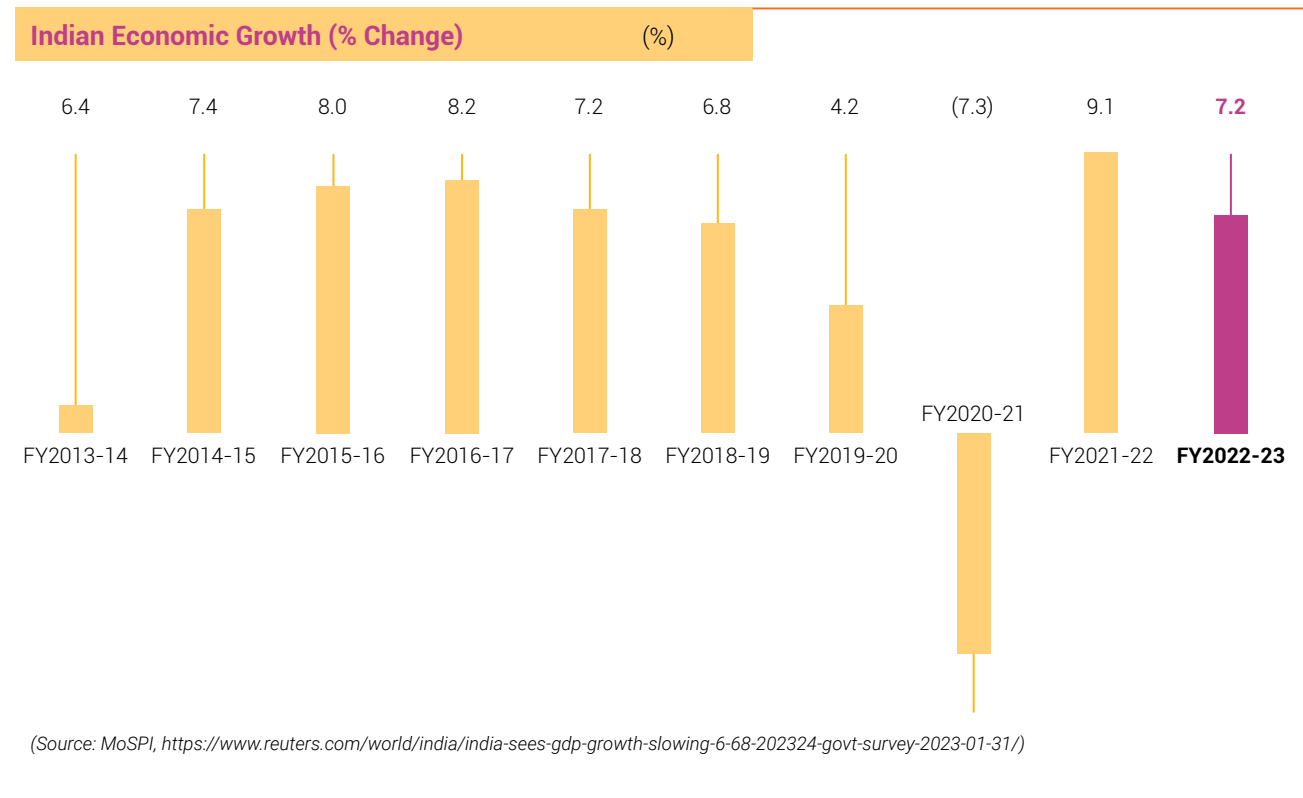
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Economic Overview

The Indian economy demonstrated a sustained growth rate and has once again established itself as one of the fastest-growing economies in the world in FY 2022-23. This remarkable growth trajectory began after the onset of the COVID-19 pandemic a couple of years ago and has been characterized by significant progress. The upswing in economic activities, particularly in private sector consumption, along with the Government's increased focus on infrastructure development, has played a crucial role in driving this progress. According to the Ministry of Statistics and Programme Implementation (MoSPI), the Indian economy registered a growth rate of 7.2% in FY 2022-23. With increased Government spending announced in the Union Budget 2023-24 and a rise in private consumption

and investment, economic activity is expected to further boost demand.

Despite maintaining a steady growth momentum, India has been grappling with inflationary pressures since the commencement of the year 2022. In response, the Reserve Bank of India implemented consecutive repo rate hikes, reaching 6.50% in FY 2022-23. This approach has gradually reduced inflationary pressures, with moderate rates in the third quarter. In FY 2023-24, the RBI maintained the repo rate, signalling a gradual easing of inflationary pressures. The projected CPI inflation rates for FY 2023-24 stood at 5.2% for the April to June quarter, and 5.4% and 5.2% for the subsequent quarters. This positive transformation stimulates domestic demand, contributing to an upward trajectory in economic growth.



OUTLOOK

According to the World Bank's Global Economic Prospects report (June 2023), the Indian economy is projected to grow by 6.3% in FY 2023-24, maintaining its position as one of the fastest-growing economies among emerging markets. The Government has increased capital expenditure and is

supported by high GST and direct tax collections to counter the cautious investment stance of the private sector. However, caution is necessary due to global spillovers, high inflation, and contractionary monetary policies that could potentially slow down the steady growth trajectory. With deepening trade and financial linkages with advanced economies, India may experience short-term ramifications

of a downturn, given its synchronisation with developed nations.

(Source: MOSPI, <https://www.moneycontrol.com/news/business/rbi-policy-rbi-lowers-inflation-forecast-for-fy24-to-5-1-makes-big-cut-in-q1-estimate-10762021.html>, <https://www.livemint.com/news/india/world-bank-expects-slowdown-in-indias-gdp-growth-to-6-3-in-fy24-key-highlights-here-11686065896325.html>)

Industrial Overview

Non-Banking Financial Company (NBFC)

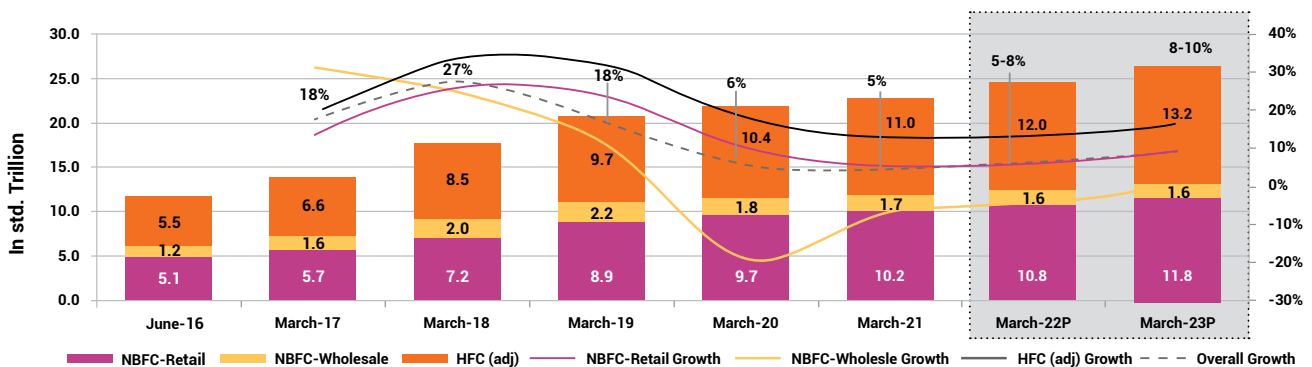
NBFCs have transformed the lending landscape in India, providing financial inclusion to individuals who previously struggled to access credit. Through the power of digitalization and technology, NBFCs have revolutionized the customer financing experience, particularly for underserved segments of the population with limited creditworthiness. By embracing fintech and introducing innovative products, NBFCs have expanded their business horizons and tapped into untapped industrial opportunities. Their hybrid approach, combining physical and digital delivery, has unlocked new avenues for growth.

The Government has recognized the importance of NBFCs and is actively promoting their development with a strong emphasis on driving quality corporate governance across these entities. This regulatory focus enhances the credibility and reliability of NBFCs, instilling confidence in their operations.

According to a CRISIL Ratings report, the Assets Under Management (AUM) of NBFCs are projected to witness an impressive growth rate of 13-14% in FY 2023-24, reaching a staggering ₹ 34 lakh Crore. This growth is fueled by several favorable factors, including an upturn in economic activity, stronger financial buffers, and diminishing concerns over asset quality. Notably, the demand for personal loans continues to be a key driver for NBFCs, providing the necessary fuel for their expansion and fulfilling their working capital requirements.

As India marches towards becoming the world's third-largest economy by the end of this decade, NBFCs are expected to play a pivotal role in financing this remarkable transition. Their steady momentum and ability to adapt to changing market dynamics position them as crucial contributors to India's economic growth and development.

NBFC INDUSTRY AUM Growth



(Source: CRISIL NBFC Report 2021, <https://www.moneycontrol.com/news/business/nbfc-assets-under-management-expected-to-grow-by-13-14-in-fy23-24-crisil-ratings-10360431.html>)



Microfinance Industry

The microfinance industry in India is a thriving sector with immense potential, playing a vital role in meeting the credit requirements of low-income households and small businesses. While the Covid-19 pandemic temporarily slowed down expansion plans, the demand for microfinance is expected to soar as more individuals seek financial assistance.

According to the MFIN Micrometer December 2022 report, Q3 FY 2022-23 witnessed a disbursement of ₹ 33,786 Crore through 79.1 lakhs accounts, marking a substantial 47.6% increase compared to Q3 FY 2021-22. The average loan amount disbursed per account during this period reached ₹ 42,687, reflecting a notable 15.1% growth from the same quarter of FY 2021-22. Furthermore, as of December 2022, the total microfinance gross loan portfolio witnessed a remarkable year-on-year growth of 25.2%, reaching approximately ₹ 3.21 Trillion. This portfolio served 64 Million unique borrowers across 126 Million loan accounts, underscoring the industry's reach and impact.

Although the microfinance sector faced initial sluggishness at the beginning of FY 2022-23 due to macroeconomic challenges, it began to recover as the year progressed. The borrowers' community demonstrated increased demand for credit, propelling the sector's revival. Overall, the microfinance industry in India holds great promise, fueled by its ability to address the financial needs of underserved segments. With the sector bouncing back from early setbacks, it is poised for a dynamic and prosperous future.

(Source: <https://www.bqprime.com/business/microfinance-loan-disbursals-rise-19-to-rs-77877-crore-in-december-quarter-mfin-micrometer>, MFIN Micrometer December 2022)

NBFC-MFIs have played a major role in complementing banks and other financial institutions, and helping fill the gaps in the availability of financial services concerning products as well as customer and geographical segments. Strong linkages at the grassroots level make them a critical cog in catering to the unbanked masses in rural and semi-urban reaches, enabling the Government and Regulators to further the mission of financial inclusion. The sheer size of the market in terms of financially excluded households presents large opportunities for a business model that offers sustainable credit to the unbanked and under-banked at affordable rates and a repayment cycle spread over a longer duration. The dynamics of the NBFC sector are reflective of its evolving role in niche areas of specialized services.

IIFL Samasta Finance Limited (ISFL) and its Operations

Business Growth

As of the end of FY 2022-23, IIFL Samasta serves 23.53 lakh customers. The gross loan portfolio (GLP) of ISFL reached ₹ 10,552 Crore. With an increase of 63% from the previous year, we have increased our footprint to 19 states even as retail & dairy cattle loans increased their respective portfolios by 115% and 149%.

Amidst an unprecedented crisis caused by the Covid-19 pandemic, IIFL Samasta strategically concentrated on its existing customer base to facilitate the resumption of their livelihood generation activities. Simultaneously, we prioritized the onboarding of quality customers through a rigorous credit appraisal process, thereby enhancing our organization's collection efficiency. Despite the sustained challenges posed by the Covid-19 pandemic, we achieved a crucial milestone this financial year by surpassing ₹ 10,000 Crore AUM, exemplifying our resilience and determination.

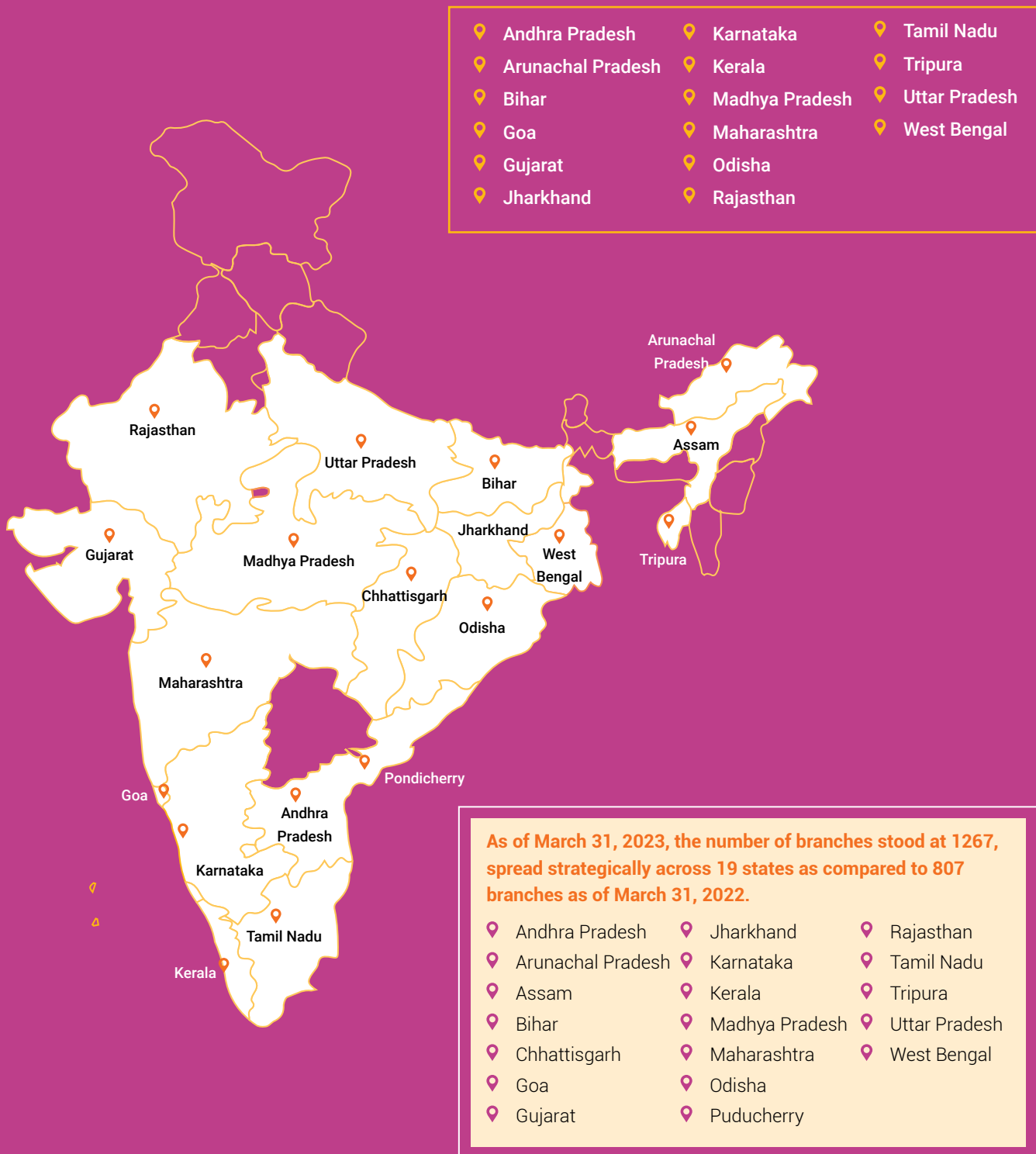
IIFL Samasta launched multiple initiatives to provide additional financial support to customers who were making timely repayments and also to the customers who needed financial credit to kick-start their livelihood. ISFL strives to serve the people belonging to the bottom of the pyramid via its widespread network of 1,267 branches spread across 19 states of the country, with a strong dedicated team of 7,000+ field staff.

With guidelines on NBFC-MFI dated March 14, 2022, the RBI has ensured equal opportunities and a level playing field for all NBFC-MFIs, while at the same time ensuring that customers are not exploited by the lenders. The method of credit appraisal and underwriting has always been the forte of ISFL. Further building on the knowledge, ISFL has developed a holistic and customer-centric process for income and obligation assessment keeping in mind the new RBI guidelines which in turn helps in developing a quality portfolio and improving customer experience. ISFL is well equipped to accommodate changes in the current system, backed by a robust risk framework, experience and internal process/policy framework.

Both the management and the team are confident and ready to overcome obstacles & challenges sometimes thrown open by uncontrollable external events and convert them into opportunities to achieve milestones, setting a benchmark for the industry itself.

Geographical Expansion across the Country (Branch Expansion)

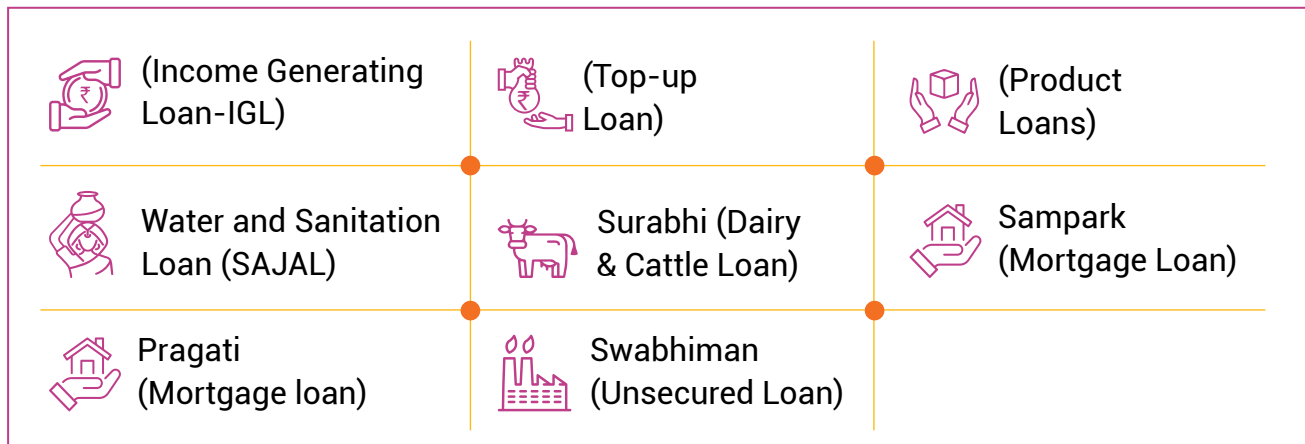
With a vision of enhancing portfolio quality and extending financial services to a wider geographical reach, we undertook a branch expansion strategy. This approach encompassed three key aspects: geographical deepening (in existing territories), geographical expansion (in potential territories) and implementation of improved monitoring and the control measures at branches with a significant portfolio size. Accordingly, 460 branches (which include split branches) in 16 states currently entail.



This map is a generalised illustration only for the ease of the reader to understand the locations and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness.

Products

Currently, IIFL Samasta's product bouquet contains a diverse product line, designed to cater to the specific financial requirements for a variety of customer segments. These products are as follows:



For the above-mentioned loan products, the tenure varies from 6 months to 10 years, whereas the loan amount varies from ₹ 5,000 to ₹ 25,00,000.

Customer Segment

Our main target customers are the economically backward women of the weaker sections of society to generate employment and empower them. However, with the availability of other large ticket-size products, IIFL Samasta aims at tapping into the 'missing-middle' customer segment with a repayment capability for larger EMIs.

Risk Management

Risk Governance

Our Board of Directors is responsible for managing comprehensive risks. The Risk Management Committee (RMC), constituted by the Board, oversees the implementation of our risk strategy. The RMC guides the development of policies, procedures and systems and evaluates their adequacy and appropriateness to the changing business conditions, as well as our risk appetite.

The Chief Risk Officer (CRO) heads an independent risk management team. The CRO interacts regularly with the members of the RMC. The risk management team is primarily responsible for the implementation of risk strategy approved by the Board.

The nature of our business and business activities, along with the regulatory environment at large, expose us to several types of risks. For us, the key risks are Credit Risk, Operational Risk, Liquidity Risk, Interest Rate Risk and Information Security Risk. Our operations expose us to Compliance and Reputation Risk. We have put in place an Aggregate Risk Appetite Framework.

We have a structured management framework in the

Internal Capital Adequacy Assessment Process (ICAAP) Policy to identify, assess and manage all risks that may have a material adverse impact on our business/financial position/capital adequacy.

Risk exposures are regularly captured and reported to the relevant levels of management for the initiation of appropriate mitigation measures.

We have an Internal Audit Department which is responsible for independently evaluating the adequacy and effectiveness of all internal controls, governance systems and processes.

We have separate Risk, Audit and Compliance functions from the business functions to create a strong culture of checks and balances and to eliminate any possible conflict of interest between revenue generation, and risk management and control.

Key Risks

Credit Risk

The risk arises from default by borrowers in their terms of the contract with the Company, especially failure to make payments or repayments.

Mitigation

The Company ensures effective risk management across business segments, strengthened by ongoing reviews for early identification. There are robust policies and processes for managing credit risk across the line of businesses, mainly through the identification of geographies, target segments, credit approval process, post-disbursement monitoring and remedial management procedures.

Operational Risk

Operational risk arises from inadequate or failed internal processes, people and systems or external events.

Mitigation

A Board-approved governance structure is in place with a detailed framework and processes for managing operational risk. Under the framework, IIFL Samasta has developed a Risk Control Self-assessment (RSCA) process for identifying, assessing and evaluating risks in a compatible format across processes, activities, and systems. We have well-defined KRIs to monitor and an Incident reporting mechanism to report external and internal events on an ongoing basis. We ensure the efficacy of the process through control testing, Risk-based Audits and KRI dashboards.

A well-defined Contingency Plan and Business Continuity Plan are also in place to mitigate any business interruptions due to external events.

Liquidity Risk

Liquidity risk is the risk that the Company may not be able

to meet its financial obligations as they fall due. Basel norms mandate sufficient liquidity to fulfil the obligations within 30 days.

Mitigation

The Company's framework for liquidity risk management is well articulated in our Asset-Liability Management Policy. Further, we have a robust mechanism to track the cash flows comprehensively under normal as well as stressed conditions and critical ratios as per BASEL norms have been implemented.

Interest Rate Risk

Interest Rate Risk arises on account of the changes in the interest rates which could have a potential impact on earnings if the interest-sensitive assets and interest-sensitive liabilities mismatch on tenor.

Mitigation

We have adopted a risk-based pricing approach based on the cost of funds including operating costs. The Asset Liability Committee periodically reviews the impact of changing interest rates under normal and stressed scenarios.

Information Security Risk

The risk to organizational operations (including mission, functions, image, and reputation) and organizational assets due to the potential for unauthorized access, use, disclosure, disruption, modification, or destruction of information and/or information systems.

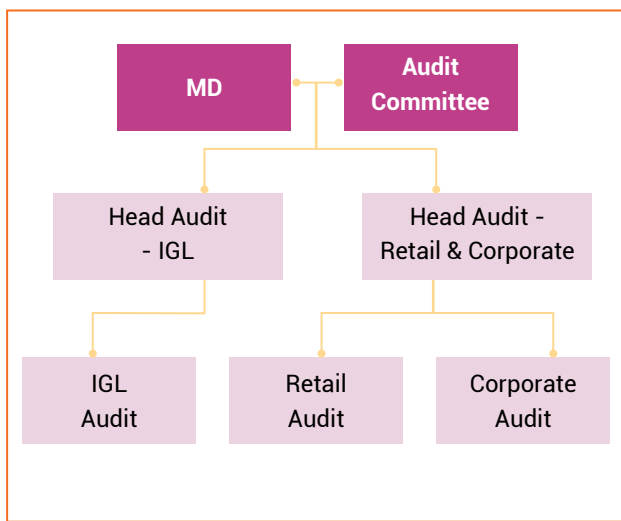


Audit and Internal Controls

Department Overview & Purpose

The purpose of IIFL Samasta's Internal Audit Department is to provide independent, objective assurance and consulting services designed to add value and improve IIFL Samasta Finance Limited's operations. IIFL Samasta's Internal Audit function is governed by its Internal Audit Charter.

The Head/s of Audit (HOA) derives authority from the Board/ Audit Committee of IIFL Samasta. The Audit Committee, on behalf of the Board, shall review the internal audit function, scope of work, and resources of the department periodically.



The Audit Department of IIFL Samasta Finance Limited is decentralized, and internal audit staff is deployed in each state where we operate. The team members report to the respective state team leader. The state team leader reports to Zonal Head - Audit, who in turn reports to the Head-IA. Both the Heads of Internal Audit (IGL, Retail & Corporate) report functionally to the Audit Committee Board and administratively to the Managing Director.

Functions of the Department

The internal audit department has 3 vertical functions as mentioned below:

01

Microfinance/ IGL & DCL Asset Audit:
The team engages in Microfinance & DCL product audits/ assurance activities

02

Retail Asset Audit: The team engages in Retail product audits/ assurance activities

03

Corporate Audit: The team engages in Head office functions audits/ assurance activities

As on March 31, 2023, the total team strength stood at 214 members. The field auditors have been deployed in each state where IIFL Samasta operates. All the assurance and consulting activities, including the deployment of staff are planned and monitored by the HO team. The department conducts audits for the branches, Regional Offices, Zonal Offices and also the Head Office. Audits of some specific functions are outsourced to external audit firms based on the organizational requirement.

To be effective, the Internal Audit Department has qualified, skilled and experienced staff who work by the code of ethics and are in the process of implementing the standards prescribed by the Institute of Internal Auditors International Professional Practices Framework (IPPF).

Types of Audit

- Regular Audit
- Special/Thematic Audit (Based on Red Flags)
- Concurrent Audit
- Intimation Audit (New Branch)

Audit Plan

Regular risk-based internal audits and thematic audits are conducted across the branches based on the risk parameters such as portfolio, disbursement, PAR, collection efficiency, attrition and audit frequency. Audits

will be planned based on the Independent Risk Assessment which the IA team does periodically. Quarterly audits are conducted across the functional units in the respective region (Minimum frequency).

Audit Sampling

Field audit samples are arrived at based on predetermined risk-based sampling drivers/risk factors/parameters covering Disbursement, LUC, Collection processes and

Central operations. This sampling framework results in an appropriate sample that represents the overall population of transactions for a period.

Audit Reporting

Non-compliances are reported to the respective stakeholders through an Audit Management System (AMS). The summary of the reports is shared with the senior management on a weekly/monthly basis for their

review and further course of action. Quarterly reports are presented to the audit committee with recommendations and management action plans.

Consulting & Other Activities

To improve internal audit efficiency and effectiveness, the following are the initiatives undertaken during the year:

- As a consulting activity, supported the FCU team in screening the loan portfolio of the branch staff involved in misappropriation
- As a consulting activity, supported the business team by motivating customers to collect during lockdown by tele calling and during interaction with customers in center meeting visits
- Data analytics on documentation and KYC to check any anomalies/fraudulent activities
- Quarterly survey conducted among the team members and other stakeholders to understand their concerns and to obtain feedback on the internal audit quality and for improvement
- Monthly online professional development training and assessments provided to team members to upgrade their skills
- Team members' enrolment for IIBF Certificate in Microfinance and AML-KYC examinations
- Team supervisors undergoing training on IPPF implementation guidelines

Financial Performance

(₹ in Crores)

Particulars	FY 2022-23 (₹)	FY 2021-22 (₹)
Net Interest Income	1,159.25	610.95
Other Income	7.28	7.14
Total Income	1,166.53	618.09
Operating Expenses	552.74	328.58
Operating Profit	613.79	289.51
Provisions	455.28	230.56
Profit before Exceptional Items & Tax	158.51	58.95
Exceptional Items	-	-
Profit Before Tax	158.51	58.95
Taxes	30.33	8.35
Profit After Tax	128.18	50.60

Human Resources

IIFL Samasta believes in giving its team the best employee experience as they are the greatest assets to us. Employees serve our customers, and in all for us? not clear Thus, it becomes more important to have high employee engagement through various measures to improve efficiency in customer service and ensure customer delight.

IIFL Samasta marked a historic milestone of being certified among the Top 50 India's Best Workplaces Building a Culture of Innovation by All 2023.

1. Employee Communication

The Management actively engaged with branches and employees across various pan-India locations through IIFL Samasta Sangam. Additionally, Sankalp events were held in Rajasthan, and regular one-on-one interactions were conducted to strengthen communication.



We celebrated IIFL Samasta Foundation Day and had grand celebrations pan-India and HO.

On International Women's Day, we conducted financial, health talks and hi-tea for our women employees.

Continuous efforts were invested in measuring performance to enhance efficiency and boost productivity. Regular feedback and helpful tips were provided to improve collection efficiency.

2. Employee Focus

2.1 Employee Recognition:

Continuous connection, mentoring and consistent recognition helped in boosting employee morale, resulting in gaining management trust and employees going the extra mile. We held recognition ceremonies for employees who walked the extra mile in improving customer experience.

'Gaurav' awards for all quarters were commemorated with the involvement of our Chief Executives from the Head Office and Zonal Heads. This inculcated in employees a high sense of achievement and recognition among the Top Management. About 16% of our employees have showcased their extraordinary achievements, which our Top Management recognized and rewarded.



Long service awards are an integral element of our employee recognition program. It helps us recognize and appreciate our employees who have given a significant part of their life to the organization's success. At IIFL Samasta, we have a plethora of rewards and benefits to ensure each employee is rewarded in one or the other and feels like an integral part of the organization. Employees who achieve target milestones are given increments.



We had already built an online appreciation module in our HRMIS to imbibe the culture of appreciation across functions as they worked in tandem to fulfil the organization's objectives. It also created a positive impact to overcome anxiety and depression during the crisis. We have created multiple badges for employees to acknowledge and appreciate each other for the support received during



required times in their day-to-day work.

We launched a series of employee success stories, to recognize employees who have been through the journey of IIFL Samasta. We shared their career path with us and what makes them successful here, their tips and learnings. This worked as a guide to the other colleagues. The main objective of this was to recognize long-tenured employees with their contributions and create a sense of pride within them and increase belongingness with the organization.

We celebrated the 16th Anniversary of ISFL in March 2023, where we commemorated the entire journey. Branches were granted a special allowance for celebrations locally.

2.2 Employee Engagement

HR Branch visits and ensuring all new policies, referral bonus schemes were downloaded to have the employee buy-in and encourage referrals to boost employee tenure.

2.3 Employee Refreshment

In adherence to the proverbial wisdom, 'All work and no play makes Jack a dull boy,' we have embraced the importance of leisure by incorporating enjoyable games into our work environment to enhance employee engagement and foster a healthier work-life balance. We believe apart from the

obvious fun element, games help develop unity and team spirit among employees which is critical for the success of any organization. It brings in a new spirit of determination within the players.

IIFL Samasta organized 'Champions 2023' where the employees actively participated in the sports events. Team building exercises and activities generated employee motivation and brought effective communication between people across all hierarchies in the Company. The Sports Week kept the employees active and was a good break from a monotonous routine.



2.4 Employee Volunteering Activities as a Responsible Corporate Citizen:

Employee volunteering

Our employees are not only involved in driving business but also in impact by giving back to the communities where they operate. Upon conducting meetings and visits, they promote a plethora of initiatives that we as an organization have to offer to the community. They carry application forms, and process guidelines wherever they travel. This enables the beneficiaries to get immediate aid. Despite having busy schedules, our culture



has enhanced their joy of giving back to society, creating a sense of satisfaction in each employee.

Our employees volunteer in activities related to nature and its conservation. They organize camps and drives for tree plantation, giving their time and energy, even taking a day off for this priceless contribution.

777 employees were promoted through the ICA program in FY 2022-23

3. Maximising Human Potential

ICA is a career advancement program, where vacancies, across departments and areas of operation, are primarily filled with internally eligible employees. This approach has given equal opportunity to employees, ensured fast-track career growth and met their career aspirations.

Immersive Learning: Our approach to learning pedagogy is immersive with the essence of real-time simulations and role plays. To cater to the training needs of our diverse workforce we ensure customized learning programs in 9 regional languages leading to clarity on their job role.

Data Science Training: We have identified employees who have an acumen for analytics & data science. We have imparted training through external agencies for them. This bunch of talented employees are now engaged in developing data models and business dashboards, that give key insights to the Management for decision-making. We ensured that organizational goals and individual aspirations are well aligned, thus being a win-win for both.

Leadership development programs across all levels strengthen our leaders and thus create a high-performing organization.

Leaders as Coach: We have developed our leaders on

coaching skills to further develop future leaders of IIFL Samasta. This encompasses enriching their skills in Emotional Intelligence and giving good direction to develop the team to the fullest potential. Our leaders also participate in 'Coach the Coachee' succession planning programs and coaching the mid-management on the same skills, so that they further take care of their teams till the last mile.



Continuous performance feedback culture (Monthly/ Quarterly):

Unlike annual feedback, this feedback is done continuously. Through our machine learning intervention, every month we extract a scorecard of the field employees which is published to front-line managers. The people managers who are trained on GLOW Application approach, give constructive feedback and feed-forward guiding them for better

planning and execution for the coming months. Similarly, for enabling function, we have a quarterly approach. The best-performing employee names are displayed in the branches, which leads to their motivation and pride. The low-performing employees are given constructive feedback through a structured Performance Improvement Plan. People managers hold discussions with them and identify specific training needs.

For IIFL Samasta Finance Limited**Venkatesh N.**

Managing Director
DIN: 01018821

Date: April 21, 2023
Place: Bangalore

For IIFL Samasta Finance Limited**Shivaprakash D.**

Whole Time Director
DIN: 02216802

DIRECTORS' REPORT

Dear Members,

The Directors take pleasure in presenting the 28th (Twenty Eighth) Annual Report together with the Audited Financial Statements and the Auditors' Report of the Company for the financial year ended March 31, 2023. The Company is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Banking Financial Company ("NBFC") not accepting public deposits (NBFC-ND-SI). The summarized results for the year ended March 31, 2023 are as under:

1. FINANCIAL SUMMARY OR HIGHLIGHTS/ PERFORMANCE OF THE COMPANY.

The financial results / highlights of the Company for the financial year ended March 31, 2022 and March 31, 2023 are as under.

A. Financial Highlights of M/s. IIFL Samasta Finance Limited.

Particulars	₹ In Crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
Total Revenue	1,753.51	1,019.93
Total Expenses	1,595.00	960.98
Earnings before tax	158.51	58.95
Earnings after tax	128.18	50.60

REVIEW OF BUSINESS

During the year under review, Company's total income amounted to 1753.51 Crore Profit before tax stood at

158.51 Crore Profit after tax stood at 128.18 Crore During the year ended March 31, 2023, Assets Under Management (AUM) of the Company has grown by 63%. Loan book has grown by 39% y-o-y as on March 31, 2023.

2. OPERATIONAL HIGHLIGHTS:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Active borrowers (Own Portfolio)	23,53,955	17,51,909
Loan disbursement (₹ in Crore)	10,213.77	5,710.24
Loan portfolio (₹ in Crore)	10,552.24	6483.84
Securitization/ Assignment (₹ in Crore)	1,620.51	447.58
BC loan portfolio (₹ in Crore)	923.24	263.54
No of Branches	1,267	807
No. of centers	2,17,826	1,62,161
Repayment rate	96%	90%

3. EXTRACT OF ANNUAL RETURN:

As required under Section 92(3) of the Act and the rules made thereunder and amended from time to time, the extract of Annual Return of the Company in the prescribed Form MGT-7 is available on the website of the Company at <https://iiflsamasta.com/investor-relations/>.

4. MEETINGS OF THE BOARD DURING THE FY 2022-23:

The Board duly met for 6 (Six) times during the financial year under review.

The meetings of Board of Directors and attendance of the Directors are as given below:

SL. No.	Date of Meeting	Venkatesh N.	Shivaprakash D.	Ramanathan A.	Badrinarayan S.	Vikraman A.	Malini B. Eden	Monu Ratra
1	April 22, 2022	Y	Y	Y	Y	Y	Y	Y
2	June 17, 2022	Y	Y	Y	Y	Y	Y	Y
3	July 22, 2022	Y	Y	Y	Y	Y	Y	Y
4	October 21, 2022	Y	Y	Y	Y	Y	Y	NA
5	January 24, 2023	Y	Y	Y	Y	Y	Y	NA
6	March 14, 2023	Y	Y	Y	Y	Y	Y	NA

Y –Yes, N –No, NA- Not Applicable

5. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Act, the Board, based on the representations received from the management, confirms that:

- In the preparation of the annual accounts, for year ended on March 31, 2023, the applicable accounting standards have been followed and that there are no material departures;

DIRECTORS' REPORT (Contd.)

- b) The Board has 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 at the end of the financial year and of the profit and loss of the Company for that period.
- c) The Directors had 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; and
- d) The Directors had prepared the annual accounts on a going concerns basis.
- e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors and the Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

7. DECLARATIONS BY INDEPENDENT DIRECTORS:

The Company has received declarations from the Independent Directors stating they meet the criteria as specified under Section 149 (6) of the Companies Act, 2013.

8. COMPANY'S POLICIES ON APPOINTMENT OF DIRECTORS, REMUNERATION AND OTHER MATTERS:

The Company takes a cautious approach in relation to appointment of Directors on the Board of the Company. It shall appoint such persons who have relevant expertise and vast experience in the field of microfinancing. The remuneration of Directors, Key Managerial Personnel and other senior management personnel shall be based on their contribution towards the overall development of the Company as well as their participation in the meetings of the

Company. The terms and conditions for appointment of Independent Directors are uploaded on the website of the Company and may be accessed via web link <https://iiflsamasta.com/investor-relations/> and the Nomination & Remuneration Policy of the Company can be accessed via web link - <https://iiflsamasta.com/investor-relations/>

9. AUDITORS:

Statutory Auditors & Report:

M/s Brahmayya & Co., Chartered Accountants, [Firm Registration No. 000515S] was appointed as the Statutory Auditors of the Company at the Annual General Meeting held on June 30, 2022.

The Board has duly examined the Statutory Auditors' Report for the FY 2022-23, which is self-explanatory. There are no qualifications, reservations or adverse remarks or disclaimer made by the auditor in their report for the year under review and requires no further comments thereon.

Secretarial Auditors & Report:

The Company has appointed Mr. Krishnamurthy Hegde, Partner, KMH and Associates, Practicing Company Secretary as the Secretarial Auditor under Section 204 of the Companies Act, 2013 for the period under review.

Secretarial Auditors Report in form MR-3, submitted by Secretarial Auditors of the Company for FY 2022-23 is enclosed with this report as Annexure IV. Further, there are no qualifications, reservations or adverse remarks or disclaimer made by the auditor in their report for the year under review and requires no further comments thereon.

Internal Auditors & Report:

The Company has re-appointed KPMG, as Internal Auditor under Section 138 of the Companies Act, 2013 for the period under review.

The Board has duly examined the Internal Auditors' Report for the FY 2022-23, which is self-explanatory. There are no qualifications, reservations or adverse remarks or disclaimer made by the auditor in their report for the year under review and requires no further comments thereon.

Tax Auditors

The Company has re-appointed Gowthama and Co as Tax Auditors under applicable laws.

DIRECTORS' REPORT (Contd.)

IT AUDITORS

The Company has re-appointed CYRAACs as IT Auditors under applicable laws.

Internal Audit:

As part of the effort to evaluate the effectiveness of the internal control systems, the Company's internal audit function reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures.

The Company has its own Internal Audit Team headed by Head – Internal Audit of the Company. The said team submits its report before the Audit Committee on a set interval.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The provisions of Section 186 of the Companies Act, 2013 read with relevant rules made thereunder pertains to the disclosure of loans, guarantee and security are not applicable to a Non-Banking Financial Company. Further, the investments made by the Company during the FY 2022-23 are disclosed in Note No. 7 of the Financial Statements.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars relating to the contracts or arrangements with related parties have been placed in Form No. AOC-2 enclosed as Annexure I to this Report and suitable disclosures as required in compliance with accounting standards with related parties are disclosed in note 38 of the financial statements in the annual report. Related Party Transactions Policy is uploaded on website of the Company and the same can be accessed via <https://iiflsamasta.com/investor-relations/>

12. TRANSFER TO RESERVES:

During the year under review, the Company has transferred 25.63 Crores to Special Reserve in accordance with Section 45-IC of the Reserve Bank of India Act, 1934.

13. DEMATERIALIZATION OF SHARES

As on March 31, 2023, all shares held by the Shareholders are in Demat form, except two shareholders, whose shareholding is lesser than 0.001%.

14. DIVIDEND ON EQUITY SHARES:

During the year under review, no dividend was declared.

15. IMPACT OF COVID -19 PANDEMIC:

The detailed disclosure on the material impact of Covid-19 pandemics on the Company is forming part of the Financial Statements of the Company. You may refer to Note no. 61 of the Standalone Financial Statements for the same.

16. FUND ALLOCATION:

Total Borrowings:

The Company's overall borrowing as on March 31, 2023 was ₹ 7196.35 Crores.

i) Non-Convertible Securities (Non-Convertible Debentures/Market Linked Debenture)

During the year under review, the Company had raised funds of ₹ 420 Crores through issue of Non-Convertible Debentures (NCDs) on private placement basis and outstanding NCDs as on March 31, 2023 was ₹ 853.80 Crores.

ii) Commercial Paper.

During the year under review, the Company had raised CP of ₹ 75.90 Crores. The outstanding CPs as on March 31, 2023 was Nil

iii) Term Loan

During the year under review, the Company had raised ₹ 4,724 Crores through Term Loan and outstanding Term Loan as on March 31, 2023 was ₹ 6,342.55 Crores.

iv) Direct Assignment (Assignment of Loans)

During the year under review, the Company had raised ₹ 2,176 Crores through Direct Assignment (DA) Transactions and outstanding DA as on March 31, 2023 was ₹ 1,804.11 Crores.

17. CREDIT RATING:

During the period under review, the Company has received credit rating from CRISIL for its borrowing program as under:

Rating Instrument	Rating agency	Rating/Grading
Long term Bank Loan Facilities	CRISIL	AA-/Stable
Non-Convertible Debentures	CRISIL	AA-/Stable

DIRECTORS' REPORT (Contd.)

Rating Instrument	Rating agency	Rating/Grading
Long Term Principal Protected Market Linked Debentures	CRISIL	PP-MLD AA- / Stable
Commercial Paper	CRISIL	A1+
Comprehensive Microfinance Grading (Institutional Grading/Code of Conduct Assessment (COCA))	CRISIL	M1C1

18. NAME & CONTACT DETAILS OF DEBENTURE TRUSTEES:

The details of Debenture Trustees of the Company are as follows

CATALYST TRUSTESHIP LIMITED (Erstwhile GDA Trusteeship Limited)	BEACON TRUSTESHIP LIMITED
Address- GDA House, First Floor, Plot No. 85 S. No. 94 & 95, Bhusari Colony (right), Kothrud, Pune - 411038	4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (East), Mumbai 400051
Phone - 022 49220555 Fax No - 022 49220505	Phone - 022-26558759 Fax No-022-26558759
Email - ComplianceCTL-Mumbai@ctltrustee.com	Email - compliance1@beacontrustee.co.in
Website-www.catalysttrustee.com	Website: https://beacontrustee.co.in

19. IIFL FINANCE LIMITED IS HOLDING COMPANY:

IIFL FINANCE LIMITED (Formerly known as IIFL Holdings Limited) is the holding company. 12,45,55,797 Equity shares held by IIFL Home Finance Limited were transferred to IIFL Finance Limited on July 27, 2022 thereby increasing the percentage of shareholding of IIFL Finance Limited in IIFL Samasta Finance Limited to 99.51% as on March 31, 2023

20. CREDIT BUREAU SUBSCRIPTION:

In order to address the issue of multiple lending or over indebtedness and also to know the credit history of the customer, the Company continues to submit monthly and weekly data to Highmark, CIBIL, Equifax and Experian Credit Bureaus and also use their credit

report for each of the loan sanctions. This coupled with intense follow-ups and efficient processes have resulted in constantly building high quality assets with minimal delinquencies.

21. CUSTOMER GRIEVANCE

The Company has a dedicated Customer Grievance Team for receiving and handling customer complaints/grievances and ensuring that the customers are treated fairly and without any bias at all times. All issues raised by the customers are dealt with courtesy and redressed expeditiously.

22. FAIR PRACTICE CODE:

The Company has in place a Fair Practice Code (FPC) approved by the Board in compliance with the guidelines issued by RBI, to ensure better service and provide necessary information to customers to take informed decisions. The FPC is available on the website of the Company at <https://iiflsamasta.com/investor-relations>.

The Board also periodically reviews the FPC to ensure levels of adequacy and appropriateness

23. MATERIAL CHANGES DURING AND POST END OF THE FINANCIAL YEAR:

There are no significant material changes during and post end of the Financial Year till the date of this report.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS/ OUTGO IN TERMS OF SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 AND RULE, 8 OF COMPANIES (ACCOUNTS) RULES, 2015:

a) Energy Consumption:

There are no matters to be reported under this head as the Company is not engaged in power-intensive activities and hence not applicable to this company.

b) Technology Absorption:

There are no matters to be reported under this head as the Company is not entered into any technical collaboration agreements.

c) Foreign Exchange Outflow/Inflow:

The Company has no transactions in foreign currency during the FY 2022-23.

DIRECTORS' REPORT (Contd.)

25. RISK MANAGEMENT POLICY:

Risk is an integral part of the Company's business, and sound risk management is critical to the success of the organization. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates. The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously improved and adapted to the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis. The Company has an elaborate process for risk management. This rests on the three pillars of Business Risk Assessment, Operational Controls Assessment and Policy Compliance Processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed with both the Management and the Risk Management Committee of the Board. Some of the risks relate to competitive intensity and the changing legal and regulatory environment. The Risk Management Committee of the Board reviews the risk management policies in relation to various risks and regulatory compliance issues.

Company identifies the following as key risks:

1. Political Risk
2. Concentration Risk
3. Operational Risk
4. Liquidity Risk
5. Information Security Risk

26. CORPORATE SOCIAL RESPONSIBILITY (CSR):

In pursuance of the provisions of Section 135 read with Schedule VII of the Act, the Company has a CSR Committee of the Board which reviews and recommends (a) the policy on Corporate Social Responsibility (CSR) including changes thereto, and (b) Implementation of the CSR Projects or Programs to be undertaken by the Company as per its CSR Policy. The CSR policy of the Company is available on the website of the Company – <https://iiflsamasta.com/investor-relations>.

The Report on CSR activities of the Company is annexed herewith and marked as Annexure II

27. STATEMENT SHOWING ANNUAL PERFORMANCE EVALUATION OF BOARD AND ITS COMMITTEE:

As per the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. A structured exercise was carried out based on the criteria for evaluation forming part of the Directors Appointment, Remuneration & Evaluation Policy, including framework for performance evaluation of Directors, Board & Committees, familiarization Program for Independent Directors Criteria for Evaluation and the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its committee, attendance at meetings, Board culture, duties of directors, and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its stakeholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors have expressed their satisfaction with the evaluation process.

The Board opine that the Independent Directors of the Company act with utmost integrity, expertise and experience and proficiency and safeguard the interest of the Company and its stakeholders.

28. DETAILS OF BOARD OF DIRECTORS, COMMITTEES OF THE BOARD AND KEY MANAGERIAL PERSONNEL:

A) Board of Directors:

The Board of Directors of the Company was duly constituted as per the requirement of the Companies Act, 2013 throughout the year. However, following changes were made to the Board composition:

i) Retiring by rotation:

In accordance with the provisions of the Companies Act, 2013, Mr. Venkatesh N

DIRECTORS' REPORT (Contd.)

(DIN: 01018821), retires at the ensuing AGM, and being eligible, offers himself for re-appointment.

The brief resume/details relating to Director who is to be re-appointed is furnished in the Notice

of the ensuing AGM. The Board of Directors of the Company recommends the re-appointment of the Director liable to retire by rotation at the ensuing AGM.

Disclosures pursuant to RBI Circular number RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022

Sl. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation (In ₹)	Sitting Fee (In ₹)	Commission	
1	Mr. Venkatesh Narayanaswamy	February 01, 2004	Managing Director	01018821	6	6	0	2,40,00,000/- p.a	NA	NA	1335840
2	Mr. Shivaprakash Deviah.	July 30, 2008	Whole Time Director	02216802	6	6	0	90,00,000/- p.a	NA	NA	345000
3	Mr. Badrinarayanan Seshadri	July 30, 2008	Independent Director	00507371	6	6	4	NA	4,40,000	NA	-
4	Mr. Vikraman Ampalakkat	June 26, 2009	Independent Director	01978341	6	6	3	NA	3,80,000	NA	-
5	Mr. Ramanathan Annamalai	April 23, 2009	Independent Director	02645247	6	6	6	NA	3,60,000	NA	-
6	Ms. Malini B. Eden	April 26, 2018	Independent Director	00732954	6	6	0	NA	2,40,000	NA	-
7	Mr. Monu Ratra Resigned w.e.f 07-09-2022	June 24, 2020	Non-Executive Director	07406284	6	3	NA	NA	NA	NA	-

1. Composition of the Board

Details of change in composition of the Board during the current and previous FY 2022-23.

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Mr. Monu Ratra	Non-Executive Director	Resignation	September 07, 2022

Where an independent director resigns before expiry of her/ his term, the reasons for resignation as given by her/him shall be disclosed- Not Applicable

Details of any relationship amongst the directors inter-se shall be disclosed- Not Applicable

2. Committees of the Board and their composition

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted the following set of Committees with specific terms of reference / scope. The terms of reference of all the Committees shall be accessed via <https://iifl.com/investor-relations/>.

i) Audit Committee:

All the recommendations of the Committee have been adopted by the Board.

DIRECTORS' REPORT (Contd.)

The members and meetings of the Audit Committee and attendance of its members are as given below:

Sl. No.	Date of Meeting	Name of Directors			
		Vikraman A.	Badrinarayanan S.	Shivaprakash D	Monu Ratra
1	April 22, 2022	Yes	Yes	NA	Yes
2	June 17, 2022	Yes	Yes	NA	Yes
3	July 22, 2022	Yes	Yes	NA	Yes
4	October 21, 2022	Yes	Yes	Yes	NA
5	January 23, 2023	Yes	Yes	Yes	NA

Sl. No.	Name of Director	Member of the Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		Number of Shares Held in NBFC
				Held	Attended	
1	Vikraman A	June 26, 2009	Independent Director	5	5	-
2	Badrinarayanan S	July 30, 2008	Independent Director	5	5	-
3	Shivaprakash D	October 20, 2022	Whole Time Director	5	2*	3,45,000
4	Monu Ratra (Resigned w.e.f September 07, 2023)	June 23, 2020	Non- Executive Director	5	3*	

*During the year, Mr. Shivaprakash Deviah was appointed as a member of the Audit Committee on account of resignation of Mr. Monu Ratra from Board with effect from September 07, 2022

ii) Nomination & Remuneration Committee:

All the recommendations of the Committee have been adopted by the Board.

The members and meetings of the Nomination and Remuneration Committee and attendance of its members are as given below:

Sl. No.	Date of Meeting	Name of Directors			
		Ramanathan A.	Badrinarayanan S.	Vikraman A.	Monu Ratra*
1	April 22, 2022	Yes	Yes	Yes	Yes
2	January 23, 2023	Yes	Yes	Yes	NA
3	March 14, 2023	Yes	Yes	Yes	NA

Sl. No.	Name of Director	Member of the Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		Number of Shares Held in NBFC
				Held	Attended	
1	Badrinarayanan S	July 30, 2008	Independent Director	3	3	-
2	Vikraman A	June 26, 2009	Independent Director	3	3	-
3	Ramanathan A	April 23, 2009	Independent Director	3	3	-

*During the year, the Nomination and Remuneration Committee was re-constituted on account of resignation of Mr. Monu Ratra from Board with effect from September 07, 2022

iii) Risk Management Committee:

All the recommendations of the Committee have been adopted by the Board.

The members and meetings of the Risk Management Committee and attendance of its members are as given below:

Sl. No.	Date of Meeting	Name of Directors			
		Shivaprakash D	Ramanathan A.	Badrinarayanan S	Monu Ratra
1	April 22, 2022	Yes	Yes	NA	Yes
2	July 22, 2022	Yes	Yes	NA	Yes
3	October 21, 2022	Yes	Yes	Yes	NA
4	January 23, 2023	Yes	Yes	Yes	NA

DIRECTORS' REPORT (Contd.)

Sl. No.	Name of Director	Member of the Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		Number of Shares Held in NBFC
				Held	Attended	
1	Shivaprakash D	July 30, 2008	Whole Time Director	4	4	3,45,000
2	Ramanathan A	April 23, 2009	Independent Director	4	4	-
3	Badrinarayanan S	October 20, 2022	Independent Director	4	2*	-

*During the year, the Risk Management Committee was re-constituted on account of resignation of Mr. Monu Ratra from Board with effect from September 07, 2022

iv) Information Technology Strategy Committee:

The members and meetings of the Information Technology Strategy Committee and attendance of its members are as given below:

Sl. No.	Date of Meeting	Name of Directors	
		Shivaprakash D	Badrinarayanan S
1	July 22, 2022	Yes	Yes
2	January 23, 2023	Yes	Yes

Sl. No.	Name of Director	Member of the Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		Number of Shares Held in NBFC
				Held	Attended	
1	Badrinarayanan S	July 30, 2008	Independent Director	2	2	-
2	Shivaprakash D	July 30, 2008	Whole Time Director	2	2	3,45,000

v) Asset Liability Management Committee:

The members of the Asset and Liability Management Committee met every month in the FY 2022-23 and all the members of the Committee were present for all the eligible meetings

Sl. No.	Name of Director/ Members	Member of the Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		Number of Shares Held in NBFC
				Held	Attended	
1	Mr. Venkatesh N	February 01, 2004	Managing Director	12	12	13,35,840
2	Mr. Manoj Pasangha	April 22, 2022	Chief Business Officer	12	11*	-
3	Mr. Anantha Kumar T	October 21, 2019	Chief Financial Officer	12	12	-
4	Mr. Gaurav Kumar	March 10, 2023	Chief Operating Officer	12	1*	-
5	Mr. Mohan Kumar	October 21, 2022	Head- Treasury	12	5*	-

*During the year, the Asset and Liability Management Committee was re-constituted on account of changes in the Senior Management of the Company.

vi) Independent Directors Meeting:

In compliance with Schedule IV of the Companies Act 2013, Independent Directors had scheduled their separate meeting on March 14, 2023 without the presence of any non-independent directors. All the Independent Directors were present at the meeting.

DIRECTORS' REPORT (Contd.)

vii) Corporate Social Responsibility Committee:

The members and meetings of the Corporate Social Responsibility Committee and attendance of its members are as given below:

Sl. No.	Date of Meeting	Name of Members			
		Venkatesh N	Shivaprakash D	Malini B Eden	Ashwini Kumar
1	July 22, 2022	Yes	Yes	Yes	Yes
2	March 24, 2023	Yes	Yes	Yes	Yes

Sl. No.	Name of Director	Member of the Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		Number of Shares Held in NBFC
				Held	Attended	
1	Venkatesh N	July 26, 2019	Managing Director	2	2	1335840
2	Shivaprakash D	July 26, 2019	Whole Time Director	2	2	345000
3	Malini Eden	July 26, 2019	Independent Director	2	2	-
4	Ashwini Kumar	July 26, 2019	Chief People Officer	2	2	-

viii) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee currently consists of the following members

1. Mr. Narayanaswamy Venkatesh
2. Mr. Vikraman Ampalakkat
3. Mr. Ramanathan Annamalai

In compliance with applicable laws and regulations, Stakeholders Relationship Committee meeting was held on March 14, 2023 and all the Committee members attended the said meeting.

Sl. No.	Name of Director	Member of the Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		Number of Shares Held in NBFC
				Held	Attended	
1	Venkatesh N	January 21, 2022	Managing Director	1	1	1335840
2	Vikraman A	January 21, 2022	Independent Director	1	1	-
3	Ramanathan A	January 21, 2022	Independent Director	1	1	-

ix) Prevention of Sexual Harassment Committee:

The Company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Prevention of Sexual Harassment (POSH) Committee currently consists of the following members

1. Ms. Nalini K - Vice President (Chairperson)
2. Ms. Dhanashree Raj- Deputy General Manager
3. Mr. Mukund Sharma- Deputy Vice President
4. Ms. Premalatha- Advocate/External Chairperson

In compliance with applicable laws and regulations, POSH Committee meeting was

held whenever required and all the Committee members attended the said meeting.

x) Whistle Blower Committee:

The Whistle Blower Committee currently consists of the following members

1. Mr. Bichitra Basu- Head- IGL
2. Mr. Buddeppa Mallapur- Head- Retail Assets
3. Mr. Ashwini Kumar- Chief People Officer
4. Mr. Sreedhar Vadla- Assistant Vice President

In compliance with applicable laws and regulations, Whistle Blower Committee meeting was held whenever required and all the Committee members attended the said meeting.

DIRECTORS' REPORT (Contd.)

3. GENERAL BODY MEETINGS

Sl. No.	Type of Meetings	Date and Place	Special Resolution Passed
1	Extra Ordinary General Meeting	May 20, 2022 Bangalore	<ul style="list-style-type: none"> Increase in borrowing limits of the Company to 12,000 Crores as per section 180 1(a) and 180 1(c) of Companies Act 2013 Approval of the limit of issuance of non-convertible debentures (NCD)/ market linked debentures (MLD) on private placement basis for the FY 2022-2023 of upto 3,500 Crores Approval of the limit of issuance of commercial papers on private placement basis for the FY 2022-2023 upto ₹ 1000 Crores.
2	Annual General Meeting	June 30, 2022 Bangalore	<ul style="list-style-type: none"> Revision in the Managerial Remuneration of Mr. Venkatesh N., Managing Director w.e.f April 01, 2021. Revision in the Managerial Remuneration of Mr. Shivaprakash Deviah, Whole-time Director w.e.f April 01, 2021.
3	Extra Ordinary General Meeting	January 30, 2023 Bangalore	<ul style="list-style-type: none"> To consider and approve increase in authorized share capital of the Company to 700 Crores. Alteration of capital clause of the memorandum of association of the Company. Approval of the limit of issuance of non-convertible debt securities on private placement basis for the FY 2023- 2024 of upto 3,500 Crores. Approval of the limit of issuance of commercial papers on private placement basis for the FY 2023-2024 of upto 1,000 Crores. To consider and approve ratification of appointment of Mr. A. Vikraman, Independent Director. To consider and approve ratification of appointment of Mr. A. Ramanathan, Independent Director.
4	Extra Ordinary General Meeting	March 24, 2023 Bangalore	<ul style="list-style-type: none"> Approval for increase in ESOP Pool and other amendments in IIFL Samasta Finance Limited Employee Stock Option Plan – 2023. Revision in the managerial remuneration of Mr. Venkatesh N., Managing Director w.e.f April 01, 2022. Revision in the managerial remuneration of Mr. Shivaprakash D., Whole-Time Director w.e.f April 01, 2022.

- Details of non-compliance with requirements of Companies Act, 2013.: NIL
- Details of penalties and strictures NBFCs should disclose details of penalties or stricture imposed on it by the Reserve Bank or any other statutory authority: NIL

B) Board of Directors/Key Managerial Personnel and Senior Management.

During the Financial Year under review, there were no changes in the Key Managerial Personnel of the Company. Board members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct of the Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2023 are:

- Mr. Narayanaswamy Venkatesh -Managing Director
- Mr. Shivaprakash Deviah-Whole Time Director
- Mr. Anantha Kumar T-Chief Financial Officer and
- Mr. Manoranjan Biswal-Company Secretary

DIRECTORS' REPORT (Contd.)

Senior Management of the Company as on March 31, 2023 are:

- a. Mr. Narayanaswamy Venkatesh -Managing Director
- b. Mr. Shivaprakash Deviah -Whole-Time Director.
- c. Mr. Manoj Pasangha - Chief Business Officer
- d. Mr. Gaurav Kumar- Chief Operating Officer
- e. Mr. Anantha Kumar T-Chief Financial Officer
- f. Mr. Ashwini Kumar-Chief People Officer.
- g. Mr. Gunasekaran Loganathan- Chief Information Security Officer
- h. Mr. Sabari Krishna- Chief Compliance Officer
- i. Mr. Manoranjan Biswal-Company Secretary

During the Financial Year under review, Mr. Sabari Krishna was appointed as Chief Compliance officer (CCO) of the Company w.e.f. January 24, 2023, Mr. Sudeep H S was appointed as the Chief Risk Officer (CRO) w.e.f. November 02, 2022, Mr. Gunasekaran L was appointed as the Chief Information Security Officer (CISO) of the Company w.e.f. January 24, 2023, Mr. Gaurav Kumar was appointed as the Chief Operation Officer (COO) of the Company w.e.f. March 01, 2023, Mr. Sudeep HS who was appointed as the Chief Risk Officer (CRO) of the Company has tendered his resignation.

29. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES:

The Company does not have any Subsidiary, Joint Venture or Associates companies.

30. NON-APPLICABILITY OF MAINTENANCE OF COST RECORDS:

The provisions of Section 148 of the Companies Act, 2013 and Rules framed thereunder pertaining to maintenance of cost records as well as appointment of Cost Auditors are not applicable to the Company.

31. COMPLIANCE WITH THE SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

32. DEPOSITS:

The Company is registered with Reserve Bank of India (RBI) as Non-Deposit Accepting NBFC under Section 45-IA of the RBI Act, 1934 and classified as NBFC-MFI. The Board of Directors hereby confirm that the Company has not accepted any public deposit during the year under review and will not accept deposit in future without prior approval of Reserve Bank of India.

33. DETAILS OF SIGNIFICANT & MATERIAL ORDER PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

There was no significant & material order passed by Regulators/Courts/Tribunal during the period under review.

34. INTERNAL CONTROLS:

The Company has a well-established and adequate internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies, (b) safeguarding of assets. (c) Prevention and detection of frauds / errors, (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information. An independent internal audit system is in place to conduct audit of all the branches, regional offices, Zonal offices as well as head office.

Further, the Company had appointed M/s KPMG, Chartered Accountants as its Internal Auditors vide the Board Meeting dated June 17, 2022 which conducted audit on the internal controls of various functions of the Company including Operations, Finance, Compliance, Human Resource and Information Technology.

The Company controls, risk management measures, accounting procedures, financial management and operations has an Audit Committee, which regularly reviews and monitors systems, internal of the Company based on the observations made by the Internal Audit Head as well as KPMG.

DIRECTORS' REPORT (Contd.)

35. MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT:

Section 148(1) of the Companies Act, 2013 is not applicable to the Company hence there is no requirement to maintain Cost Records as specified by the Central Government hence such accounts and records are not made and maintained.

36. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace and in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder for reporting and conducting inquiry into the complaints made by the victim on the harassments at the workplace. The functioning of the Committees was carried out as per letter and spirit of the provisions of the Act.

37. SHARE CAPITAL OF THE COMPANY:

Authorized Share Capital

The Authorized Share Capital of the Company was increased from ₹ 6,00,00,00,000 to ₹ 7,00,00,00,000 vide Extraordinary General Meeting dated January 30, 2023.

Current Structure of Authorized Share Capital of the Company is hereunder:

"The Authorized Share Capital of the Company is ₹ 700,00,00,000 (Rupees Seven Hundred Crores Only) divided into,

- a. 69,80,00,000 (Sixty-Nine Crore Eighty Lakh Only) Equity shares of ₹ 10 (Rupees Ten only) each aggregating to ₹ 698,00,00,000 (Rupees Six Hundred Ninety- Eight Crore Only), and;
- b. 20,00,000 (Twenty Lakh Only) Preference Shares of ₹ 10/- (Rupees Ten Only) aggregating to ₹ 2,00,00,000 (Rupees Two Crore Only) comprising of,
 - a) 1,45,000 (One Lakh Forty-Five Thousand Only) Redeemable Non-Convertible Cumulative

Preference Shares of ₹ 10/- (Rupees Ten only) each aggregating to ₹ 14,50,000 (Rupees Fourteen Lakh and Fifty Thousand Only) and;

- b) 18,55,000 (Eighteen Lakh Fifty-Five Thousand Only) Preference Shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 1,85,50,000 (Rupees One Crore Eighty-Five Lakh and Fifty Thousand Only)."

Paid-up Share Capital

The Paid-up Share Capital of the Company has increased from ₹ 498,22,31,900 to ₹ 593,64,30,370 as on March 31, 2023 pursuant to allotment through rights issue of 9,54,19,847 Equity shares of Face Value of ₹ 10 each (issued at ₹ 20.96 per share amounting to ₹ 199,99,99,993) on February 08, 2023

38. DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM:

In Compliance with the provisions of Section 177(9) of the Companies Act, 2013, read with the rules made there under, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Policy also provides for adequate safeguard against victimization of Whistle Blower who avails of such mechanism and also provides for the access to the Chairman of the Audit Committee. None of the Whistle Blowers have been denied access to the Audit Committee.

Whistle Blower Policy is uploaded on website of the Company in <https://iiflsamasta.com/investor-relations/>

39. MANAGERIAL REMUNERATION:

Disclosure under Section 197 (12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

A. There were 2 employees during the year who were employed throughout the financial year and was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;

DIRECTORS' REPORT (Contd.)

The details of the employee are as follows,

Particulars	Employee 1	Employee 2
Name of the Employee	Mr. Venkatesh N	Mr. Gerard David Manoj Pasangha
Designation	Managing Director	Chief Business Officer (CBO)
Remuneration received	₹ 2,32,72,380	₹ 1,02,72,936
Nature of employment, whether contractual or otherwise	Permanent	Permanent
Qualifications and Experience of the employee	Mr. Venkatesh holds a bachelor's degree in computer Science and has completed the Harvard Business School-ACCION Program on Strategic Leadership in Microfinance. He has over 21 years of experience	Mr. Manoj has completed B. Com & PG and has 30 years of experience
Date of commencement of employment	February 01, 2004	March 2022
Age	47 years	55 years
Last Employment held by such employee before joining the Company	NA	Bharat Financial Inclusion Limited ("BFIL")
Percentage of equity shares held	0.22	Nil
Whether such employee is a relative of any director or manager of the Company and if so, name of such director or manager:	No	No

There was no employee during the year-

- I. If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakhs and fifty thousand rupees per month;
 - II. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company
- B. i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:
Mr. Venkatesh N., Managing Director: 130:1;
Mr. Shivaprakash D., Whole Time Director: 49.1;
- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:
Managing Director – 50%
Whole Time Director – 23%
Chief Financial Officer – 25.5%
Company Secretary – 18.75%

- iii. The percentage increase in the median remuneration of employees in the financial year:
Median increase in Rupees: -16800
Median increase in percentage: -10%
- iv. The number of permanent employees on the rolls of company: 13287
- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Total Increment % 10.28%.
- vi. Affirmation that the remuneration is as per the remuneration policy of the Company: Yes, we affirm that the remuneration was as per the remuneration policy of the Company.

The Company has paid sitting fees to Non Executive Independent Directors for attending the Board and Committee Meetings.

40. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report has been enclosed as Annexure III to this Report.

DIRECTORS' REPORT (Contd.)

41. DETAILS REGARDING ANY PROCEEDINGS PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

No application was made and no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 as at the end of the Financial Year.

42. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE

Not Applicable

43. AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOANS FROM BANKS/FINANCIAL INSTITUTIONS:

Not Applicable

44. DETAILS REGARDING SUB RULE 9 OF RULE 12 OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 OF EMPLOYEES STOCK OPTION SCHEME:

The Company's Employee Stock Option Plan - 2023 ("ESOP Plan") provide for the grant of stock options

The details are ESOP scheme are as follows.

S.No	Particulars	Details
1.	Options Granted	84,41,758
2.	Options Vested	Nil
3.	Options Exercised	Nil
4.	The Total Number of Shares Arising as a Result of Exercise of Option	NA
5.	Options Lapsed	NA
6.	The Exercise Price	20.96 Per Share
7.	Variation of Terms of Options	NA
8.	Money Realized by Exercise Of Options	NA
9.	Total Number of Options In Force	NA
10.	Employee Wise Details of Options Granted to	Mr. Anantha Kumar T- Chief Financial Officer
	A. Key Managerial Personnel	No. of options granted- 2,42,637
	B. Any Other Employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	No
	C. Identified Employees who were granted option, during any one year, equal to or exceeding one percent of the Issued Capital (Excluding Outstanding Warrants and Conversions) of the Company at the time of grant	No

to eligible employees. The ESOPs are administered through Direct route by the Company. The Company transfers share to the eligible employees upon exercise of the options by such employees. The Company had an ESOP scheme called ESOP Plan 2023. The ESOP plan 2023 came into force on March 24, 2023.

During the financial year 2022-23, the Company has introduced a new stock option scheme namely "ESOS 2023" effective from March 24, 2023. Till March 31, 2022, the Company has not granted any option under ESOS 2023.

The total number of Employee Stock Options to be granted, which shall not exceed 5% of the Paid up share Capital of the Company, as expanded from time to time, comprising 2,96,82,152 (Two Crores Ninety Six Lakhs Eighty Two Thousand One Hundred and Fifty Two) Options which shall be convertible into equal number of Shares

45. ANNEXURE FORMING PART OF THIS REPORT OF DIRECTORS:

The Annexure referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report of the Directors:

- Statement on Related Party Transactions in Form No.AOC-2 - **Annexure I**
- Report on Corporate Social Responsibility (CSR) - **Annexure II**
- Management Discussion and Analysis Report - **Annexure III**
- Secretarial Audit Report - **Annexure IV**
- Corporate Governance Report - **Annexure V**

DIRECTORS' REPORT (Contd.)

46. ACKNOWLEDGEMENTS:

The Directors place on record their sincere appreciation for the assistance and guidance provided by the regulators, stock exchanges, other statutory bodies and Company's bankers for the assistance, cooperation and encouragement extended to the Company. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Company's employees are instrumental in the Company scaling new heights, year after year. Their commitment and contribution is deeply

acknowledged. Your involvement as shareholder is greatly valued. The Directors look forward to your continued support.

For and on behalf of the Board of Directors
IIFL Samasta Finance Limited

Narayanaswamy Venkatesh

Managing Director
DIN: 01018821

Shivaprakash Deviah

Whole Time Director
DIN: 02216802

Place: Bengaluru
Date: April 21, 2023

ANNEXURE - I TO DIRECTORS' REPORT

FORM NO. AOC 2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto and Regulation 53(f) read with Part A of Schedule V of SEBI LODR

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8 (2) of

the Companies (Accounts) Rules, 2014 and Regulation 53(f) read with Para A of Schedule V of SEBI LODR)

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

- Name of the related party and nature of relationship:
- Nature of contracts/ arrangements / transactions:
- Duration of the contracts/ arrangements/ transactions:
- Salient terms of the contracts or arrangements or transactions including the value, if any:
- Justification for entering into such contracts/ arrangements/ transactions:
- Date of approval by the Board:
- Amount paid as advance, if any:
- Date on which the special resolution was passed in general meeting as required under the first proviso to section 188:

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name	Nature of Relationship	Nature of Transactions	Duration	Date of approval	Amount (in Crores)
IIFL Finance Limited	Holding Company	Inter Corporate Deposit received	1 Year	April 22, 2022	100
		Inter Corporate Deposit Repaid	1 Year	April 22, 2022	100
IIFL Home Finance Limited	Group Company	Inter Corporate Deposit received	1 Year	April 22, 2022	775
		Inter Corporate Deposit Repaid	1 Year	April 22, 2022	775
IIFL Wealth Management Limited	Group Company	Brokerage Expense/Other Expense	1 Year	April 22, 2022	0.09
IIFL Finance Limited	Promoters and Relatives of promoters	Dividend Paid	1 Year	April 22, 2022	3.71
IIFL Home Finance Limited				April 22, 2022	1.25
Narayanaswamy Venkatesh				April 22, 2022	0.01
Shivaprakash Deviah				April 22, 2022	0.00
Venkatakrisnama Appanaidu Narayanaswamy				April 22, 2022	0.01
Anitha Shivaprakash				April 22, 2022	0.00
IIFL Finance Limited	Holding Company	Service Fee on Business Correspondence- Income	1 Year	April 22, 2022	56.72
IIFL Finance Limited	Holding Company	Interest Expense	1 Year	April 22, 2022	1.03
IIFL Home Finance Limited	Group Company	Interest Expense	1 Year	April 22, 2022	9.94
IIFL Wealth Management Limited	Group Company	Interest Expense	1 Year	April 22, 2022	0.37
IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)	Group Company	Interest Expense	1 Year	April 22, 2022	0.56

ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

Name	Nature of Relationship	Nature of Transactions	Duration	Date of approval	Amount (in Crores)
IIFL Management Services Limited	Group Company	Arranger Fee	1 Year	April 22, 2022	0.50
IIFL Finance Limited	Holding Company	Reimbursement of Expenses	1 Year	April 22, 2022	0.03
IIFL Finance Limited	Holding Company	Equity Share Capital Received	1 Year	April 22, 2022	95.42
IIFL Finance Limited	Holding Company	Securities Premium	1 Year	April 22, 2022	104.58
Remuneration paid to Key Managerial Personnel	NA	Short term Employee benefit	1 Year	April 22, 2022	4.07
Sundry Receivable - IIFL Finance Limited (after TDS deduction)	Holding Company	Outstanding Balance as on March 31 ,2023	1 Year	April 22, 2022	7.18
IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)	Group Company	Outstanding Balance as on March 31 ,2023	1 Year	April 22, 2022	7.60
IIFL Wealth Management Limited	Group Company	Outstanding Balance as on March 31 ,2023	1 Year	April 22, 2022	15.36

For IIFL Samasta Finance Limited

Venkatesh N

Managing Director
DIN: 01018821

Place: Bengaluru
Date: April 21, 2023

For IIFL Samasta Finance Limited

Shivaprakash D

Whole Time Director
DIN: 02216802

ANNEXURE – II TO DIRECTORS' REPORT

The Annual Report on Corporate Social Responsibility (CSR) Activities of IIFL Samasta Finance Limited for Financial Year ended March 31, 2023

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2015]

1. BRIEF OUTLINE OF CSR POLICY

IIFL Samasta as an organization is very committed towards the development of the society and our key objective is to improve the quality of life of our community. Our CSR initiatives are directed to provide benefit to all the people irrespective of their background details. However, a special focus is given to women, girl child, aged population and those coming from the marginalized communities. This helps in contributing to the sustainable development of the society & environment and to nurture our planet for the future generations.

Objective of our CSR initiatives are:

1. Striving for the economic development of the community to positively impact the society at large.
2. Carrying out developmental initiatives which are purely sustainable in nature.
3. To operate in a socially, environmentally and economically responsible manner.

2. 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	Venkatesh N.	Managing Director	2	2
2	Shivaprakash D	Whole Time Director	2	2
3	Malini B Eden	Independent Director	2	2
4	Ashwini Kumar	Chief People Officer	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

<https://iiflsamasta.com/csr/>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

NA

5. (a) Average net profit of the Company as per sub-section (5) of section 135:

₹ 93,80,94,217

(b) Two percent of average net profit of the Company as per sub-section (5) of section 135

₹ 1,87,61,884

(c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years:

NA

(d) Amount required to be set-off for the financial year, if any;

NA

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]:

₹ 1,87,61,884

ANNEXURE – II TO DIRECTORS' REPORT (Contd.)

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).
₹ 2,28,93,972
- i) Spent from current year budget: ₹ 1,02,11,138
- ii) Amount carry forward from previous year (Unspent) spent in this year: ₹ 1,26,82,834
- (b) Amount spent in Administrative Overheads.
₹ 51,690
- (c) Amount spent on Impact Assessment, if applicable.
NA
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)].
₹ 2,29,45,662
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
2,29,45,662	84,99,056		-	-	-

- (f) Excess amount for set-off, if any: NA

Sl. No.	Particular	Amount (in ₹)
1	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

7) Details of Unspent CSR amount for the preceding three financial years:

S I. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.	19-20	Nil	Nil	Nil	Nil	Nil	Nil
2.	20-21	7289452	00	Nil	Nil	Nil	00
3.	21-22	53,93,382	1,26,82,834	Nil	Nil	Nil	1,26,82,834
	Total	1,26,82,834	1,26,82,834	Nil	Nil	Nil	00

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

ANNEXURE – II TO DIRECTORS' REPORT (Contd.)

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent			
(1)	(2)	(3)	(4)	(5)	(6)		
	Nil	Nil	Nil	Nil	CSR Registration Number, if applicable	Name	Registered address

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.

IIFL Samasta has taken multi years CSR projects to create larger impact on the communities, hence we have reserved 25% of budget for these ongoing CSR projects. This amount is been transferred to separate bank account and same will be utilized only for ongoing CSR projects.

Sd/- Venkatesh N Managing Director	Sd/- (Chairman CSR Committee).
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For IIFL Samasta Finance Limited

Venkatesh N

Managing Director
DIN: 01018821

Place: Bengaluru
Date: April 21, 2023

For IIFL Samasta Finance Limited

Shivaprakash D

Whole Time Director
DIN: 02216802

ANNEXURE - IV TO DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013, Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
IIFL Samasta Finance Limited,
110/3, Lalbagh Main Road, Krishnappa Layout,
Bangalore- 560027

We have conducted the Secretarial Audit of the compliance of specific applicable statutory provisions and the adherence to good corporate practices by **IIFL Samasta Finance Limited** (hereinafter called "**Company**") bearing CIN U65191KA1995PLC057884. 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.

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 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 ended on **March 31, 2023** and made available to us, 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 Bye-laws framed thereunder.
 - a) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investments and External Commercial Borrowings. **(Not applicable during the audit period).**
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - b) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
 - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (hereinafter referred as 'SEBI (LODR) 2015').
 - d) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not applicable during the audit period).**
 - e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - f) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('ICDR 2018') [notified by the Securities and Exchange Board of India ('SEBI') on September 11, 2018, which came into effect on November 10, 2018, thereby rescinding and repealing the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('ICDR 2009')] **(Not applicable during the audit period).**
 - g) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. **(Not applicable during the audit period).**

ANNEXURE - IV TO DIRECTORS' REPORT (Contd.)

- h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with the client **(Not applicable during the audit period)**.
- i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable during the audit period)**.
- j) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 **(Not applicable during the audit period)** and
- (v) We also verified the Non-Banking Financial Company (NBFC) – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (Updated as on December 29, 2022) issued by the Reserve Bank of India along with other Notifications, Guidelines, Circulars, Directions.
- (vi) Insurance Regulatory and Development Authority Act, 1999 and Rules and regulations made thereunder.
- (vii) The Listing Agreements entered in to by the Company with Bombay Stock Exchange(s) w.r.t. Debt listing
- (viii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013
- (ix) The Reserve Bank of India Act, 1934;
- (x) The Prevention of Money Laundering Act, 2002 and Rules framed there under
- (xi) Secretarial Standards and Auditing Standards issued by The Institute of Company Secretaries of India;

During the period under review, based on the explanations and representations made by the Management, the Company has complied with the provisions of the Companies Act, 2013, NBFC Regulations, SEBI Act and the corresponding Rules, Regulations, Guidelines, Secretarial Standards etc. as mentioned above and has filed all the form and returns, with the Registrar of Companies within the prescribed time or in case of delay, filing has been made with the requisite additional fee.

We further report that the,

1. Board of Directors of the Company is duly constituted with proper Directors and Directors as required under the provisions of the Companies Act, 2013 and the Articles of Association of the Company. Mr. Monu Ratra (DIN: 07406284) has tendered his resignation on September 07, 2022 during the period under audit.
2. Adequate notice has been given to all the directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and wherever it was not sent, at least one Independent Director was present at the Meeting in compliance with Companies Act 2013 and rules made thereunder.
3. Decisions at the Board Meeting, as represented by the Management, were taken unanimously. We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that, during the audit period, the Company had the following events which had bearing on the Company's affairs, in pursuance of the above referred laws, rules, regulations, guidelines and standards:

1. During the audit period, the Company has composited its CSR committee with four members.
 During the reporting period, the Company is required to spend ₹ 1,87,61,884 which is 2% of Average Three Years Net Profit and unspent amount of ₹ 1,26,82,834/- for previous year. Therefore the Company is required to spend total amount of ₹ 3,14,44,718/-. The Company has spent ₹ 2,29,45,662 /- during the Audit Period. The unspent amount was pertaining to an ongoing project and the same was transferred to a separate bank account within 30 days of the end of the Financial Year in compliance with section 135 of the Companies Act 2013
2. Based on the Audited Financial Statement, the outstanding secured loan of the Company as on 31st March, 2023 was ₹ 6731,34,97,802 /- and outstanding unsecured loan was ₹ 4,64,99,99,999 from various financial institutions.
3. During the reporting period, the Company has repaid its secured loan amounting to ₹ 31,25,50,03,584.
4. During the FY 2022-23, the Company has allotted following Securities on Private Placement Basis:
 - i. 250 Rated, Listed, Senior, Secured, Redeemable, Taxable, Principal Protected, Market Linked, Non-Convertible Debentures of ₹ 10,00,000 each aggregating to a total nominal value of ₹ 25,00,00,000 (Rupees Twenty-Five Crore Only) allotted on June 01, 2022.

ANNEXURE - IV TO DIRECTORS' REPORT (Contd.)

- ii. 800 Rated, Listed, Senior, Secured, Redeemable, Taxable, Principal Protected, Market Linked, Non-Convertible Debentures of ₹ 10,00,000 each issued at ₹ 10,02,976.00 per debenture aggregating to a total value of ₹ 80,23,80,800 (Rupees Eighty Crores Twenty Three Lakhs Eighty thousand and Eight Hundred Only) allotted on June 14, 2022.
 - iii. 150 Listed, Unsecured, Subordinated, Redeemable, Non- Convertible Debentures face value(FV) of ₹ 1,00,00,000/- each (Rupees One Crore Only), aggregating upto ₹ 150,00,00,000 (Rupees One Hundred and Fifty Crores only) allotted on August 19, 2022.
 - iv. 1000 Listed, Unsecured, Unsubordinated, Redeemable, Non- Convertible Debentures Face Value of ₹ 10,00,000/- (Rupees Ten Lakhs Only) Each, aggregating to ₹ 100,00,00,000 (Indian Rupees One Hundred Crores only)allotted on December 19, 2022.
 - v. 25– Subordinated Redeemable Non-Convertible Debentures of Face Value of ₹ 1,00,00,000/- (Rupees One Crores Only) Each, aggregating to ₹ 25,00,00,000 (Indian Rupees Twenty Five Crores Only)allotted on February 02, 2023.
 - vi. 4000 Listed, Unsecured, Unsubordinated, Redeemable, Non- Convertible Debentures Face Value of ₹ 1,00,000/- (Rupees One Lakhs Only) Each, aggregating to ₹ .40,00,00,000/- (Indian Rupees Forty Crores only) allotted on February 24, 2023.
5. The Company has passed special resolution on 20th May 2022 for Increase in borrowing limits of the Company from ₹ 10,000 Crores to ₹ 12,000 Crores.
 6. The Company has passed special resolution on May 20, 2022 to issue, offer and allot Secured/ Unsecured/ Listed/ Unlisted/ Rated/ Unrated/ Non –Convertible/ Market Linked/ Subordinated Debt/ Perpetual Debentures/ Fixed Maturity Debentures or any other securities of the Company shall not at any time exceed an amount of ₹ 3500 Crores (Rupees Three Thousand Five Hundred Crores only) on private placement basis in one or more tranches
 7. The members have passed special resolution on May 20, 2022 to issue Commercial Papers which shall not at any time exceed an amount of ₹ 1000 Crores (Rupees One Thousand Crores only).
 8. The members have passed special resolution on January 30, 2023 and the same was approved by the Board of Directors at their meeting held on January 24, 2023 to issue, offer and allot Secured/ Unsecured/ Listed/ Unlisted/ Rated/ Unrated/ Non –Convertible/ Market Linked/ Subordinated Debt/ Perpetual Debentures/ Fixed Maturity Debentures or any other securities of the Company that shall not at any time exceed an amount of ₹ 3500 Crores (Rupees Three Thousand Five Hundred Crores only) for the FY 2023-2024 on private placement basis in one or more tranches and to issue Commercial Papers that shall not at any time exceed an amount of ₹ 1000 Crores (Rupees One Thousand Crores only) for the FY 2023-2024 on private placement basis in one or more tranches
 9. The Company has issued Final Dividend of ₹ 0.10 (Ten Paisa) per equity share to all the registered shareholders as on the record date i.e., March 31, 2022 at the Annual General Meeting held on June 30, 2022.
 10. During the audit period, the Company has reported three cases to District Officer under The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.
 11. The Company has ratified the appointment of following directors at the Extra- Ordinary General Meeting held on January 30, 2023:
 - i. Mr. Vikraman Ampalakkat, Independent and Non-Executive Director of the Company, who has attained the age of seventy five years in August 2022.
 - ii. Ramanathan Annamalai, Independent and Non-Executive Director of the Company, who will attain the age of seventy five years in December 2023.
- Pursuant to regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has to pass a special resolution to continue the directorship of any person as a non-executive director who has attained the age of seventy five year.
12. On the Extraordinary General Meeting held on January 30, 2023, the Company has passed resolution for increasing the authorized share capital of the Company from the existing ₹ 600,00,00,000 consisting of Equity share Capital divided into 59,80,00,000 Equity shares of ₹ 10 each and 20,00,000 Preference shares of ₹ 10 each which is further divided

ANNEXURE - IV TO DIRECTORS' REPORT (Contd.)

into 1,45,000 Redeemable Non-Convertible Cumulative Preference Shares of ₹ 10 each aggregating to ₹ 14,50,000 and 18,55,000 Preference Shares of ₹ 10 each aggregating to ₹ 1,85,50,000 to the revised authorized capital of ₹ 700,00,00,000 consisting of Equity share Capital divided into 69,80,00,000 Equity shares of ₹ 10 each and 20,00,000 Preference shares of ₹ 10 each which is further divided into 1,45,000 Redeemable Non-Convertible Cumulative Preference Shares of ₹ 10 each aggregating to ₹ 14,50,000 and 18,55,000 Preference Shares of ₹ 10 each aggregating to ₹ 1,85,50,000.

13. On the Extraordinary General Meeting held on March 24, 2023, the Company has passed resolution to approve the IIFL Samasta Finance Limited Employee Stock Option Plan – 2023 ("Plan") by increasing the total number of Employee Stock Options to be granted, which shall not exceed 5% of the Paid Up share Capital of the Company, as expanded from time to time, by 1,36,41,485 (One crore thirty six lakhs forty one thousand four hundred eighty five) options thereby taking the total Employee Stock Options pool to 2,96,82,152 (Two crore ninety six lakhs eighty two thousand one hundred fifty two) exercisable into 2,96,82,152 equity shares having face value of ₹ 10/- each under the Plan, at any time to or to the benefit of such person(s) who are in permanent employment of the Company who has been working in India or out of India, including any Director of the Company (other than independent directors), whether whole time director or otherwise, on such terms and conditions as may be fixed or determined by the Board of Directors in accordance with the applicable laws.
14. On Annual General Meeting held on June 30, 2022 the Company has passed a resolution to revise the Managerial Remuneration of Mr. Venkatesh N., Managing Director and Mr. Shivaprakash Deviah, Whole-Time Director effective from April 01, 2021.
15. On the Extraordinary General Meeting held on March 24, 2023 the Company has passed a resolution to revise the Managerial Remuneration of Mr. Venkatesh N., Managing Director and Mr. Shivaprakash Deviah, Whole-Time Director effective from April 01, 2022.

For KMH & Associates

Company Secretaries
FRN P2020KR079900

Date: April 21, 2023
Place: Bangalore
UDIN: A037474E000160333

Krishnamurthy Hegde
Partner

ACS No: 37474 | COP No: 20126

Note: This report is to be read with the letter of even date which is annexed as Annexure and forms an integral part of this report.

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
IIFL Samasta Finance Limited,
110/3, Lalbagh Main Road, Krishnappa Layout,
Bangalore- 560027

Our report of even date is to be read along with this letter.

- (1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- (2) 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 test basis to ensure that true facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis to strengthen our opinion.
- (3) We have not verified the accuracy, correctness and appropriateness of financial records and Books of Accounts of the Company.
- (4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- (6) 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.

For KMH & Associates
Company Secretaries
FRN P2020KR079900

Date: April 21, 2023
Place: Bangalore
UDIN: A037474E000160333

Krishnamurthy Hegde
Partner
ACS No: 37474 | COP No: 20126

ANNEXURE V

CORPORATE GOVERNANCE REPORT

This Corporate Governance Report relating to the year ended on March 31, 2023 was prepared in compliance with the applicable provisions of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof and RBI Circular No. RBI/2022-23/26 DOR.ACC.REC. No.20/21.04.018/2022-23, dated April 19, 2022 and forms a part of the Director's Report to the Members of IIFL Samasta Finance Limited (the Company).

1. COMPANY'S PHILOSOPHY

The Company consistently focusses on following the highest standards of governance. The Company envisions becoming the most respected in the financial services space and firmly believes that the highest degree of corporate governance is the key to achieve it and emphasizes implementing robust, resilient and best corporate practices in every facet of its operations and activities. The Company sees corporate governance standards beyond the compliance of regulatory norms.

Transparency, fairness, integrity, effective internal control at each level of operations in each business transactions and adequate and prompt disclosure to respective stakeholders are the key ingredients of corporate governance. The ultimate responsibility to oversee corporate governance lies with the Board of Directors, and the changing environment of stakeholder stewardship has a greater influence on the quality of the board and its composition and, skills. The Company has an adequate mix of Board members. The majority of them are Independent Directors with backgrounds in financial services. The entire Board has demonstrated skill sets and relevant experience that bring rich experience in financial services to the Company. The Board constituted various committees of Directors and/or officers that are mandated under the Companies Act, applicable regulations of the Securities and Exchange Board of India, and the Reserve Bank of India through its various Policy Circulars/Directions and those were warranted for smooth operations of the Company. The Board of Directors along with its committees provides leadership and guidance to the Company's management and directs, supervises and controls its activities. The responsibility of the Board as a whole, and the Terms of Reference Committees are provided in this Report.

2. Board of Directors	
<ul style="list-style-type: none"> a. Composition of the Board of Directors b. attendance of each director at the meeting of the board of directors and the last annual general meeting c. number of other board of directors or committees in which a directors is a member or chairperson d. number of meetings of the board of directors held and dates on which held e. disclosure of relationships between directors inter-se f. number of shares and convertible instruments held by non- executive directors 	The details are provided in the Directors report
<ul style="list-style-type: none"> g. web link where details of familiarization programmes imparted to independent directors is disclosed. 	Not Applicable
<ul style="list-style-type: none"> h. A chart or a matrix setting out the skills/expertise/ competence of the board of directors. i. confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management. j. detailed reasons for the resignation of an independent director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided. 	<p>The details are provided in the Directors report</p> <p>Not Applicable</p>

ANNEXURE V (Contd.)

<p>3. Audit committee</p> <p>(a) brief description of terms of reference;</p> <p>(b) composition, name of members and chairperson;</p> <p>(c) meetings and attendance during the year.</p>	<p>The details are provided in the Directors report</p>
<p>4. Nomination and Remuneration Committee</p> <p>(a) brief description of terms of reference;</p> <p>(b) composition, name of members and chairperson;</p> <p>(c) meeting and attendance during the year;</p> <p>(d) performance evaluation criteria for independent directors</p>	<p>The details are provided in the Directors report</p>
<p>5. Stakeholders' relationship committee</p> <p>(a) name of the non-executive director heading the committee;</p> <p>(b) name and designation of the compliance officer;</p> <p>(c) number of shareholders' complaints received during the financial year;</p> <p>(d) number of complaints not solved to the satisfaction of shareholders;</p> <p>(e) number of pending complaints.</p>	<p>The details are provided in the Directors report. We have not received any complaints from Stakeholders for the FY 2022-23.</p>
<p>5A. Risk management committee:</p> <p>(a) brief description of terms of reference;</p> <p>(b) composition, name of members and chairperson;</p> <p>(c) meetings and attendance during the year</p>	<p>The details are provided in the Directors report</p>
<p>5B. Senior management</p> <p>Particulars of senior management including the changes therein since the close of the previous financial year</p>	<p>The details are provided in the Directors report</p>
<p>6 Remuneration of directors:</p>	<p>The details are provided in the Annual report</p>
<p>7. General body meetings</p>	<p>The details are provided in the Directors report. No resolutions were passed through postal ballot.</p>
<p>8. Means of communication</p> <p>(a) quarterly results;</p> <p>(b) newspapers wherein results normally published;</p> <p>(c) any website, where displayed;</p> <p>(d) whether it also displays official news releases; and</p> <p>(e) presentations made to institutional investors or to the analysts</p>	<p>The primary source of information to the shareholders, customers, analysts and other stakeholders of the Company and to public at large is through the website of the Company.</p> <p>The Annual Report, quarterly financial results, corporate actions and copies of press releases, if any, among others, are regularly submitted to the Stock Exchanges and uploaded on the website of the Company including Quarterly / Annual Financial Results in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the disclosures made to the Stock Exchanges are also available on the website of the Company i.e. The quarterly and annual results of the Company are published in widely circulated English newspaper</p>

ANNEXURE V (Contd.)

9. General Shareholder Information

1.	Annual General Meeting	The details are provided in the Notice of Annual General Meeting for the FY 2022-23
2.	Financial Year (2022-23)	<p>From April 1 to March 31</p> <p>Results for the quarter ended on June 30, 2022 - within 45 days from the end of the quarter</p> <p>Results for the quarter ended on September 30, 2022 - within 45 days from the end of the quarter</p> <p>Results for the quarter ended on December 31, 2022 - within 45 days from the end of the quarter</p> <p>Results for the quarter and year ended on March 31, 2023 - within 60 days from the end of the quarter</p>
3.	Dividend payment date (Interim dividend)	The details are provided in the Directors report.
4.	Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);	<p>BSE Limited</p> <p>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400051 Maharashtra, India BSE Scrip Code – 973128</p> <p>The Listing fees as applicable have been duly paid to the stock exchange.</p>
5.	Stock Code (Scrip Code)	BSE Scrip Code – 973128
6.	Market price data- high, low during each month in last financial year	Not applicable; as Equity Shares of the Company are not listed on any Stock Exchange
7.	Performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc	Not applicable; as Equity Shares of the Company are not listed on any Stock Exchange
8.	In case the securities are suspended from trading, the directors report shall explain the reason thereof	Not Applicable
9.	Registrar to an issue and share transfer agents	<p>Link Intime India Private Limited</p> <p>C-101, 1st Floor, 247 Park , Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083.</p> <p>Telephone: 022-49186101</p> <p>Email: debtca@linkintime.co.in</p>
10.	Share transfer system	<p>The entire equity share capital of the Company is held in dematerialized form.</p> <p>Pursuant to Regulation 40(9) of the Listing Regulations, the Company obtained certificates from a practicing Company Secretary on a yearly basis to the effect that all the transfers are completed within the statutory stipulated period. A copy of the certificates so received are submitted to the Stock Exchanges viz BSE.</p> <p>There was no instance of suspension of trading in Company's shares during FY 2022-23.</p>
11.	Distribution of shareholding	Not Applicable
12.	Dematerialization of Shares and liquidity	Shares are in dematerialized form.

ANNEXURE V (Contd.)

13.	Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity	Not Applicable
14.	Commodity price risk or foreign exchange risk and hedging activities	Not Applicable
15.	Plant locations	Not Applicable
16.	Address for Correspondence	Mr. Manoranjan Biswal Company Secretary & Compliance Officer 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru 560027, Karnataka
17.	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	The details are provided in the Directors report

Shareholding Pattern

Categories of Equity Shareholders as on March 31, 2023

Sl. No.	Name of Share holder	No. of Equity Shares	Face Value In (₹)	Total Amount In (₹)	% of Share Holding
1	IIFL Finance Limited	59,07,16,057	10	5,90,71,60,570	99.51
2	Mr. Narayanaswamy Venkatesh	13,35,840	10	1,33,58,400	0.22
3	Mr. Venkatakrishnama Appanaidu Narayanaswamy	10,52,938	10	1,05,29,380	0.18
4	Mr. Shivaprakash Deviah	3,45,000	10	34,50,000	0.06
5	Ms. Anitha Shivanna	1,93,200	10	19,32,000	0.03
6	Ms. Prema Narayanaswamy	1	10	10	0.00
7	Ms. Vidhya Anand	1	10	10	0.00
Total		59,36,43,037	10	5,93,64,30,370	100

10. Other Disclosures

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

The Company has put in place a Related Party Transactions Policy (RPT Policy) which was approved by the Board of Directors. The Policy provides for identification of RPTs, necessary approvals by the Audit Committee / Board / Shareholders, reporting and disclosure requirements in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All transactions executed by the Company during the Financial Year with related parties were on arm's length basis and in the ordinary course of business. All such RPT were placed before the Audit Committee for approval, wherever applicable. The policy on the materiality of RPTs (part of the Related Party Transaction Policy) and dealing with RPTs as approved by the Board may be accessed on the website of the Company i.e. <https://iiflsamasta.com/investor-relations/>.

You may refer to the Financial Statement which contains related party disclosures.

ANNEXURE V (Contd.)

(b) Details of Non-Compliance

No strictures/ penalties were imposed on Company by the Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matter related to the securities markets during the last three financial years.

- (c) Details of establishment of vigil mechanism/ whistle blower policy, and affirmation that no personnel was denied access to the Audit committee.

In Compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violations of the Company's Code of Conduct or ethics policy. The Policy provides adequate safeguard against the victimization of whistle blowers, who avails such mechanism and also provides for the access to the Chairman of Audit Committee. None of the whistle blowers have been denied access to the Audit Committee. The said Policy as approved by the Board may be accessed on the website of the Company i.e. <https://iiflsamasta.com/investor-relations/>.

- (d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed for High Value Debt Listed Companies in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to the Company. The status of Compliance with the Non- mandatory recommendation in the SEBI Regulations is as follows:

- The Internal Auditor has direct access to the Audit Committee.

- (e) Web link where policy for determining 'material' subsidiaries is disclosed at-NA
- (f) Web link where policy on dealing with related party transactions is disclosed at <https://iiflsamasta.com/investor-relations/>
- (g) Disclosure of commodity price risks and commodity hedging activities: Not Applicable

- (h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable

- (i) 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 forms part of this report.

- (j) 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: No such instance was reported.

- (k) Total Fees to Statutory Auditor

Total fees (exclusive of GST and other taxes as applicable) for all services paid by the listed entity and its subsidiary, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Particulars Amount (₹ in lakhs)	Particulars Amount (₹ in lakhs)
Audit Fee	17
Limited Review	-
Other matters and certification	1
Out of Pocket Expenses	3.71
Others, if any	-
Total	21.71

- (l) Prevention of Sexual Harassment

The Company recognizes its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination. In Compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has put in place a Policy on the prevention of Sexual Harassment of Women at Workplace and has constituted an Internal Complaints Committee. During the year under review, there were following complaints received as on January 01, 2022 and December 31, 2022.

- a. Number of complaints filed during the calendar year: 3

ANNEXURE V (Contd.)

- b. Number of complaints disposed of during the calendar year: 3
- c. Number of complaints pending as on end of calendar year: Nil

Number of workshops or awareness programmes against sexual harassment carried out: The Company regularly sensitizes its employees on the prevention of sexual harassment through online training.

- (m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: Not Applicable, however Except for transactions mentioned under related party transactions, no loans and advances are granted to firms/companies in which Directors are interested.

11. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above: Company is complied with the requirements.
12. Among discretionary requirements, as specified in Part E of Schedule II of Listing Regulations and other acts, rules, regulations, and guidelines as applicable, the Company has adopted the following:
 - a. The Company has adopted a regime of financial statements with an unmodified audit opinion.
 - b. Chairman of the committee is a Non-Executive Director.
 - c. The internal auditor directly reports to the Audit Committee of the Company.

- (p) 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 the SEBI Listing Regulations shall be made in the section on corporate governance of the annual report.

13. The Company is in compliance with all the mandatory requirements specified in Regulation 17 to 27 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, which have become applicable to the Company as a High Value Debt Listed Entity ("HVDLE") on a 'comply or explain' basis until March 31, 2023.

- D. Declaration signed by the chief executive officer/ MD 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.

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and the Senior Management Personnel and the same is available on the Company's website. I confirm that the Company has in respect of Financial Year ended March 31, 2023, received from the Board Members and Senior Management Personnel of the Company, declaration of compliance with the Code of Conduct as applicable to them.

For IIFL Samasta Finance Limited

Sd/-

VENKATESH N
Managing Director
(DIN: 01018821)

ANNEXURE V (Contd.)

E. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report

The Secretarial Audit Report received from the Secretarial Auditors of the Company confirm the compliance of conditions of corporate governance which is disclosed in Annexure IV of the Directors Report.

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors
IIFL Samasta Finance Limited

We certify that;

- (a) We have reviewed the Financial Statements and the cash flow statement of IIFL Samasta Finance Limited for the Financial Year ended March 31, 2023 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) 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.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting. We have not come across any deficiencies in the design or operation of such internal controls.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) That there are no significant changes in accounting policies during the year;
 - (iii) That there are no instances of significant fraud of which we have become aware.

Sd/-

VENKATESH N
Managing Director
(DIN: 01018821)

Sd/-

ANANTHA KUMAR THANGAVEL
Chief Financial Officer

Place: Bengaluru
Date: April 21, 2023

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of IIFL Samasta Finance Limited (Formerly known as "Samasta Micro Finance Limited")

Report on the Audit of the financial statements

OPINION

- We have audited the financial statements of M/s IIFL Samasta Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with 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, its profit, other total comprehensive income, changes in equity and cash flows for the year ended on that date.

BASIS FOR OPINION

- We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our Audit addressed the Key Audit Matter
<p>(a) Expected Credit Loss</p> <p>Refer note 2 (c) of significant accounting policies and note 40 for credit disclosures.</p> <p>As at 31 March 2023, the Company has total gross loan assets of ₹ 7,998.53 Crores (2022: ₹ 5,772.72 Crores) against which an Expected Credit Loss ('ECL') of ₹ 257.22 Crores (2022 ₹ 254.80 Crores) has been accrued.</p> <p>The ECL approach as required under Ind AS 109, Financial instruments, involves high degree of complexity and requires significant judgement of the management.</p>	<p>Our audit focused on assessing the appropriateness of management's judgment and estimates used in the impairment analysis through procedures that included, but were not limited to, the following:</p> <ul style="list-style-type: none"> Evaluated the Company's accounting policies for estimation of expected credit loss on loan assets in accordance with the requirements of Ind AS 109, Financial Instruments. Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. Since modelling assumptions and parameters are based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key Audit Matter	How our Audit addressed the Key Audit Matter
<p>The Management is required to determine the ECL that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset. The key areas of judgment include:</p> <ol style="list-style-type: none"> 1. Categorization of loans in Stage 1, 2 and 3 based on identification of: <ol style="list-style-type: none"> a) exposures with Significant Increase in Credit Risk (SICR) since their origination and b) Individually impaired / default exposures. 2. Techniques used to determine Loss Given Default ('LGD') and Probability of Default ('PD') to calculate an ECL are based on past experience. 3. The impact of different future macroeconomic conditions in the determination of ECL. <p>These parameters are derived from the Company's internally developed statistical models, historical data and a change in such models or assumptions could have a material impact on the accompanying financial statements.</p> <p>These factors required the models to be reassessed based on the available information including the additional risk profiling due to the impact of COVID-19 Pandemic, geographical, political and economic risk to measure the ECL.</p> <p>Management has made a number of interpretations and assumptions when designing and implementing models that are compliant with the standard. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions.</p> <p>Considering the significance of the above matter to the financial statements and the significant auditor attention required to test such complex accounting estimates, we have identified this as a key audit matter for current year audit.</p>	<ul style="list-style-type: none"> • Assessed the design and implementation, and tested the operating effectiveness of controls over the modelling process including governance over monitoring of the model and approval of key assumptions. • Evaluated the appropriateness of the Company's process of determination of significant increase in credit risk in accordance with the applicable accounting standard and the basis for classification of exposures into various stages. • Obtained the approved policy of board of directors to understand the relief measures sanctioned to various class of borrowers in accordance with the directions given by the RBI and tested, on sample basis, the compliance with respect to asset classification and provisioning norms as per such directions. • Tested management's computation of ECL by performing following procedures: <ol style="list-style-type: none"> a) Evaluated management's groupings of borrowers on the basis of different product lines and customer segments with different risk characteristics. b) Tested classification of loans into various categories based on their past due status and other loss indicators. On a sample basis, inspected the repayment schedule from the underlying borrower agreements and collection made on due dates; c) Performed test of details of the input information used in ECL computation on a sample basis. d) Tested the arithmetical accuracy of the computation. e) Performed analytical procedures by determining various ratios or percentage-based measures to review overall reasonableness of the estimate determined by the management.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key Audit Matter	How our Audit addressed the Key Audit Matter
<p>2. Identification and Measurement of NPA:</p> <p>As per RBI's circular dated November 12, 2021 read with earlier circular dated October 1, 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, Automation of NPA and provisioning is required to be implemented by all lending Institutions.</p> <p>The NPA provisioning as per ECL methodology followed by the Company are not fully automated in Software Applications used by the Company for Loans Management and are performed manually through excel spreadsheets. Further, marking of linked accounts at borrower level as NPAs are done manually. These may have impact on the accuracy and completeness of the provision accrued for NPAs.</p> <p>Considering the significance, we have identified this as a key audit matter for current year audit.</p>	<p>Performed other substantive procedures, included but not limited to the following:</p> <ul style="list-style-type: none"> Assessed the appropriateness of asset classification and adequacy of related provisioning by performing procedures such as computation of overdue ageing, assessment of borrower level NPA identification and verification of applicable provision rates as per ECL policy of the Company on test check basis; Selected samples of performing loan accounts to assess, independently, whether such loan accounts should be classified as NPA; Recompilation of the amount of ECL provisioning on the total advances base considering the stage wise categories of advances, LGD (Loss given default) and PD (Probability of default) arrived by the Company.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS:

6. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial

statements that give a true and fair view of the financial position, financial performance, total 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
11. 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

14. As required by Sec 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with schedule V to the Act.
 15. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Appendix - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 16. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the financial statements.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account for the purpose of preparation of the financial statements.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Appendix-B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.
 - b. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend

INDEPENDENT AUDITOR'S REPORT (Contd.)

- or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has paid dividend during the year which is in compliance with section 123 of the Companies Act, 2013.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **Brahmayya & Co.**,
Chartered Accountants
ICAI Firm Registration No: 000515S

G. Srinivas
Partner
Membership No: 086761
UDIN No. 23086761BGWJIF3287

Place: Bengaluru
Date: April 21, 2023

APPENDIX-A TO THE INDEPENDENT AUDITOR'S REPORT

The Appendix referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2023, we report that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ('PPE') and relevant details of Right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physically verifying all fixed assets at its offices in a phased manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets.

Based on the information and explanation given to us and on verification of the records of the Company, the Company has physically verified the fixed assets as per their program during the year. No material discrepancies as compared to book records were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company's (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), the title deeds of immovable properties are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(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) The Company is not carrying on any trading or manufacturing activities and hence does not have inventories. Therefore, paragraph 3(ii) of the Order is not applicable to the Company.

(iii)

(a) The Company's principal business is to give loans. Hence, the provisions stated in paragraph 3(iii)(a) of the Order are not applicable to the Company.

(b) In our opinion, having regard to the nature of the Company's business, the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest;

(c) In respect of the aforesaid loans and advances in nature of loans, the schedule of repayment of principal and payment of interest have been stipulated by the Company. Considering that the Company is a Non-Banking Financial Company engaged in the business of granting loans in the micro finance industry, the details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been detailed hereunder because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognized necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, ₹ 117.52 Crores amount overdue for more than ninety days.

(e) The Company's principal business is to give loans. Hence, the provisions stated in paragraph 3(iii)(e) of the Order are not applicable to the Company.

(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

APPENDIX-A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

- period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The Company has not advanced loans or made investments in or provided guaranty or security to parties covered by section 185 and section 186 is not applicable to the Company. Hence reporting under paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.
- (vi) According to the information and explanations given to us, in respect of the class of industry the Company falls under, the Central Government has not specified the maintenance of cost records under section 148 (1) of the Act. Therefore, the provisions of clause (vi) of the Order are not applicable to the Company.
- (vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues payable including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, and Cess and other material statutory dues as applicable to the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance Income Tax, Goods and Services Tax, and Cess were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess which have not been deposited on account of dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix)
- (a) On the basis of verification of records and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to Financial Institutions, Banks and monies raised by issue of debentures. The Company has not raised any loan from Government.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations provided to us, the Company has applied the loans for which the loans were obtained.
- (d) On an overall examination of 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) According to the information and explanation provided to us and based on our examination of the records of the Company, the Company doesn't have any subsidiaries, Joint ventures or associate companies. Accordingly, reporting under this clause is not applicable.
- (x) (a) According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer. However, money raised from debt instruments have been, prima facie, applied for the purposes for which they were raised.
- (b) During the year, the Company has utilized funds raised by way of preferential allotment of shares for the purposes for which they were raised.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the Management and the representations obtained from the management, we report that no material fraud by the Company and no material fraud on the Company by its officers or employees, except for 365 cases of frauds in the nature of 'fraudulent encashment / manipulation of books of accounts' amounting to ₹ 1.56 Crores on the Company have been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

APPENDIX-A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

- (c) We have taken into consideration the whistle blower complaints received by the Company during the year, while determining the nature, timing and extent of our audit procedures.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) In our opinion and according to the information and explanations given to us, based on verification of the records and approvals of the Audit Committee, the Company is in compliance with Section 177 and Section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the books of account:
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements 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 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) There are no unspent amount towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.
- (xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Brahmayya & Co.**,
Chartered Accountants
ICAI Firm Registration No: 000515S

G. Srinivas

Partner

Place: Bengaluru

Membership No: 086761

Date: April 21, 2023

UDIN No. 23086761BGWJIF3287

APPENDIX-A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

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

We have audited the internal financial controls over financial reporting of IIFL Samasta Finance Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENTS RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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.

APPENDIX-A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial Control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Institute of Chartered Accountants of India.

For **Brahmayya & Co.**,
Chartered Accountants
ICAI Firm Registration No: 000515S

G. Srinivas

Partner
Place: Bengaluru Membership No: 086761
Date: April 21, 2023 UDIN No. 23086761BGWJIF3287

BALANCE SHEET

AS AT MARCH 31, 2023

(₹ in Crores)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	3	227.11	455.08
(b) Bank Balance other than (a) above	3	382.39	255.56
(c) Derivative financial instruments	4	9.22	9.87
(d) Receivables			
(i) Trade Receivables	5	17.98	8.48
(ii) Other Receivables			-
(e) Loans	6	7,736.08	5,518.63
(f) Investments	7	160.42	0.05
(g) Other Financial assets	8	289.48	51.96
2 Non-financial assets			
(a) Other non-financial assets	9	5.70	14.11
(b) Current tax assets (Net)	10	2.12	1.64
(c) Deferred tax Assets (Net)	11	45.04	63.12
(d) Investment Property	12	0.05	0.05
(e) Property, Plant and Equipment	13	20.36	9.12
(f) Right to Use	13	8.15	6.75
(g) Other Intangible assets	14	-	0.01
Total Assets		8,904.10	6,394.43
LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
(a) Derivative financial instruments	4	9.22	9.87
(b) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15	20.38	8.06
(ii) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt Securities	16	477.00	514.81
(d) Borrowings (Other than Debt Securities)	17	6,328.70	4,603.36
(e) Unsecured/ Subordinated Liabilities	18	464.60	140.72
(f) Lease Liability	19	9.21	7.42
(g) Other financial liabilities	20	232.80	91.36
2 Non-financial liabilities			
(a) Current tax liabilities (net)	21	0.18	5.51
(b) Provisions	22	13.29	8.46
(c) Other non-financial liabilities	23	26.57	5.58
3 Equity			
(a) Equity share capital	24	593.64	498.22
(b) Other equity	25	728.51	501.06
Total Liabilities and Equity		8,904.10	6,394.43
Significant Accounting policies	2		

Accompanying notes are an integral part of these financial statements.

As per our attached report of even date.

For Brahmayya & Co.,
Chartered Accountants
Firm No. 000515S

For and on behalf of the Board of Directors
of IIFL Samasta Finance Limited

G.Srinivas
Partner
M. No. 086761

N. Venkatesh
Managing Director
DIN : 01018821

D. Shivaprakash
Whole-Time Director
DIN : 02216802

Place: Bengaluru
Date: 21-04-2023

Anantha Kumar T
Chief Financial Officer

Manoranjan Biswal
Company Secretary

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2023

Sr. No	Particulars	Notes	(₹ in Crores)	
			Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations				
(a)	Interest Income	26	1,539.63	984.23
(b)	Fees and commission Income	27	100.67	26.09
(c)	Net gain on derecognition of financial instruments under amortized cost category	28	105.93	2.47
(I)	Total Revenue from operations		1,746.23	1,012.79
(II)	Other Income	29	7.28	7.14
(III)	Total Income (I+II)		1,753.51	1,019.93
Expenses				
(a)	Finance Costs	30	586.98	395.10
(b)	Net loss on derecognition of financial instruments under amortized cost category	31	450.91	138.58
(c)	Impairment on financial instruments	32	4.37	98.72
(d)	Employee Benefits Expenses	33	393.87	236.65
(e)	Depreciation, amortization and impairment	12, 13, 14	13.24	7.86
(f)	Others expenses	34	145.63	84.07
(IV)	Total Expenses		1,595.00	960.98
(V)	Profit before exceptional items and tax (III-IV)		158.51	58.95
(VI)	Tax expense:			
(1)	Current Tax	35	13.77	36.77
(2)	Tax related to Earlier Years	35	(1.63)	(0.19)
(3)	Deferred Tax	35	18.19	(28.23)
	Total Tax Expense (1+2+3)		30.33	8.35
(VII)	Profit for the year (VI-VI)		128.18	50.60
(VIII)	Other Comprehensive Income			
(A)	(i) Items that will not be reclassified to profit or loss	35	(0.42)	(1.11)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	35	0.11	0.28
	Subtotal (A)	35	(0.31)	(0.83)
(B)	(i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Subtotal (B)		-	-
	Other Comprehensive Income		(0.31)	(0.83)
(IX)	Total Comprehensive Income for the period (Comprising Profit and other Comprehensive Income for the period) (VII+VIII)		127.87	49.77
(X)	Earnings per equity share			
	Basic (₹)		2.50	1.22
	Diluted (₹)		2.50	1.22
	Significant Accounting Policies	2		

Accompanying notes are an integral part of these financial statements.

As per our attached report of even date.

For Brahmayya & Co.,
Chartered Accountants
Firm No. 000515S

For and on behalf of the Board of Directors
of IIFL Samasta Finance Limited

G.Srinivas
Partner
M. No. 086761

N. Venkatesh
Managing Director
DIN : 01018821

D. Shivaprakash
Whole-Time Director
DIN : 02216802

Place: Bengaluru
Date: 21-04-2023

Anantha Kumar T
Chief Financial Officer

Manoranjan Biswal
Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2023

(₹ in Crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1 CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before taxation, and extraordinary item	158.51	58.95
Adjustments for:		
Depreciation	13.23	7.86
Net (gain) / loss on derecognition of financial instruments under amortized cost category	(93.20)	6.74
Interest income on FD's	(17.66)	(10.65)
Short Term Capital Gain	(7.01)	(7.02)
Gratuity and Leave Salary	4.51	2.20
Profit on sale of assets	-	-
Dividend income	-	-
Provisions for Standard and Non Performing Assets	4.37	98.73
Net loss on derecognition of financial instruments under amortized cost category	450.91	131.84
Operating profit before working capital changes	513.67	288.64
(Increase) / Decrease in Trade Receivables	(9.50)	(5.42)
(Increase) / Decrease in loans	(2,672.74)	(1,786.16)
(Increase) / Decrease in Other Assets	(153.59)	(31.37)
Increase / (Decrease) in Other Liabilities	190.61	(126.62)
Increase / (Decrease) in trade payables	12.32	(0.54)
Changes in Working Capital	(2,632.91)	(1,950.12)
Cash generated from operations	(2,119.24)	(1,661.48)
Income taxes paid	(5.10)	(29.00)
Net cash from operating activities	(2,124.34)	(1,690.48)
2 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of PPE	(22.25)	(9.37)
Proceeds from sale of equipment	0.01	0.01
Purchase of Investments	(8,136.40)	(6,117.79)
Investment in Deposits	(126.83)	(101.12)
Sale of Investments	8,143.41	6,124.81
Investment in Security Receipts	(160.37)	-
Interest received	17.85	8.42
Dividends received	-	-
Net cash from investing activities	(284.58)	(95.04)

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	(₹ in Crores)	
	Year ended March 31, 2023	Year ended March 31, 2022
3 CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	200.00	300.00
Proceeds from long-term borrowings	6,093.24	4,000.77
Repayment of long-term borrowings	(4,104.33)	(2,209.79)
Interest paid		
Dividends paid	(4.98)	-
Net cash used in financing activities	2,183.93	2,090.98
4 NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(224.98)	305.46
5 CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	452.09	146.63
6 CASH AND CASH EQUIVALENTS AT END OF PERIOD	227.11	452.09

Accompanying notes are an integral part of these financial statements.

As per our attached report of even date.

For Brahmayya & Co.,
Chartered Accountants
Firm No. 000515S

For and on behalf of the Board of Directors
of IIFL Samasta Finance Limited

G.Srinivas
Partner
M. No. 086761

N. Venkatesh
Managing Director
DIN : 01018821

D. Shivaprakash
Whole-Time Director
DIN : 02216802

Place: Bengaluru
Date: 21-04-2023

Anantha Kumar T
Chief Financial Officer

Manoranjan Biswal
Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

NOTE 1. CORPORATE INFORMATION:

IIFL Samasta Finance Limited (Formerly known as Samasta microfinance Limited) has its registered office at Bangalore, India and was Incorporated under the Provisions of Companies Act, 1956. The Company has obtained certificate of registration from RBI dated 05-09-2013. The Company is categorized as systematically important Non Banking Finance (non - deposit accepting or holding) Company - micro Finance Institution (NBFC MFI) under the provisions of RBI Act 1934. The Company is engaged in providing micro finance services to women who are enrolled as members and organized as Joint Liability Group ('JLG'), Small business loans and loans against property. The Company is a subsidiary of IIFL Finance Limited.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

a) Basis of Preparation of financial statements:

The financial statements, together with the comparative period date as at and for the year ended March 31, 2023, comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended and other relevant provisions of the Act.

The Company has followed statutory requirements, circulars and guidelines issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC), time to time.

b) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities (including derivative instruments) are measured at fair value as stated in notes;
- 2) defined benefit plans – plan assets measured at fair value.

c) Use of estimates and critical Estimates and judgements

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates.

Any revision to accounting estimates is recognized prospectively in the current and future period.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates are:

- i) Determining inputs into the ECL measurement model - (Refer Note h)
- ii) Estimation of defined benefit obligation - (Refer Note s (II))

The areas involving critical judgements are:

- i) Classification of financial assets : Assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are Solely Payment of Principal and Interest (SPPI) on the principal amount outstanding.
- ii) Derecognition of financial assets and securitization.
- iii) Categorization of loan portfolios

d) Business Combinations

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

In case of business combinations involving entities under common control, the above policy does not apply. Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonize accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognized as capital reserve under equity.

e) Non Financial Assets:

Measurement

i) Property, Plant and Equipment

PPE (Property Plant and Equipment) is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax, if any, less accumulated depreciation. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy, less GST to the extent credit of tax is availed. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

ii) Intangible Asset

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, intangible assets with finite useful life are carried at cost less accumulated amortization and accumulated impairment loss, if any.

iii) Investment Property

Investment Property are measured on initial recognition at cost. Transaction costs are included in the initial measurement. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure. Directly attributable expenditure includes, for example, professional fees for legal services, property transfer taxes and other transaction costs. Following initial recognition, an entity shall measure all of its investment properties in accordance with Ind AS 40's requirements for cost model.

Depreciation/ Amortization

Depreciation on each item of PPE and Investment Property is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been assessed based on the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Freehold land is not depreciated.

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life and is recognized in the Statement of Profit and Loss.

Individual assets costing up to ₹5,000 has been depreciated in full in the year of purchase.

No depreciation is charged from the month in which assets are sold. Depreciation/ Amortization on PPE, Investment Property and Intangible Assets added or disposed off during the year is calculated on pro- rata basis with reference to the date of addition or deletion.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Estimated useful life of the assets is as under:

Class of assets	Useful life in years
Buildings *	20
Furniture and fixtures *	5
Office equipment *	5
Electrical Equipment *	5
Vehicles *	5
Computers *	3
Software *	3

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Derecognition

The carrying amount of an item of PPE, Investment Property and Intangible Asset is derecognized (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

f) Impairment of Non Financial Assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its Cash Generating Unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax

discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expenses.

Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

g) Financial Instruments:

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

h) Financial Assets

Business Model Assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Initial recognition and measurement:

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument.

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at Fair Value Through Profit or Loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)
- iii. Financial assets measured at Fair Value Through Profit or Loss (FVTPL)

i. Financial assets measured at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans, investments and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

ii. Financial assets measured at FVTOCI

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the above category, income by way of interest and dividend, provision for impairment are recognized in profit or loss and changes in fair value (other than on account of above income or expense) are recognized in other comprehensive income and accumulated in other equity.

On disposal of debt instruments at FVOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to Statement of Profit and Loss.

iii. Financial assets measured at FVTPL

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiaries and associate. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

- iv. The Company neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

In cases where company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets:

The Company recognizes loss allowance for Expected credit Loss "ECL" on the following financials instruments that are not measured at FVTPL :

- i) Loans
- ii) Trade Receivables

Loans

The Company measures loss allowances at an amount equal to lifetime ECL, except for financial instruments whose credit risk has not increased significantly since initial recognition, for which a 12-month ECL is computed.

Life-time ECL is based on the result from all possible default events over the expected life of the financial instrument.

12-month ECL is based on the result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company categorises loan assets into stages

based on the Days Past Due status:

Stage	Past Due	ECL	Regulatory Standards
Stage 1	30 days past due	12 Month ECL	Equivalent to standard assets as per RBI
Stage 2	31-90 Days Past Due	Life time ECL	
Stage 3	More than 90 Days Past Due	Life time ECL	Equivalent to NPA assets as per RBI

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows :

Financial assets that are not credit-impaired at the reporting date: As the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive);

Financial assets that are credit-impaired at the reporting date: As the difference between the gross carrying amount and the present value of estimated future cash flows.

Trade Receivables

For trade receivables, the Company applies the simplified approach which requires life-time ECL to be recognized from initial recognition of the receivables.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position for financial assets measured at amortized cost as a deduction from the gross carrying amount of the assets.

Write off

Loans are written off when there is no reasonable expectation of recovering in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Financial assets that are written off could still be subject to recovery activities in order to comply with the Company's procedures for recovery of amounts due.

ii) Financial Liabilities

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Having regards to the terms and structure of issuance, Financial Liabilities are categorized as follows (i) recognized at amortized costs (ii) recognized at fair value through profit and loss (FVTPL) (iii) where there is an embedded derivative as part of the financial liability, such embedded derivative is separated and recorded at fair value and the remaining component is categorized as on amortized costs.

Subsequent measurement:

- (i) All financial liabilities of the Company categorized as at amortized cost are subsequently measured using the effective interest method.
- (ii) All financial liabilities of the Company categorized at fair value are subsequently measured at fair value through profit and loss statement.
- (iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value through profit and loss and the liability is subsequently measured at amortized cost using the effective interest method.

Derecognition: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

i) Derivative Financial Instruments

Derivatives Financial Contracts are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

j) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

k) Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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:

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

l) Functional Currency

i) Functional and presentation currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). i.e. in Indian rupees (₹) and all values are rounded off to nearest Rupees except where otherwise indicated.

ii) Transactions and balances

- a. Foreign currency transactions are translated into functional currency using exchange rates at the date of transaction.
- b. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

currencies at year end exchange rates are generally recognized in the Statement of Profit and Loss.

m) Securitization transaction

In accordance with Ind AS 109, in case of securitization where the risks and rewards are not transferred completely, the assets are not derecognized and the liability to Special Purpose Vehicle (SPV) is shown under borrowings. The gain arising on securitization is amortized over the life of the securities issued by SPV. Loss, if any, is recognized upfront in the Statement of Profit and Loss for all types of Securitization Transactions.

n) Assignment transaction

In accordance with Ind AS 109, in case of assignment with complete transfer of risks and rewards without any retention of residual interest, gain arising on the assignment is recorded upfront in the Statement of Profit and Loss and the loan is derecognized from the Statement of Assets and Liabilities immediately on sale of the loan. However, in cases where the risks and rewards are not transferred completely, then the gain arising on the assignment is amortized over the remaining life of the loan. Loss, if any, is recognized upfront in the Statement of Profit and Loss for all types of Assignment Transactions.

o) Revenue Recognition

i) Income from financing activity:

Interest income is recognized using the Effective Interest Rate (EIR) method for all financial assets measured at amortized cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to its gross carrying amount. The calculation of the effective interest rate includes transaction costs and transaction income that are directly attributable to the acquisition of a financial asset.

For financial assets that are not Purchases Originally credit Impaired "POCI" but have subsequently become credit-impaired (or 'stage-3'), for which interest revenue is calculated by applying the effective interest rate to their amortized cost (i.e. net of the expected credit loss provision).

ii) Other revenue from operation:

Fee and commission income that are not integral part of the effective interest rate on the financial asset are recognized as the performance obligation is performed. There is no significant financing component in the consideration.

iii) Other Income:

Dividend income is recognized when the right to receive income is established.

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization / collection.

p) Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

A deferred tax asset is recognized for unclaimed tax credits that are carried forward as deferred tax assets.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

q) Provisions and Contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When

there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

r) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

s) Employee Benefits

I. Defined contribution plans:

Defined contribution plans are post-employment benefit plans (such as Provident Fund) under which the Company pays fixed contributions into benefit schemes and will have no legal or constructive obligation to pay further contributions. The Company's contributions to defined contribution plans are recognized in the Statement of Profit and Loss in the financial year to which they relate.

II. Defined benefit plans:

Gratuity is post employment benefit and is in the nature of Defined Benefit Plan. The present value of the obligations under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognized in the Statement of Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognized in the Statement of Profit and Loss under finance cost. Gains or losses

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

on settlement of any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as expense at the earlier of the plan amendment or curtailment and when the Company recognizes related restructuring costs or termination benefits. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method and is recognized in a similar manner as in the case of defined benefit plans. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

Long term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognized in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in long term employee benefit cost is recognized in the Statement of Profit and Loss under finance cost.

t) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'. The Company operates in a single business segment i.e. lending to members, having similar risk and returns for the purpose of IND AS 108 on 'Operating Segments'. The Company operates in a single geographical segment

i.e. domestic.

u) Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 01, 2019.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

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

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 3. CASH AND CASH EQUIVALENTS

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Cash and Cash Equivalents		
Cash on hand	0.72	0.62
Balance with Banks	214.20	264.54
In Fixed Deposit Accounts	12.19	189.92
Cash and Cash Equivalents	227.11	455.08

Out of the Fixed Deposits shown above:

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Lien Marked *	-	74.78
Other deposits	12.19	115.14
Total	12.19	189.92

*Deposits have been placed with certain banks as cash collateral against term loans and working capital.

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Other Bank Balances		
In Fixed Deposit Account (Maturity upto 12 months)	201.45	123.65
In Fixed Deposit account (Maturity more than 12 months)	180.94	131.91
Total	382.39	255.56

Out of the Fixed Deposits shown above:

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Lien Marked *	382.39	280.33
Other deposits	0.00	(24.77)
Total	382.39	255.56

*Deposits have been placed with certain banks as cash collateral against term loans and working capital.

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Cash and Cash Equivalents (As per Ind AS 7 Statement of Cash Flows)		
Cash on hand	0.72	0.62
Balance with Banks	214.20	264.54
-In current accounts		
In Fixed Deposit Accounts	12.19	189.92
	227.11	455.08
Less: Cash credit / Overdraft facilities (Refer Note no 17)	-	2.99
Cash and cash equivalents (As per Ind AS 7 Statement of Cash Flows) (A)	227.11	452.09

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 4. DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in Crores)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Nominal Amount	Fair Value - Assets	Fair Value - Liabilities	Nominal Amount	Fair Value - Assets	Fair Value - Liabilities
Interest Rate Derivatives						
Options Purchased *	4.32	9.22	9.22	4.32	9.87	9.87
Total	4.32	9.22	9.22	4.32	9.87	9.87

* Unsecured Non Convertible Debentures of ₹ 9.22 Crore (P.Y. ₹ 9.87 Crore) made as per the terms of issue and on maturity will be transferred to the investors of the NCD.

NOTE 5. RECEIVABLES

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
Receivables considered good - Unsecured	17.98	8.48
Total - Gross	17.98	8.48
Less: Impairment loss allowance	-	-
Total - Net	17.98	8.48

The Company follows simplified method of estimation of expected credit loss and hence information required under Part (C) (i) is not furnished.

5.1 Trade Receivables ageing schedule as on March 31, 2023

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	1.56	16.41	0.00	0.01	-	-	17.98
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	1.56	16.41	0.00	0.01	-	-	17.98

5.2 Trade Receivables ageing schedule as on March 31, 2022

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	2.06	6.43	-	-	-	-	8.48
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	2.06	6.43	-	-	-	-	8.48

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 6. LOANS

(₹ in Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amortized cost	Total	Amortized cost	Total
Loans				
(A)				
Term Loans	7,998.53	7,998.53	5,772.72	5,772.72
Inter Corporate Deposit to Holding Company	-	-	-	-
Unamortized Processing Fee	(69.20)	(69.20)	(48.05)	(48.05)
Advance from Customers	-	-	-	-
Accrued Interest but not due	63.97	63.97	48.75	48.75
Total (A) - Gross	7,993.30	7,993.30	5,773.42	5,773.42
Less: Impairment loss allowance (including ECL on Stage 3 of ₹ 105.04 Crore P.Y. ₹130.13 Crore)	(257.22)	(257.22)	(254.80)	(254.80)
Total (A) - Net	7,736.08	7,736.08	5,518.62	5,518.62
(B)				
(i) Secured by tangible assets	37.24	37.24	65.67	65.67
Less: Impairment loss allowance (including ECL on Stage 3 of ₹0.16 Crore P.Y. ₹1.43 Crore)	(0.94)	(0.94)	(2.59)	(2.59)
Total (i)	36.30	36.30	63.08	63.08
(ii) Unsecured	7,956.06	7,956.06	5,707.76	5,707.76
Less: Impairment loss allowance (including ECL on Stage 3 of ₹ 104.87 Crore P.Y. ₹128.70 Crore)	(256.28)	(256.28)	(252.21)	(252.21)
Total (ii)	7,699.78	7,699.78	5,455.55	5,455.55
Total (B)-Net	7,736.08	7,736.08	5,518.63	5,518.63
(C)				
(I) Loans in India				
(i) Public Sector	-	-	-	-
(ii) Others				
Joint Liability Group	7,439.98	7,439.98	5,374.30	5,374.30
Small Business Loans	516.08	516.08	333.46	333.46
Loan Against Property	37.24	37.24	65.67	65.67
Inter Corporate Deposit to Holding Company	-	-	-	-
Less: Impairment loss allowance (including ECL on Stage 3 of ₹ 105.04 Crore P.Y. ₹130.13 Crore)	(257.22)	(257.22)	(254.80)	(254.80)
Total(C) (I)-Net	7,736.08	7,736.08	5,518.63	5,518.63
(II)Loans outside India	-	-	-	-
Less: Impairment loss allowance	-	-	-	-
Total (C) (II)- Net	-	-	-	-
Total C(I) and C(II)	7,736.08	7,736.08	5,518.63	5,518.63

(₹ in Crores)

6.1	Particulars	As at March 31, 2023	As at March 31, 2022
	The loan receivables reflected above excludes microfinance loans assigned to a third party on direct assignment in accordance with RBI Guidelines which qualify for derecognition as per Ind AS 109. The amounts given are net of minimum retention retained in the books:	1,620.51	447.58

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Crores)

6.2	Particulars	As at March 31, 2023	As at March 31, 2022
	Provisions as per RBI Prudential Norms	(117.96)	(125.72)
	Provisions as per ECL model under Ind AS 109	(257.22)	(254.80)
	Amount recorded in the books	(257.22)	(254.80)

6.3 Reconciliation of impairment allowance on Loans*

Particulars	Amount
Impairment allowance as at April 01, 2021	155.44
Add: Impairment allowance provided in statement of Profit & Loss	231.18
Less: Impairment allowance Utilized for writing off Loss assets	(131.84)
Impairment allowance as at March 31, 2022	254.79
Add: Impairment allowance provided in statement of Profit & Loss	453.34
Less: Impairment allowance Utilized for writing off Loss assets	(450.91)
Impairment allowance as at March 31, 2023	257.22

* Reconciliation table does not include ECL provision on other receivables (Refer point no.9).

6.4 The Company has not given any loans or advances to directors, promoters, key managerial person and related parties either repayable on demand or without any terms of repayment.

NOTE 7. INVESTMENTS

(₹ in Crores)

Particulars	As at March 31, 2023			As at March 31, 2022		
	At Fair Value through profit or loss	Others *	Total	At Fair Value through profit or loss	Others *	Total
(A)						
Equity instruments	-	-	-	-	-	-
Alpha microfinance Consultants Private Limited (50,000 Equity Shares of ₹ 10 each)	-	0.05	0.05	-	0.05	0.05
(B)						
Investments in Security Receipts		160.37	160.37			
Total – Gross (A+B)	-	160.42	160.42	-	0.05	0.05
i) Investments outside India						
ii) Investments in India	-	160.42	160.42	-	0.05	0.05
Unquoted equity instruments in India		0.05	0.05		0.05	0.05
Quoted equity instruments in India		-	-		-	-
Other than Equity Instruments		160.37	160.37		-	-
Total (B)	-	160.42	160.42	-	0.05	0.05
Less: Allowance for Impairment Loss (C)	-	-	-	-	-	-
Total- Net (D) = A-C	-	160.42	160.42	-	0.05	0.05

* The Company has carried investment in equity shares at cost.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 8. OTHER FINANCIAL ASSETS

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Accrued interest on Fixed Deposits	4.38	4.57
Staff Advances	0.09	0.17
Security Deposits	9.67	6.35
Interest Strip Asset on Assignment	129.88	36.67
Other Receivables	152.02	8.82
Less: Impairment loss allowance towards other Receivable	(6.57)	(4.62)
Total	289.48	51.96

NOTE 9. OTHER NON FINANCIAL ASSETS

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	4.33	2.24
Vendor Advances	1.37	1.96
Other Assets	-	9.91
Total	5.70	14.11

NOTE 10. CURRENT TAX ASSETS (NET)

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Advance Tax	8.31	34.71
TDS Receivables	11.33	4.30
Provision for Taxation	(17.52)	(37.37)
Total	2.12	1.64

NOTE 11. DEFERRED TAX ASSETS (NET)

Significant components of deferred tax assets and liabilities for the year ended March 31, 2023 are as follows:

Particulars	(₹ in Crores)					
	Opening balance	(Charged) / Recognized in Profit or Loss	Effect of the Tax Rate	Deferred Tax Taken to Balance Sheet	(Charged) / Recognized in OCI	Closing balance
Deferred Tax Assets:						
Provisions, allowances for doubtful receivables	63.00	2.29	-	-	-	65.29
Compensated absences and retirement benefits	2.13	1.02	-	-	-	3.15
Unamortized Processing Fees Income	12.09	5.32	-	-	-	17.42
Lease Liability	0.17	0.10	-	-	-	0.27
Total Deferred Tax Assets	77.39	8.72	-	-	-	86.13
Deferred Tax Liabilities:						
Property, plant and equipment	1.92	0.94	-	-	-	2.86
Prepaid expenses claimed	(6.57)	(4.45)	-	-	-	(11.02)
Unamortized Processing Fees Expense	(0.36)	0.18	-	-	-	(0.18)
Interest Strip Assets	(9.23)	(23.46)	-	-	-	(32.69)
Income on Security Deposit	(0.03)	(0.02)	-	-	-	(0.05)
Total Deferred Tax Liabilities	(14.27)	(26.81)	-	-	-	(41.09)
Deferred Tax Assets	63.12	(18.08)	-	-	-	45.04

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Significant components of Deferred Tax Assets and Liabilities for the year ended March 31, 2022 are as follows:

(₹ in Crores)						
Particulars	Opening balance	(Charged) / Recognized in Profit or Loss	Effect of the Tax Rate	Deferred Tax Taken to Balance Sheet	(Charged) / Recognized in OCI	Closing balance
Deferred Tax Assets:						
Provisions, allowances for doubtful receivables*	37.85	25.15	-	-	-	63.00
Over Due Interest	-	-	-	-	-	-
Compensated absences and retirement benefits	1.37	0.48	-	-	0.28	2.13
Unamortized Processing Fees Income	8.38	3.71	-	-	-	12.09
Unrealized profit on investments	-	-	-	-	-	-
Lease Liability	0.14	0.03	-	-	-	0.17
Total Deferred Tax Assets	47.74	29.37	-	-	0.28	77.39
Deferred Tax Liabilities:						
Property, plant and equipment	1.52	0.40	-	-	-	1.92
Prepaid expenses claimed	(2.83)	(3.73)	-	-	-	(6.57)
Unamortized Processing Fees Expense	(0.87)	0.51	-	-	-	(0.36)
Interest Strip Assets	(10.93)	1.70	-	-	-	(9.23)
Income on Security Deposit	(0.01)	(0.01)	-	-	-	(0.03)
Total Deferred Tax Liabilities	(13.12)	(1.14)	-	-	-	(14.27)
Deferred Tax Assets	34.62	28.23	-	-	0.28	63.12

NOTE 12. INVESTMENT PROPERTY

(₹ in Crores)			
Particulars	Land	Building	Total
Cost or Valuation as at April 01, 2022	0.01	0.05	0.06
Additions	-	-	-
Deductions /Adjustments during the year	-	-	-
As at March 31, 2023	0.01	0.05	0.06
Depreciation			
As at April 01, 2022	-	0.01	0.01
Depreciation For the year	-	0.00	0.00
Deductions/Adjustments during the year	-	-	-
Up to March 31, 2023	-	0.01	0.01
Net Block as at March 31, 2023	0.01	0.04	0.05

NOTE 12. INVESTMENT PROPERTY

(₹ in Crores)			
Particulars	Land	Building	Total
Cost or Valuation as at April 01, 2021	0.01	0.05	0.06
Additions	-	-	-
Deductions /Adjustments during the year	-	-	-
As at March 31, 2022	0.01	0.05	0.06
Depreciation			
As at April 01, 2021	-	0.01	0.01
Depreciation For the year	-	0.00	0.00
Up to March 31, 2022	-	0.01	0.01
Net Block as at March 31, 2022	0.01	0.04	0.05

- i) There are no direct expenses incurred towards above investment property.
- ii) The investment property is given as security against non - convertible debentures.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

- iii) There are no contractual obligation existed as on March 31, 2023 in connection to purchase, construct or develop investment property.
- iv) The title deed of the above property is held in the name of the Company.
- v) The Company does not have any Benami Property and 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.
- vi) The revaluation is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

NOTE 13. PROPERTY PLANT AND EQUIPMENT

(₹ in Crores)

Particulars	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Right to Use*	Total
Cost as at April 01, 2022	8.15	3.82	1.47	0.37	20.21	0.43	9.58	44.03
Additions	5.13	9.52	1.18	0.19	6.23	-	3.64	25.89
Deductions/Adjustments	(0.12)	(0.01)	(0.03)	-	(0.03)	-	-	(0.19)
As at March 31, 2023	13.16	13.33	2.62	0.56	26.41	0.43	13.22	69.73
Depreciation								-
As at April 01, 2022	7.35	2.50	0.92	0.18	13.98	0.41	2.83	28.17
Depreciation for the year	4.42	1.57	0.39	0.09	4.51	0.01	2.23	13.22
Reclassification	(0.00)	(0.03)	(0.00)	0.00	0.03			(0.00)
Deductions/Adjustments	(0.12)	(0.01)	(0.02)	-	(0.02)	-	-	(0.17)
Up to March 31, 2023	11.65	4.03	1.29	0.27	18.50	0.41	5.06	41.22
Net Block as at March 31, 2023	1.51	9.29	1.33	0.29	7.91	0.01	8.15	28.51

(₹ in Crores)

Particulars	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Right to Use*	Total
Cost as at April 01, 2021	5.94	2.97	1.09	0.29	14.43	0.56	7.20	32.49
Additions	2.23	0.85	0.41	0.08	5.78	0.02	2.38	11.75
Reclassification								-
Deductions/Adjustments	(0.02)	(0.00)	(0.03)	-	(0.00)	(0.15)	-	(0.20)
As at March 31, 2022	8.15	3.82	1.47	0.37	20.21	0.43	9.58	44.04
Depreciation								-
As at April 01, 2021	5.20	1.84	0.70	0.12	10.64	0.53	1.57	20.60
Depreciation for the year	2.17	0.66	0.24	0.06	3.34	0.03	1.26	7.76
Reclassification								-
Deductions /Adjustments	(0.02)	(0.00)	(0.02)	-	(0.00)	(0.15)	-	(0.19)
Up to March 31, 2022	7.35	2.50	0.92	0.18	13.98	0.41	2.83	28.17
Net Block as at March 31, 2022	0.80	1.32	0.55	0.19	6.23	0.02	6.75	15.87

* Right to use represent Lease asset

- (i) During the year, the Company has not performed any revaluation of Plant and Equipment

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 14. INTANGIBLE ASSETS (OTHER THAN INTERNALLY GENERATED)

(₹ in Crores)	
Particulars	Software
Cost as at April 01, 2022	0.76
Additions	-
Deductions /Adjustments during the year	-
As at March 31, 2023	0.76
Amortization	
As at April 01, 2022	0.75
Amortization For the year	0.01
Reclassification	-
Deductions/Adjustments during the year	-
Up to March 31, 2023	0.76
Net Block as at March 31, 2023	-

(₹ in Crores)	
Particulars	Software
Cost as at April 01, 2021	0.76
Additions	-
Deductions /Adjustments during the year	-
As at March 31, 2022	0.76
Amortization	
As at April 01, 2021	0.66
Amortization For the year	0.09
Reclassification	-
Deductions/Adjustments during the year	-
Up to March 31, 2022	0.75
Net Block as at March 31, 2022	0.01

14.1 There are no intangible assets under development.

NOTE 15. TRADE PAYABLES

(₹ in Crores)		
Particulars	As at March 31, 2023	As at March 31, 2022
(1) Trade Payables		
- (i) Total outstanding dues of micro enterprises and small enterprises (Refer note 15.1) *	-	-
- (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	20.38	8.06
Total	20.38	8.06

* Dues to micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. There are no interest due or outstanding on the same.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

15.1 Disclosure under The micro, Small and Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirement under the micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
(a) Principal amount remaining unpaid to any supplier at the year end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest Accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-

15.2 Trade Payables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	20.38	-	-	-	20.38
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	20.38	-	-	-	20.38

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	8.06	-	-	-	8.06
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	8.06	-	-	-	8.06

NOTE 16. DEBT SECURITIES

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortized Cost	Total	At Amortized Cost	Total
Secured				
Secured Non Convertible Debentures	438.80	438.80	468.80	468.80
Less : Derivative Financial Liability	-	-	-	-
Less : Unamortized Debenture Issue Expenses	(0.93)	(0.93)	(2.59)	(2.59)
Interest Accrued on Debt Securities	39.13	39.13	23.38	23.38
Others (Bonds/ Debenture etc.)	477.00	477.00	489.59	489.59

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortized Cost	Total	At Amortized Cost	Total
Commercial Paper	-	-	25.90	25.90
Less : Unexpired Discount on CP	-	-	(0.68)	(0.68)
	-	-	25.22	25.22
Total	477.00	477.00	514.81	514.81
Debt Securities in India	477.00	477.00	514.81	514.81
Debt Securities outside India	-	-	-	-
Total	477.00	477.00	514.81	514.81

- (a) These Non convertible debentures are secured by way of first pari-passu charge on investment property, book debts, loans and advances including receivables other than those specifically charged.
- (b) Non Convertible Debentures – Secured includes redeemable Non convertible debenture amounting to Rs NIL - P.Y. (Rs NIL) which carries call option effective from 13-07-2018.
- (c) There is breach of financial covenants for the secured non convertible debentures (ISIN: INE413U07111, INE413U07103, INE413U07129) for the year ended as on March 31, 2023, although there is no penalty implications for the same as per the agreement.

16.1 Details of commercial paper - Unsecured

(₹ in Crores)

Particulars	Tenor	Interest Rate (%)	As at	As at
			March 31, 2023	March 31, 2022
India Energy Exchange Limited	182 Days	7.50%	-	25.90
Total			-	25.90

(i) Details of commercial paper issued/repaid during the current year ended March 31, 2023

(₹ in Crores)

Particulars	Tenor	Discount Rate p.a	Date of Transaction	Redemption Date
India Energy Exchange Limited	182 Days	8.00%	11-Feb-22	12-Aug-22
India Energy Exchange Limited	182 Days	8.00%	30-Aug-22	28-Feb-23
Northern Arc Money Market Alpha Trust	90 Days	8.65%	29-Nov-22	27-Feb-23

(ii) Details of commercial paper issued/repaid during the current year ended 31 March 2022

(₹ in Crores)

Particulars	Tenor	Discount Rate p.a	Date of Transaction	Redemption Date
India Energy Exchange Limited	182 Days	7.50%	12-Aug-21	10-Feb-22
India Energy Exchange Limited	182 Days	7.50%	11-Feb-22	

16.2 The funds received through above borrowings have been utilized for the purpose, it is generated.

16.3 All the charges against the receivable has been registered with the ROC and there are no charges which are to be registered as on March 31, 2023.

16.4 During the year, the Company has submitted quarterly statement of book debts with all the lenders and the value of book debts statement submitted is as per the books of accounts.

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

16.5 Debt securities-Secured

Particulars	(₹ in Crores)						
	March 31, 2023	March 31, 2022	Date of borrowing	Repayment start date	Maturity date	Terms of repayment	Security Offered
INE413U07020 - NCD	-	5.00	30-06-2016	29-06-2022	29-06-2022	Rate of Interest - 15.25% , principal repayable on maturity.	Hypothecation of book debts
INE413U07103 - Bank of India - NCD	25.00	25.00	18-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07103 - Bank of Maharashtra - NCD	15.00	15.00	05-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07103 - Canara Bank - NCD	20.00	20.00	05-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07178 - MLD	59.00	59.00	30-03-2021	30-04-2024	30-04-2024	Rate of Interest - 9% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07178 - MLD	74.80	74.80	30-03-2021	30-04-2024	30-04-2024	Rate of Interest - 9% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07129 - Indian Bank - NCD	25.00	25.00	10-07-2020	10-07-2023	10-07-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07160 - NorthernArc - NCD	-	50.00	18-03-2021	18-03-2023	18-03-2023	Rate of Interest - 10.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07111 - State Bank of India - NCD	100.00	100.00	26-06-2020	21-04-2023	21-04-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07145 - UNIFI-AIF - MLD	-	15.00	02-03-2021	02-06-2022	02-06-2022	Rate of Interest - 10.20% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07152 - UNIFI-AIF - MLD	-	15.00	02-03-2021	02-01-2023	02-01-2023	Rate of Interest - 10.20% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07111 - Union Bank of India - NCD	15.00	15.00	26-06-2020	21-04-2023	21-04-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07194 - MLD	-	50.00	26-10-2021	26-12-2022	26-12-2022	Rate of Interest - 7.75.% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07202 - MLD	105.00	-	01-06-2022	01-06-2022	01-09-2023	Rate of Interest - 8.70.% p.a. principal repayable on maturity.	Hypothecation of book debts.
Total	438.80	468.80					

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 17. BORROWINGS

(₹ in Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortized Cost	Total	At Amortized Cost	Total
(a) Term Loans				
- (i) From Banks	4,311.87	4,311.87	3,476.23	3,476.23
- (ii) From Other Parties	2,030.68	2,030.68	1,132.44	1,132.44
Unamortized Processing Fees	(31.75)	(31.75)	(24.69)	(24.69)
Interest Accrued on Borrowings	17.90	17.90	16.39	16.39
- (i) from banks				
- (ii) from other parties				
	6,328.70	6,328.70	4,600.37	4,600.37
(b) Other Loans (specify nature)				
Cash Credit / Overdraft Facilities	-	-	2.99	2.99
Total	6,328.70	6,328.70	4,603.36	4,603.36
Borrowings in India	6,328.70	6,328.70	4,603.36	4,603.36
Borrowings outside India	-	-	-	-
Total	6,328.70	6,328.70	4,603.36	4,603.36

17.1 Security given for Term Loans from Banks and Others

(₹ in Crores)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
(a) Deposits with Banks & Others	218.01	170.67
(b) Deposits with NBFCs	71.65	68.81
Total	289.66	239.48

17.2 The funds received through above borrowings have been utilized for the purpose, it is generated.

17.3 All the charges against the receivable has been registered with the ROC and there are no charges which are to be registered as on March 31, 2023.

17.4 During the year, the Company has submitted quarterly statement of book debts with all the lenders and the value of book debts statement submitted is as per the books of accounts.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

17.5 Loan from Banks

Particulars	(₹ in Crores)							Security Offered
	March 31, 2023	March 31, 2022	Loan taken	Repayment start date	Maturity date	Terms of repayment		
Axis Bank Limited	-	6.82	11-03-2021	09-06-2021	09-03-2023	Rate of interest 3M MCLR+2.95% spread loan repayable in 22 monthly installments of ₹ 56,81,818/-	Hypothecation of book debts and cash collateral	
Axis Bank Limited	-	20.45	11-03-2021	09-06-2021	09-03-2023	Rate of interest 3M MCLR+2.95% spread loan repayable in 22 monthly installments of ₹ 1,70,45,454/-	Hypothecation of book debts and cash collateral	
Axis Bank Limited	60.86	143.18	09-12-2021	09-02-2022	09-12-2023	Rate of interest 1Y MCLR+ 2.45% Spread, loan repayable in 22 monthly installments of ₹ 6,81,81,818.18	Hypothecation of book debts and cash collateral	
Axis Bank Limited	47.67	-	13-12-2022	13-03-2023	13-12-2024	Rate of interest 3M MCLR+ 2.00% Spread, loan repayable in 22 monthly installments of ₹ 2,27,27,272	Hypothecation of book debts	
Axis Bank Limited	150.00	-	10-02-2023	10-05-2023	10-02-2025	Rate of interest 3M MCLR+ 2.00% Spread, loan repayable in 22 monthly installments of ₹ 6,81,81,818.18	Hypothecation of book debts	
Bandhan Bank Limited	-	71.42	26-03-2021	01-10-2021	25-03-2023	Rate of interest 11%, loan repayable in 7 quarterly installments of ₹ 14,28,57,143/-	Hypothecation of book debts	
Bandhan Bank Limited	57.14	100.00	22-12-2021	01-07-2022	22-12-2023	Rate of interest 9.50%, loan repayable in 7 quarterly installments of ₹ 14,28,57,142.86/-	Hypothecation of book debts.	
Bandhan Bank Limited	57.14	100.00	18-02-2022	01-09-2022	18-02-2024	Rate of interest 9.50%, loan repayable in 7 Quarterly installments of ₹ 14,28,57,142.86/-	Hypothecation of book debts.	
Bandhan Bank Limited	64.29	-	29-07-2022	01-02-2023	28-07-2024	Rate of interest Repo Rate + 4.90% Spread, loan repayable in 7 Quarterly installments of ₹ 10,71,42,857/-	Hypothecation of book debts.	
Bandhan Bank Limited	200.00	-	24-02-2023	01-09-2023	23-02-2025	Rate of interest Repo Rate + 3.85% Spread, loan repayable in 7 Quarterly installments of ₹ 28,57,14,286/-	Hypothecation of book debts.	
Bank of Baroda	25.00	41.67	24-09-2021	31-10-2021	30-09-2024	Rate of interest 7.35% (1Y MCLR)+ 1.00% Spread, loan repayable in 36 monthly installments of ₹ 1,38,88,888/-	Hypothecation of book debts.	
Bank of Baroda	100.00	-	28-02-2023	31-08-2023	30-11-2025	Rate of interest 1Y MCLR+ 1.25% Spread, loan repayable in 10 Quarterly installments of ₹ 10,00,00,000/-	Hypothecation of book debts.	
Bank of Maharashtra	-	0.14	28-03-2018	30-04-2018	31-03-2022	Rate of interest 1Y MCLR+0.25%+0.95% spread, loan repayable in 47 monthly installments of ₹ 20,84,000/- & last instalment of ₹ 20,52,000/-	Hypothecation of book debts and cash collateral	

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Particulars	March 31,		Loan taken	Repayment start date	Maturity date	Terms of repayment	Security Offered
	2023	2022					
Bank of Maharashtra	81.70	136.36	28-09-2021	01-03-2022	01-09-2024	Rate of interest 1Y MCLR+ 2.00% Spread, loan repayable in 10 quarterly installments of ₹ 1,36,36,36,37/- and last installment of ₹ 1,36,36,36,30/-	Hypothecation of book debts.
Bank of Maharashtra	100.00	-	31-12-2022	28-06-2023	28-12-2025	Rate of interest 1Y MCLR+ 2.00% Spread, loan repayable in 11 quarterly installments of ₹ 9,09,09,091/-	Hypothecation of book debts.
Capital Small Finance Bank Limited	5.40	10.40	31-03-2021	01-05-2021	01-03-2024	Rate of interest 11%, loan repayable in 35 monthly installments of ₹ 48,85,983/- & last instalment of ₹ 49,41,161/-	Hypothecation of book debts.
Canara Bank	163.64	272.73	22-09-2021	22-03-2022	22-09-2024	Rate of interest 1Y MCLR+ 2.00% spread, loan repayable in 10 quarterly installments of ₹ 27,27,27,273/- and last installment of ₹ 27,27,27,270/-	Hypothecation of book debts and cash collateral
Catholic Syrian Bank Limited	-	36.35	29-01-2021	29-07-2021	21-03-2023	Rate of interest 1Y MCLR, loan repayable in 11 quarterly installments of ₹ 4,54,54,550/-	Hypothecation of book debts.
DBS Bank Limited	17.05	57.95	31-08-2021	25-11-2021	25-08-2023	Rate of interest 9.50%, loan repayable in 22 Monthly installments of ₹ 3,40,90,909.09/-	Hypothecation of book debts and cash collateral
DBS Bank Limited	41.67	-	04-08-2022	04-12-2022	04-11-2024	Rate of interest 1Y MCLR+ 1.85% spread, loan repayable in 24 monthly installments of ₹ 2,08,33,333.33/-	Hypothecation of book debts and cash collateral
DBS Bank Limited	50.00	-	22-12-2022	22-04-2023	22-03-2025	Rate of interest 1Y MCLR+ 1.85% spread, loan repayable in 24 monthly installments of ₹ 2,08,33,333.33/-	Hypothecation of book debts and cash collateral
DCB Bank Limited	7.49	17.49	28-09-2021	04-01-2022	04-12-2023	Rate of interest 3M MCLR + 0.00% spread, loan repayable in 24 monthly installments of ₹ 83,33,333.33/-	Hypothecation of book debts and cash collateral
DCB Bank Limited	50.00	-	27-03-2023	30-06-2023	31-05-2025	Rate of interest 3M MCLR + 0.00% spread, loan repayable in 24 monthly installments of ₹ 2,08,33,333.33/-	Hypothecation of book debts
Dhanlakhmi Bank Limited	-	10.31	21-03-2020	21-06-2020	21-02-2023	Rate of interest 1Y MCLR+ 1.30% spread, loan repayable in 32 monthly installments of ₹ 93,75,000/-	Hypothecation of book debts and cash collateral
Dhanlakhmi Bank Limited	9.09	18.18	12-03-2021	12-07-2021	12-03-2024	Rate of interest 1Y MCLR+ 1.30% spread, loan repayable in 32 monthly installments of ₹ 75,75,758/- and last installment of ₹ 75,75,744/-	Hypothecation of book debts and cash collateral
Dhanlakhmi Bank Limited	19.09	31.82	29-09-2021	29-01-2022	29-09-2024	Rate of interest 1Y MCLR+ 1.20% spread, loan repayable in 32 monthly installments of ₹ 1,06,06,061/- and last installment of ₹ 1,06,06,048/-	Hypothecation of book debts and cash collateral

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Particulars	March 31,		Loan taken	Repayment start date	Maturity date	Terms of repayment	Security Offered
	2023	2022					
Federal Bank	7.50	17.50	30-12-2021	29-01-2022	29-12-2023	Rate of interest 1Y MCLR+0.00% spread, loan repayable in 24 monthly installments of ₹ 83,33,333.33/-	Hypothecation of book debts.
Federal Bank	18.75	-	12-09-2022	12-10-2022	12-09-2024	Rate of interest 1Y MCLR+0.00% spread, loan repayable in 24 monthly installments of ₹ 1,04,16,666.67/-	Hypothecation of book debts.
Federal Bank	25.00	-	03-03-2023	03-04-2023	03-03-2025	Rate of interest 6M MCLR+1.00% spread, loan repayable in 24 monthly installments of ₹ 1,04,16,666.67/-	Hypothecation of book debts.
HDFC Bank Limited	34.37	71.88	25-02-2022	25-03-2022	25-02-2024	Rate of interest 9.00%, loan repayable in 24 monthly installments of ₹ 3,12,50,000/-	Hypothecation of book debts.
HDFC Bank Limited	41.67	-	25-11-2022	25-12-2022	24-11-2024	Rate of interest 9.90%, loan repayable in 24 monthly installments of ₹ 2,08,33,333.33/-	Hypothecation of book debts.
The Hongkong and Shanghai Banking Corporation Limited	-	34.29	19-03-2021	19-07-2021	19-03-2023	Rate of interest 1Y MCLR+2.60% spread, loan repayable in 21 monthly installments of ₹ 2,85,71,428/-	Hypothecation of book debts.
The Hongkong and Shanghai Banking Corporation Limited	30.00	60.00	23-03-2022	23-04-2022	23-03-2024	Rate of interest 1Y MCLR+ 2.35% spread, loan repayable in 24 monthly installments of ₹ 2,50,00,00,000/-	Hypothecation of book debts.
The Hongkong and Shanghai Banking Corporation Limited	20.00	40.00	15-03-2022	16-04-2022	15-03-2024	Rate of interest 1Y MCLR+ 2.35% spread, loan repayable in 24 monthly installments of ₹ 1,66,66,666.67/-	Hypothecation of book debts.
The Hongkong and Shanghai Banking Corporation Limited	158.13	-	17-02-2023	17-03-2023	17-05-2025	Rate of interest 3M MCLR+ 4.10% spread, loan repayable in 24 monthly installments of ₹ 68,75,0000/-	Hypothecation of book debts.
ICICI Bank Limited	-	3.41	31-08-2020	10-11-2020	10-08-2022	Rate of interest 1Y MCLR+2.55% spread, loan repayable in 22 monthly installments of ₹ 68,18,181/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	-	3.18	29-10-2020	10-01-2021	10-10-2022	Rate of interest 1Y MCLR+2.55% spread, loan repayable in 22 monthly installments of ₹ 45,45,454/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	-	10.24	31-03-2021	10-05-2021	10-09-2022	Rate of interest 1Y MCLR+2.45% spread, loan repayable in 17 monthly installments of ₹ 1,70,58,823/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	-	6.12	28-05-2021	10-07-2021	10-11-2022	Rate of interest 1Y MCLR+2.45% spread, loan repayable in 17 monthly installments of ₹ -76,47,058.83/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	1.94	25.24	26-10-2021	10-12-2021	10-04-2023	Rate of interest 1Y MCLR+ 2.45% spread , loan repayable in 17 monthly installments of ₹ 1,94,11,764.71/-	Hypothecation of book debts and cash collateral

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Particulars	(₹ in Crores)					Security Offered
	March 31, 2023	March 31, 2022	Loan taken	Repayment start date	Maturity date	
ICICI Bank Limited	-	97.65	31-07-2021	10-09-2021	10-01-2023	Hypothecation of book debts and cash collateral
ICICI Bank Limited	-	5.18	31-08-2021	10-10-2021	10-02-2023	Hypothecation of book debts and cash collateral
ICICI Bank Limited	2.35	16.47	30-11-2021	10-01-2022	10-05-2023	Hypothecation of book debts and cash collateral
ICICI Bank Limited	3.88	19.41	29-12-2021	10-02-2022	10-06-2023	Hypothecation of book debts and cash collateral
ICICI Bank Limited	12.94	44.00	23-02-2022	10-04-2022	10-08-2023	Hypothecation of book debts and cash collateral
ICICI Bank Limited	37.64	69.00	31-03-2022	10-06-2022	10-03-2024	Hypothecation of book debts and cash collateral
ICICI Bank Limited	25.45	-	31-05-2022	10-08-2022	10-05-2024	Hypothecation of book debts and cash collateral
ICICI Bank Limited	17.05	-	28-06-2022	10-09-2022	09-06-2024	Hypothecation of book debts and cash collateral
ICICI Bank Limited	17.45	-	31-07-2022	10-10-2022	10-07-2024	Hypothecation of book debts and cash collateral
ICICI Bank Limited	19.32	-	25-08-2022	10-11-2022	10-08-2024	Hypothecation of book debts and cash collateral
ICICI Bank Limited	22.09	-	26-09-2022	10-12-2022	10-09-2024	Hypothecation of book debts and cash collateral
ICICI Bank Limited	22.45	-	27-10-2022	10-01-2023	10-10-2024	Hypothecation of book debts and cash collateral
ICICI Bank Limited	12.73	-	28-11-2022	10-02-2023	10-11-2024	Hypothecation of book debts and cash collateral
ICICI Bank Limited	84.95	-	30-12-2022	10-03-2023	10-12-2024	Hypothecation of book debts and cash collateral
ICICI Bank Limited	28.00	-	11-01-2023	10-04-2023	10-01-2025	Hypothecation of book debts and cash collateral

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Particulars	(₹ in Crores)							Security Offered
	March 31, 2023	March 31, 2022	Loan taken	Repayment start date	Maturity date	Terms of repayment		
ICICI Bank Limited	19.00	-	28-02-2023	10-05-2023	10-02-2025	Rate of interest 6M MCLR+ 2.20% spread, loan repayable in 22 monthly installments of ₹ 86,36,363.63/-	Hypothecation of book debts and cash collateral	
ICICI Bank Limited	22.00	-	20-03-2023	10-06-2023	13-03-2025	Rate of interest 6M MCLR+ 2.20% spread, loan repayable in 22 monthly installments of ₹ 1,00,00,000/-	Hypothecation of book debts and cash collateral	
IDBI Bank Limited	41.67	91.67	30-10-2021	01-02-2022	01-01-2024	Rate of interest 1Y MCLR+ 1.15% spread, loan repayable in 24 monthly installments of ₹ 4,16,66,667/-	Hypothecation of book debts and cash collateral	
IDBI Bank Limited	46.88	75.00	24-03-2022	01-07-2022	01-06-2024	Rate of interest 1Y MCLR+ 2.25% spread, loan repayable in 24 monthly installments of ₹ 3,12,50,000/-	Hypothecation of book debts and cash collateral	
IDBI Bank Limited	60.00	-	28-12-2022	01-04-2023	01-03-2025	Rate of interest 1Y MCLR+ 2.25% spread, loan repayable in 24 monthly installments of ₹ 2,50,00,000/-	Hypothecation of book debts and cash collateral	
IDFC First Bank Limited	-	36.25	28-09-2020	31-10-2020	28-09-2022	Rate of interest 11%, loan repayable in 24 monthly installments of ₹ 6,04,16,667/-	Hypothecation of book debts.	
IDFC First Bank Limited	-	50.00	18-03-2021	30-04-2021	18-03-2023	Rate of interest 10.25%, loan repayable in 24 monthly installments of ₹ 4,16,66,667/-	Hypothecation of book debts.	
IDFC First Bank Limited	37.50	87.50	31-12-2021	31-01-2022	31-12-2023	Rate of interest 9.50%, loan repayable in 24 monthly installments of ₹ 4,16,66,667/-	Hypothecation of book debts.	
IDFC First Bank Limited	114.29	-	30-06-2022	31-10-2022	30-06-2024	Rate of interest 1Y MCLR+ 1.00% spread, loan repayable in 21 monthly installments of ₹ 7,61,90,476/-	Hypothecation of book debts.	
IDFC First Bank Limited	45.24	-	27-10-2022	28-02-2023	27-10-2024	Rate of interest 1Y MCLR+ 1.00% spread, loan repayable in 21 monthly installments of ₹ 2,38,09,523/-	Hypothecation of book debts.	
IDFC First Bank Limited	100.00	-	30-03-2023	31-07-2023	30-03-2025	Rate of interest 1Y MCLR+ 0.85% spread, loan repayable in 21 monthly installments of ₹ 4,76,19,047.61/-	Hypothecation of book debts.	
Indian Bank	-	16.63	18-12-2019	18-06-2020	18-03-2023	Rate of interest 1Y MCLR+ 2.65% spread, loan repayable in 12 quarterly installments of ₹ 4,16,66,667/-	Hypothecation of book debts and cash collateral	
Indian Bank	4.13	20.80	19-03-2020	18-06-2020	18-06-2023	Rate of interest 1Y MCLR+ 2.65% spread, loan repayable in 12 quarterly installments of ₹ 4,16,66,667/-	Hypothecation of book debts and cash collateral	
Indian Bank	8.31	24.98	04-06-2020	04-01-2021	04-09-2023	Rate of interest 1Y MCLR+ 2.75% spread, loan repayable in 12 quarterly installments of ₹ 4,16,66,667/-	Hypothecation of book debts and cash collateral	
Indian Bank	72.72	100.00	17-03-2022	17-09-2022	17-03-2025	Rate of interest 1Y MCLR+ 3.00% spread, loan repayable in 11 quarterly installments of ₹ 9,09,09,090.91/-	Hypothecation of book debts and cash collateral	

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Particulars	March 31,		Loan taken	Repayment start date	Maturity date	Terms of repayment	Security Offered
	2023	2022					
Indian Bank	72.71	100.00	30-03-2022	30-09-2022	30-03-2025	Rate of interest 1Y MCLR+ 3.00% spread, loan repayable in 11 quarterly installments of ₹ 9,09,09,090.91/-	Hypothecation of book debts and cash collateral
Indian Bank	200.00	-	30-03-2023	30-04-2023	30-03-2025	Rate of interest 1Y MCLR+ 2.05% spread, loan repayable in 24 monthly installments of ₹ 8,33,33,333.33/-	Hypothecation of book debts and cash collateral
Indian Overseas Bank	41.67	50.00	30-03-2022	31-12-2022	30-09-2025	Rate of interest 1Y MCLR+ 1.55% spread, loan repayable in 12 quarterly installments of ₹ 4,16,66,666.67/-	Hypothecation of book debts and cash collateral
Indian Overseas Bank	20.83	-	30-04-2022	31-12-2022	30-09-2025	Rate of interest 1Y MCLR+ 1.55% spread, loan repayable in 12 quarterly installments of ₹ 2,08,33,333.33/-	Hypothecation of book debts and cash collateral
Jana Small Finance Bank Limited	-	4.84	15-03-2021	03-05-2021	03-06-2022	Rate of interest 11%, loan repayable in 23 equal monthly installments of ₹ 2,33,03,920/- and last instalment of ₹ 2,33,87,657/-	Hypothecation of book debts
Jana Small Finance Bank Limited	25.47	40.14	31-07-2021	03-08-2021	03-08-2024	Rate of interest - 10.00%, loan repayable in 36 monthly installments.	Hypothecation of book debts
Jana Small Finance Bank Limited	31.67	-	28-09-2022	03-11-2022	03-10-2024	Rate of interest EBLR+ 5.50% spread, loan repayable in 24 monthly installments of ₹ 1,66,66,666.66/-	Hypothecation of book debts
Karnataka Bank Limited	24.99	50.00	29-09-2021	28-06-2022	28-12-2023	Rate of interest 1Y MCLR+ 0.95% spread, loan repayable in 4 half-yearly installments of ₹ 12,50,00,000/-	Hypothecation of book debts
Karur Vysya Bank	21.97	-	30-08-2022	31-12-2022	31-08-2025	Rate of interest Repo Rate + 4.35% Spread, loan repayable in 33 monthly installments of ₹ 75,75,75.57/-	Hypothecation of book debts
Karur Vysya Bank	50.00	-	08-03-2023	31-07-2023	31-03-2026	Rate of interest Repo Rate + 3.50% Spread, loan repayable in 33 monthly installments of ₹ 1,51,51,515.15/-	Hypothecation of book debts
Kookmin Bank	70.00	-	17-02-2023	17-05-2024	17-02-2026	Rate of interest Repo Rate + 3.75% Spread, loan repayable in 8 quarterly installments of ₹ 8,75,00,000/-	Hypothecation of book debts
Kotak Mahindra Bank	18.75	43.75	29-12-2021	29-01-2022	29-12-2023	Rate of interest 9.45%, loan repayable in 24 monthly installments of ₹ 2,08,33,333.33/-	Hypothecation of book debts
Kotak Mahindra Bank	28.33	-	29-08-2022	29-09-2022	29-08-2024	Rate of interest 9.85%, loan repayable in 24 monthly installments of ₹ 1,66,66,666.66/-	Hypothecation of book debts
Kotak Mahindra Bank	45.00	-	09-03-2023	09-04-2023	09-03-2025	Rate of interest 6M MCLR+ 1.80% spread, loan repayable in 24 monthly installments of ₹ 1,87,50,000/-	Hypothecation of book debts

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Particulars	(₹ in Crores)						Security Offered
	March 31, 2023	March 31, 2022	Loan taken	Repayment start date	Maturity date	Terms of repayment	
Oriental Bank of Commerce (Punjab National Bank)	-	8.48	31-12-2019	31-03-2020	31-12-2022	Rate of interest 1Y MCLR+2.20% spread, loan repayable in 33 monthly installments of ₹ 1,06,06,061/-	Hypothecation of book debts and cash collateral
Punjab and Sind Bank	18.26	25.00	08-03-2022	30-09-2022	31-03-2025	Rate of interest 1Y MCLR+ 1.50% spread, loan repayable in 10 quarterly installments of ₹ 2,28,00,000/- and last installment of ₹ 2,20,00,000/-	Hypothecation of book debts
Punjab and Sind Bank	75.00	-	27-03-2023	30-09-2023	26-03-2025	Rate of interest 1Y MCLR+ 1.50% spread, loan repayable in 7 quarterly installments of ₹ 10,71,42,857.14/-	Hypothecation of book debts
RBL Bank Limited	-	40.00	30-03-2021	30-07-2021	30-03-2023	Rate of interest - 1Y MCLR + 1.35%, loan repayable in 21 monthly installments' 3,33,33,333/-	Hypothecation of book debts and cash collateral
RBL Bank Limited	5.00	25.00	24-06-2021	24-10-2021	24-06-2023	Rate of interest 1Y MCLR+ 1.35% spread, loan repayable in 21 monthly installments of ₹ 1,66,66,666.67/-	Hypothecation of book debts and cash collateral
RBL Bank Limited	68.18	-	16-11-2022	16-02-2023	16-11-2024	Rate of interest 6M MCLR+ 0.50% spread, loan repayable in 22 monthly installments of ₹ 3,40,90,909/-	Hypothecation of book debts
RBL Bank Limited	68.18	-	16-11-2022	16-02-2023	16-11-2024	Rate of interest 6M MCLR+ 0.50% spread, loan repayable in 22 monthly installments of ₹ 3,40,90,909/-	Hypothecation of book debts
RBL Bank Limited	4.77	-	30-12-2022	30-03-2023	30-12-2024	Rate of interest 6M MCLR+ 0.50% spread, loan repayable in 22 monthly installments of ₹ 22,72,727/-	Hypothecation of book debts
RBL Bank Limited	4.77	-	30-12-2022	30-03-2023	30-12-2024	Rate of interest 6M MCLR+ 0.50% spread, loan repayable in 22 monthly installments of ₹ 22,72,727/-	Hypothecation of book debts
RBL Bank Limited	11.50	-	21-03-2023	21-06-2023	21-03-2025	Rate of interest 6M MCLR+ 0.50% spread, loan repayable in 22 monthly installments of ₹ 52,27,272/-	Hypothecation of book debts
RBL Bank Limited	11.50	-	21-03-2023	21-06-2023	21-03-2025	Rate of interest 6M MCLR+ 0.50% spread, loan repayable in 22 monthly installments of ₹ 52,27,272/-	Hypothecation of book debts
South Indian Bank Limited	-	2.00	23-03-2020	23-04-2020	23-03-2023	Rate of interest - 12M MCLR i.e. 8.90% +2.30% spread, loan repayable in 35 monthly installment of ₹ 16,67,000/- and last installment of ₹ 16,55,000/-	Hypothecation of book debts and cash collateral
South Indian Bank Limited	-	1.27	23-03-2020	23-04-2020	23-03-2023	Rate of interest - 12M MCLR i.e. 8.90% +2.30% spread, loan repayable in 35 monthly installments of ₹ 11,11,111/- and last installment of RS 11,15,000/-	Hypothecation of book debts and cash collateral

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Particulars	March 31,		Loan taken	Repayment start date	Maturity date	Terms of repayment	Security Offered
	2023	2022					
South Indian Bank Limited	49.90	100.00	21-03-2022	21-04-2022	21-03-2024	Rate of interest 1Y MCLR+ 1.35% spread, loan repayable in 23 monthly installments of ₹ 4,17,00,000/- and last installment of ₹ 4,09,00,000/-	Hypothecation of book debts
Standard Chartered Bank Limited	-	12.50	06-05-2021	06-05-2022	06-05-2022	Rate of interest - 1Y MCLR principal repayable on maturity.	Hypothecation of book debts
Standard Chartered Bank Limited	-	5.88	29-12-2021	29-12-2022	29-12-2022	Rate of interest - 1Y MCLR principal repayable on maturity.	Hypothecation of book debts
Standard Chartered Bank Limited	-	40.00	26-05-2021	26-05-2022	26-05-2022	Rate of interest - 1Y MCLR principal repayable on maturity.	Hypothecation of book debts
Standard Chartered Bank Limited	25.00	-	25-05-2022	24-08-2022	24-11-2023	Rate of interest - 6M MCLR+2.00% spread, loan repayable in 6 quarterly installments of ₹8,33,333.33/-	Hypothecation of book debts and cash collateral.
Standard Chartered Bank Limited	36.25	-	31-05-2022	31-08-2022	31-08-2023	Rate of interest - 6M MCLR+2.00% spread, loan repayable in 6 quarterly installments of ₹12,08,33,333.33/-	Hypothecation of book debts and cash collateral.
Standard Chartered Bank Limited	100.21	-	10-11-2022	10-02-2023	08-11-2024	Rate of interest - 3M MIBOR+3.67% spread, loan repayable in 8 quarterly installments of ₹14,31,50,000/-	Hypothecation of book debts and cash collateral.
Standard Chartered Bank Limited	16.67	-	27-12-2022	29-03-2023	28-06-2024	Rate of interest - 6M MCLR+2.00% spread, loan repayable in 6 quarterly installments of ₹3,33,333.33/-	Hypothecation of book debts and cash collateral.
State Bank (Mauritius) Limited	-	7.31	03-11-2020	03-02-2021	03-11-2022	Rate of interest 1Y MCLR, loan repayable in 8 quarterly installments of ₹ 2,43,75,000/-	Hypothecation of book debts.
State Bank (Mauritius) Limited	7.50	22.50	28-04-2021	28-10-2021	28-07-2023	Rate of interest 1Y MCLR loan repayable in 8 quarterly installments of ₹ 3,75,00,000/-	Hypothecation of book debts.
State Bank (Mauritius) Limited	10.00	20.00	30-12-2021	30-06-2022	30-03-2024	Rate of interest 1Y MCLR loan repayable in 8 quarterly installments of ₹ 2,50,00,000/-	Hypothecation of book debts.
State Bank (Mauritius) Limited	18.75	30.00	24-03-2022	24-07-2022	23-06-2024	Rate of interest 1Y MCLR loan repayable in 8 quarterly installments of ₹ 3,75,00,000/-	Hypothecation of book debts.
State Bank (Mauritius) Limited	9.38	-	30-05-2022	28-11-2022	28-08-2024	Rate of interest 1Y MCLR loan repayable in 8 quarterly installments of ₹ 1,56,25,000/-	Hypothecation of book debts.

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Particulars	(₹ in Crores)						
	March 31, 2023	March 31, 2022	Loan taken	Repayment start date	Maturity date	Terms of repayment	Security Offered
State Bank (Mauritius) Limited	19.25	-	29-08-2022	28-02-2023	30-11-2024	Rate of interest 1Y MCLR loan repayable in 8 quarterly installments of ₹ 2,75,00,000/-	Hypothecation of book debts.
State Bank Of India	-	28.00	13-03-2020	20-05-2020	05-03-2023	Rate of interest 1Y MCLR+2.10% spread, loan repayable in 32 monthly installments of ₹ 1,50,00,000/- and last installment of RS.2,00,00,000 /-	Hypothecation of book debts and cash collateral
State Bank Of India	70.00	190.00	28-10-2020	27-04-2021	27-10-2023	Rate of interest 6 M MCLR+2.05% spread, loan repayable in 30 monthly installments of ₹ 5,00,00,000 /-	Hypothecation of book debts and cash collateral.
State Bank Of India	206.25	300.00	11-02-2022	30-06-2022	31-01-2025	Rate of interest 1Y MCLR+ 2.60% spread, loan repayable in 32 monthly installments of ₹ 9,37,50,000/-	Hypothecation of book debts and cash collateral.
Suryoday Small Finance Bank Limited	7.20	17.01	26-10-2021	05-12-2021	05-11-2023	Rate of interest - RR+6.65% spread, loan repayable in 24 equal monthly installments.	Hypothecation of book debts.
Suryoday Small Finance Bank Limited	31.98	-	30-01-2023	05-02-2023	05-03-2026	Rate of interest - 11.25%, loan repayable in 37 monthly installments.	Hypothecation of book debts.
UCO Bank	33.16	50.00	07-02-2022	30-06-2022	31-03-2025	Rate of interest 1Y MCLR+ 2.15% spread, loan repayable in 12 quarterly installments of ₹ 4,16,66,666.67/-	Hypothecation of book debts and cash collateral.
Union Bank of India	-	6.24	30-09-2019	31-01-2020	31-01-2023	Rate of Interest - 1Y MCLR+1.90%+0.25% (T.P) spread loan repayable in 36 monthly installments of ₹69,44,444 /-	Hypothecation of book debts and cash collateral.
Union Bank of India	6.67	13.94	26-02-2021	26-05-2021	26-02-2024	Rate of interest 1Y MCLR+ 1.85% spread, loan repayable in 33 monthly installments of ₹ 60,60,606 /-	Hypothecation of book debts and cash collateral.
Union Bank of India	32.73	45.00	24-03-2022	24-09-2022	31-03-2025	Rate of interest 1Y MCLR+ 1.90% spread, loan repayable in 10 quarterly installments of ₹ 4,09,00,000/- and last installment of ₹ 4,10,00,000/-	Hypothecation of book debts.
Union Bank of India	40.00	-	23-01-2023	30-06-2023	31-12-2025	Rate of interest 1Y MCLR+ 1.90% spread, loan repayable in 11 quarterly installments of ₹ 3,63,63,636.36/-	Hypothecation of book debts and cash collateral.
Utkarsh Small Finance Bank	8.75	23.75	29-10-2021	29-11-2021	25-10-2023	Rate of interest (364 Treasury bill) + 6.30% spread, loan repayable in 24 monthly installments of ₹ 1,25,00,000/-	Hypothecation of book debts and cash collateral.

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	March 31,		Loan taken	Repayment start date	Maturity date	Terms of repayment	Security Offered
	2023	2022					
Utkarsh Small Finance Bank	17.25	-	30-09-2022	25-10-2022	25-09-2024	Rate of interest (364 Treasury bill) + 3.76% spread, loan repayable in 24 monthly installments of ₹ 95,83,334/-	Hypothecation of book debts and cash collateral.
Woori Bank	-	11.43	29-09-2020	26-03-2021	29-09-2022	Rate of interest 1Y MCLR+1.65% spread, loan repayable in 7 quarterly installments of ₹ 5,71,42,857/-	Hypothecation of book debts and cash collateral.
Woori Bank	13.22	33.04	24-12-2021	31-01-2021	30-11-2023	Rate of interest 1Y MCLR+ 1.10% Spread, loan repayable in 23 Monthly Installments of ₹ 1,65,21,739.13/-	Hypothecation of book debts and cash collateral.
Woori Bank	21.30	-	28-06-2022	31-07-2022	28-06-2024	Rate of interest 1Y MCLR+ 1.60% Spread, loan repayable in 23 Monthly Installments of ₹ 1,52,17,391/-	Hypothecation of book debts and cash collateral.
Woori Bank	39.29	-	08-03-2023	31-03-2023	28-02-2025	Rate of interest 1Y MCLR+ 1.25% Spread, loan repayable in 23 Monthly Installments of ₹ 1,70,83,333.33/-	Hypothecation of book debts
YES Bank Limited	-	27.50	01-02-2021	01-03-2021	01-02-2023	Rate of interest 1Y MCLR+1.9% spread, loan repayable in 24 monthly installments of ₹ 2,50,00,000/-	Hypothecation of book debts and cash collateral.
YES Bank Limited	50.00	-	31-03-2023	30-04-2023	31-03-2025	Rate of interest 1Y MCLR+0.9% spread, loan repayable in 24 monthly installments of ₹ 2,50,00,000/-	Hypothecation of book debts and cash collateral.
Total	4,311.87	3,476.23					

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

17.6 Loan from others

Particulars	(₹ in Crores)						Security Offered
	March 31, 2023	March 31, 2022	Start date	Repayment date	Maturity date	Terms of repayment	
Aditya Birla Finance Limited	-	3.33	31-03-2021	01-05-2021	01-10-2022	Rate of interest - LTRR(-6.85%), loan repayable in 18 Monthly instalments of ₹ 55,55,555.56	Hypothecation of book debts.
Aditya Birla Finance Limited	13.00	26.00	30-03-2022	01-05-2022	01-04-2024	Rate of interest - LTRR(-7.85%), loan repayable in 24 Monthly instalments of ₹ 1,08,33,333.33	Hypothecation of book debts.
Aditya Birla Finance Limited	14.15	-	30-09-2022	01-11-2022	01-10-2024	Rate of interest - LTRR(-9.15%), loan repayable in 24 Monthly instalments of ₹ 78,58,333	Hypothecation of book debts.
Aditya Birla Finance Limited	21.00	-	27-03-2023	05-05-2023	05-04-2025	Rate of interest - LTRR(-9.50%), loan repayable in 24 Equated Monthly instalments	Hypothecation of book debts.
Bajaj Finance Limited	8.75	25.00	28-10-2021	02-12-2021	28-10-2023	HDFC's 1Y MCLR+ 2.05%, loan repayable in 24 Monthly instalments of ₹ 1,25,00,000/-	Hypothecation of book debts.
Hero Fin Corp Limited	-	0.23	13-02-2020	03-07-2020	03-05-2022	Rate of interest - Herofincorp PLR(-1.40%)spread loan repayable in 21 equated monthly instalment of ₹ 1,05,68,961	Hypothecation of book debts
Hero Fin Corp Limited	46.21	-	22-12-2022	03-02-2023	03-01-2025	Rate of interest - SBI 12M MCLR+3.20% spread loan repayable in 24 equated monthly instalment of ₹ 2,33,01,350	Hypothecation of book debts
Hero Fin Corp Limited	25.00	-	30-03-2023	03-05-2023	03-04-2025	Rate of interest - SBI 12M MCLR+2.50% spread loan repayable in 24 equated monthly instalment of ₹ 1,16,55,466	Hypothecation of book debts
JM Financial Products Limited	170.92	-	26-09-2022	01-11-2022	25-03-2024	Rate of interest - 10.40%, loan repayable in 17 monthly instalments of ₹ 15,06,03,549 and last instalment of ₹ 15,04,26,552	Hypothecation of book debts
JM Financial Products Limited	141.91	-	10-03-2023	01-04-2023	01-09-2024	Rate of interest - 10.85%, loan repayable in 17 monthly instalments of ₹ 9,06,73,790 and last instalment of ₹ 8,66,68,896	Hypothecation of book debts
Kisetsu Saison Finance (India) Private Limited	50.00	-	15-03-2023	15-06-2023	15-03-2025	Rate of interest HDFC 1Y MCLR+2.5% spread, loan repayable in 8 quarterly instalments of ₹ 6,25,00,000/-	Hypothecation of book debts
Mahindra & Mahindra Financial Services Limited	34.44	-	27-07-2022	27-08-2022	27-07-2024	Rate of interest SBI 1Y MCLR+2.25% spread, loan repayable in 24 equated monthly instalments of ₹ 2,30,20,353	Hypothecation of book debts

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Particulars	(₹ in Crores)							Security Offered
	March 31, 2023	March 31, 2022	Start date	Repayment date	Maturity date	Terms of repayment		
Mahindra & Mahindra Financial Services Limited	36.54	-	17-08-2022	27-09-2022	27-08-2024	Rate of interest SBI 1Y MCLR+2.25% spread, loan repayable in 24 equated monthly instalments of ₹2,31,25,396	Hypothecation of book debts	
Maanaveeya Development & Finance Private Limited	16.66	33.33	26-03-2021	26-06-2021	26-03-2024	Rate of interest - 11%, loan repayable in 12 Quarterly instalments of ₹ 4,16,66,666.67	Hypothecation of book debts	
MAS Financial Services Limited	2.50	12.50	01-07-2021	23-07-2021	23-06-2023	Rate of interest - PLR (-4.75%), loan repayable in 24 Monthly instalments of ₹ 83,33,332/-	Hypothecation of book debts	
MAS Financial Services Limited	5.63	13.13	31-12-2021	23-01-2022	25-12-2023	Rate of interest - PLR (-4.75%), loan repayable in 24 Monthly instalments of ₹ 62,50,000	Hypothecation of book debts	
micro Units Development & Refinance Agency Limited (MUDRA)	150.00	-	31-01-2023	10-05-2023	10-01-2026	Rate of interest - 11.50%, loan repayable in 32 monthly instalments of ₹ 4,55,00,000 and last instalment of ₹ 4,40,00,000	Hypothecation of book debts	
Nabkisan Finance Limited	-	5.97	19-09-2019	01-02-2020	01-08-2022	Rate of interest - 12.00%, loan repayable in 11 Quarterly instalments of ₹ 2,00,00,000	Hypothecation of book debts	
Nabkisan Finance Limited	6.63	13.33	01-03-2021	01-06-2021	01-03-2024	Rate of interest - 10.40%, loan repayable in 12 Quarterly instalments of ₹ 1,66,66,666.67	Hypothecation of book debts	
Nabkisan Finance Limited	16.66	25.00	25-02-2022	01-05-2022	01-02-2025	Rate of interest - 9.90%, loan repayable in 12 Quarterly instalments of ₹ 2,08,33,333.33	Hypothecation of book debts	
Nabkisan Finance Limited	55.00	-	13-01-2023	01-07-2023	01-01-2025	Rate of interest - 10.75%, loan repayable in 6 Quarterly instalments of ₹ 7,85,71,428.57 and last quarterly instalment of ₹ 7,85,67,706.58	Hypothecation of book debts	
Nabsamrudhi Finance Limited	5.10	10.13	09-02-2021	31-03-2021	29-02-2024	Rate of interest - 10.65%, loan repayable in 36 Monthly instalments of ₹ 55,55,555.56	Hypothecation of book debts	
Nabsamrudhi Finance Limited	29.00	-	09-03-2023	31-07-2023	31-03-2025	Rate of interest - 10.60%, loan repayable in 21 equated monthly instalments of ₹ 1,51,90,663	Hypothecation of book debts	
Northern Arc	26.37	50.00	21-03-2024	25-04-2022	25-03-2024	Rate of interest - (3M FBBLR) - 7.35% spread, loan repayable in 24 equated monthly instalments.	Hypothecation of book debts	
Northern Arc	26.55	50.00	25-03-2024	25-04-2022	25-03-2024	Rate of interest - (3M FBBLR) - 7.35% spread, loan repayable in 24 equated monthly instalments.	Hypothecation of book debts	

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	(₹ in Crores)							Security Offered
	March 31, 2023	March 31, 2022	Start date	Repayment date	Maturity date	Terms of repayment		
Northern Arc	50.00	-	15-03-2023	15-04-2023	15-03-2025	Rate of interest - (3M FBLLR) -4.40% spread, loan repayable in 24 monthly instalments of ₹2,08,33,333.33.	Nil	
NABARD	45.00	75.00	31-10-2019	31-01-2020	31-01-2025	Rate of interest - 11.50%, loan repayable in 10 Half instalments of ₹ 15,00,00,000	Hypothecation of book debts	
NABARD	-	32.50	08-06-2020	30-04-2021	30-04-2022	Rate of interest - 7% upto 30-04-2021 % 10.85% post that, loan repayable in 4 Half yearly instalments of ₹ 32,50,00,000	Hypothecation of book debts and cash collateral.	
NABARD	-	30.00	18-02-2021	31-01-2022	31-08-2022	Rate of interest - 7% upto 30-04-2021 % 8.10% post that, loan repayable in 1st instalments of ₹ 70,00,00,000 and 2nd instalment of ₹ 30,00,00,000.	Hypothecation of book debts and cash collateral.	
NABARD	66.00	108.00	18-02-2021	30-06-2021	31-03-2026	Rate of interest - 8.70%, loan repayable in 11 quarterly instalments of ₹ 10,50,00,000 and 8 quarterly instalments of ₹ 3,00,00,000	Hypothecation of book debts	
NABARD	-	100.00	11-08-2021	31-05-2022	31-01-2023	Rate of interest - 7.05% Till 31-05-2022 post that 9.25%, loan repayable in 2 instalments of ₹ 70,00,00,000 and ₹ 30,00,00,000 respectively.	Hypothecation of book debts and cash collateral.	
NABARD	18.00	60.00	17-12-2021	30-11-2022	30-06-2023	Rate of interest - 7.10% Till 30-11-2022 post that 9.35%, loan repayable in 2 instalments of ₹ 42,00,00,000 and ₹ 18,00,00,000 respectively.	Hypothecation of book debts and cash collateral.	
NABARD	136.00	200.00	29-03-2022	30-06-2022	31-12-2026	Rate of interest - 9.80%, loan repayable in 5 quarterly instalments of ₹ 16,00,00,000 and 6 quarterly instalments of ₹ 12,00,00,000 and 8 quarterly instalments of ₹ 6,00,00,000	Hypothecation of book debts	
NABARD	200.00	-	20-02-2023	30-06-2023	31-12-2025	Rate of interest - 11.05%, loan repayable in 1st instalments of ₹ 20,00,00,000 and 10 quarterly instalments of ₹ 18,00,00,000 each.	Hypothecation of book debts and cash collateral.	
Hinduja Leyland Finance Limited	-	0.65	31-05-2019	30-06-2019	28-05-2022	Rate of interest - 11.30% HBLR+0.45%, loan repayable in 36 equal monthly instalments of ₹ 33,09,503	Hypothecation of book debts and letter of comfort from Indian Infoline Finance Limited	
Hinduja Leyland Finance Limited	33.88	-	30-11-2022	30-12-2022	28-11-2024	Rate of interest - HBLR - 1.90% spread, loan repayable in 24 equal monthly instalments of ₹ 1,84,76,436	Hypothecation of book debts	

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	(₹ in Crores)						
	March 31, 2023	March 31, 2022	Start date	Repayment date	Maturity date	Terms of repayment	Security Offered
Hinduja Leyland Finance Limited	48.11	-	28-02-2023	28-03-2023	28-02-2025	Rate of interest - HBLR -1.75% spread, loan repayable in 24 equal monthly instalments of ₹ 2,31,30,198	Hypothecation of book debts
SIDBI	-	13.33	10-12-2019	10-12-2019	10-11-2022	Rate of interest 12.00%+loan repayable in 30 Monthly instalments of ₹ 1,66,66,666	Hypothecation of book debts and cash collateral
SIDBI	30.00	60.00	31-03-2021	10-10-2021	10-03-2024	Rate of Interest 10.50%+loan repayable in 30 Monthly instalments of ₹ 2,50,00,000	Hypothecation of book debts and cash collateral
SIDBI	-	35.00	12-11-2021	10-01-2022	10-10-2022	Rate of interest 6%+loan repayable in 10 Monthly instalments of ₹ 5,00,00,000	Hypothecation of book debts
SIDBI	95.00	150.00	12-11-2021	10-05-2022	10-10-2024	Rate of interest 9.50 %+loan repayable in 30 Monthly instalments of ₹ 5,00,00,000	Hypothecation of book debts and cash collateral
SIDBI	386.66	-	30-09-2022	10-03-2023	10-08-2025	Rate of interest 10.00 %+loan repayable in 29 Monthly instalments of ₹ 13,34,00,000 and last instalment of ₹ 13,14,00,000	Hypothecation of book debts and cash collateral
Tata Capital Financial Services Limited	20.00	-	28-02-2023	10-04-2023	10-09-2024	Rate of interest - LTLR(-11.55%), loan repayable in 18 Monthly instalments of ₹ 1,11,11,111.11	Hypothecation of book debts
Total	2,030.68	1,132.44					

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 18. UNSECURED/SUBORDINATED LIABILITIES:

(a). Unsecured, Unsubordinated Non-Convertible Debentures

(₹ in Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortized Cost	Total	At Amortized Cost	Total
Unsecured Non Convertible Debentures - Other than Sub Debt	140.00	140.00	-	-
Unamortized Debenture Issue Expenses	-0.99	-0.99	-	-
Interest Accrued on Debt Securities	0.81	0.81	-	-
Total (a)	139.83	139.83	-	-

(b) Unsecured Subordinated Non-Convertible Debentures

(₹ in Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortized Cost	Total	At Amortized Cost	Total
Unsecured Non convertible debentures - Sub Debt	275.00	275.00	105.00	105.00
Less : Derivative Financial Liability	(4.32)	(4.32)	(4.32)	(4.32)
Less : Debenture Issue Expenses	(11.30)	(11.30)	(0.72)	(0.72)
Interest Accrued on Subordinated Liabilities	65.39	65.39	40.76	40.76
Total	324.77	324.77	140.72	140.72
Subordinated Liabilities in India	324.77	324.77	140.72	140.72
Subordinated Liabilities outside India	-	-	-	-
Total (b)	324.77	324.77	140.72	140.72
Total (a+b)	464.60	464.60	140.72	140.72

18.1 Unsecured Non convertible Debentures - Sub Debt includes debentures amounting to ₹11 Crore (P.Y. ₹11 Crore) in respect of which the Company is having a call option at the end of the 5th year from 20-07-2018.

18.2 The funds received through above borrowings have been utilized for the purpose, it is generated.

18.3 All the charges against the receivable has been registered with the ROC and there are no charges which are to be registered as on March 31, 2023.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

18.4 Loan from Other Parties- Unsecured Subordinated Non Convertible Debentures

Particulars	(₹ in Crores)						
	March 31, 2023	March 31, 2022	Borrowing Date	Repayment start date	Maturity date	Terms of repayment	Security Offered
INE413U08010 - NCD	-	5.00	29-06-2016	30-06-2022	30-06-2022	Rate of interest - 16.90% , principal repayable on maturity.	Nil
INE413U08036 - NCD*	21.85	21.85	20-07-2018	19-04-2024	19-04-2024	Rate of interest - 10.24% p.a. calculated on a XIRR basis, principal repayable on maturity.	Nil
INE413U08036 - NCD*	67.15	67.15	20-07-2018	19-04-2024	19-04-2024	Rate of interest - 10.15% p.a. calculated on a XIRR basis, principal repayable on maturity.	Nil
INE413U08028 - NCD*	11.00	11.00	20-07-2018	19-04-2024	19-04-2024	Rate of interest - 9.05% p.a. calculated on a XIRR basis, principal repayable on maturity.	Nil
INE413U08044 - NCD	150.00	-	19-08-2022	19-07-2028	19-07-2028	Rate of interest - 11.25% p.a. principal repayable on maturity.	Nil
INE413U08077 - NCD	25.00	-	02-02-2023	02-04-2029	02-04-2029	Rate of interest - 11.25% p.a. principal repayable on maturity.	Nil
Total	275.00	105.00					

* Represents Market Linked Debenture invested by various Parties

18.4 Loan from Other Parties- Unsecured Unsubordinated Non- Convertible Debentures

Particulars	(₹ in Crores)						
	March 31, 2023	March 31, 2022	Borrowing Date	Repayment start date	Maturity date	Terms of repayment	Security Offered
INE413U08051 - Northern Arc Money Market Alpha Trust	50.00	-	19-12-2022	19-09-2023	20-12-2023	Rate of interest - 10.50. % p.a. principal repayable in 4 Monthly Installments Starting from 19-09-2023.	Nil
INE413U08069- Northern Arc Capital Limited	50.00	-	19-12-2022	19-01-2024	19-12-2024	Rate of interest - 11.40. % p.a. principal repayable in 12 Monthly Installments Starting from 19-01-2024.	Nil
INE413U08085 - UNIFI-AIF	40.00	-	24-02-2023	24-05-2023	24-02-2025	Rate of interest - 10.75. % p.a. principal repayable in 8 Quarterly installments Starting from 24-05-2023.	Nil
Total	140.00	-					

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 19. LEASE LIABILITY

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Lease Liability	9.21	7.42
Total	9.21	7.42

NOTE 20. OTHER FINANCIAL LIABILITIES

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Interest Accrued but not due	-	-
Employee payables	18.27	5.15
Payable to assignee	194.60	79.39
Money held under trust	-	0.22
Payable / Refundable to Borrowers	19.93	6.60
Insurance payable	-	-
Total	232.80	91.36

NOTE 21. CURRENT TAX LIABILITIES (NET)

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Provision for Taxation	37.00	80.50
Advance Tax	(33.90)	(70.70)
TDS Receivable	(2.92)	(4.29)
Total	0.18	5.51

NOTE 22. PROVISIONS:

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Leave encashment	5.89	3.71
Gratuity	7.40	4.75
Total	13.29	8.46

NOTE 23. OTHER NON FINANCIAL LIABILITIES:

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Statutory Dues Payable	13.99	5.58
Others	12.58	-
Total	26.57	5.58

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 24. EQUITY SHARE CAPITAL

Equity Share Capital:

- (a) The Authorized, Issued, Subscribed and fully paid up share capital comprises of equity shares having a par value of ₹ 10/- as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount in ₹ Crore	No. of shares	Amount in ₹ Crore
Authorized Share Capital				
(a) Equity Shares of ₹10 each	69,80,00,000	698.00	59,80,00,000	598.00
(b) Preference Shares of ₹10 each (Out of 20,00,000 shares 1,45,000 are Redeemable Non Convertible Preference Shares of ₹10 each)	20,00,000	2.00	20,00,000	2.00
Issued, Subscribed and Paid Up:				
Equity Shares of ₹10 each fully paid	59,36,43,037	593.64	49,82,23,190	498.22

- (b) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
At the beginning of the year	49,82,23,190	498.22	32,08,13,336	320.81
Add: Issued during the year	9,54,19,847	95.42	17,74,09,854	177.41
Outstanding at the end of the year	59,36,43,037	593.64	49,82,23,190	498.22

- (c) Terms/rights attached to equity shares:

The Company has only one class of equity shares having at face value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (d) Details of Equity Shareholders holding more than 5% shares and details of shares held by the Holding Company:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of ₹ 10 each fully paid				
IIFL Finance Limited	59,07,16,057	99.51%	37,07,40,413	74.41%
IIFL Home Finance Limited	-	0.00%	12,45,55,797	25.00%

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(e) Details of Equity Shares held by promoters at the end of the year

As at 31 March 2023

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of Total shares	% change during the year
IIFL Finance Limited	37,07,40,413	21,99,75,644	59,07,16,057	99.51%	59.33%
Narayanaswamy Venkatesh	13,35,840	-	13,35,840	0.23%	0.00%
Shivaprakash Deviah	3,45,000	-	3,45,000	0.06%	0.00%

As at 31 March 2022

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of Total shares	% change during the year
IIFL Finance Limited	23,76,83,022	13,30,57,391	37,07,40,413	74.41%	55.98%
Narayanaswamy Venkatesh	13,35,840	-	13,35,840	0.27%	0.00%
Shivaprakash Deviah	3,45,000	-	3,45,000	0.07%	0.00%

(f) The Company's capital management is intended to create value for shareholders. The assessment of Capital level and requirements are assessed having regard to long-and short term strategies of the Company and regulatory capital requirements of its businesses and constituent entities.

(h) Statement of changes in equity share capital

(₹ in Crores)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
As at March 31, 2023	498.22	95.42	593.64
As at March 31, 2022	320.81	177.41	498.22

NOTE 25. OTHER EQUITY

(₹ in Crores)

Particulars	Attributable to the Owners					Total
	Securities Premium	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934*	Capital Reserve	Retained Earnings	Re-measurement of Actuarial Gains and Losses	
Balance at the beginning of the April 01, 2022	254.27	56.84	0.25	191.71	(2.02)	501.06
Total Comprehensive Income for the year	-	-	-	128.17	(0.32)	127.85
Additions	104.58	25.63	-	(25.63)	-	104.58
Sub Total	358.85	82.47	0.25	294.25	(2.34)	733.49
Final Dividend	-	-	-	(4.98)	-	(4.98)
Balance at the end of the March 31, 2023	358.85	82.47	0.25	289.27	(2.34)	728.51

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	Attributable to the Owners					(₹ in Crores)
	Securities Premium	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934*	Capital Reserve	Retained Earnings	Re-measurement of Actuarial Gains and Losses	Total
Balance at the beginning of the April 01, 2021	131.68	46.72	0.25	151.23	(1.19)	328.69
Total Comprehensive Income for the year	-	-	-	50.60	(0.83)	49.78
Additions	122.59	10.12	-	(10.12)	-	122.59
Sub Total	254.27	56.84	0.25	191.71	(2.02)	501.06
Balance at the end of the March 31, 2022	254.27	56.84	0.25	191.71	(2.02)	501.06

*As per section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at a rate of 20% of the net profit after tax of the Company every year. Considering the profit after tax for the year ended March 31, 2023, ₹ 25.63 Crore (P.Y. ₹ 10.12 Crore) being 20% of the profit after taxes for the year has been transferred from the Statement of Profit and Loss to Special Reserve.

The Board of Directors had recommended a final dividend of ₹ 0.10 per equity share amounting to ₹ 4.98 Crore for the FY 2021-22 on April 23, 2022 which was paid in FY 2022-23

Accompanying notes are an integral part of these financial statements

As per our attached report of even date.

**For Brahmaya & Co.,
Chartered Accountants**
Firm No. 000515S

**For and on behalf of the Board of Directors
of IIFL Samasta Finance Limited**

G.Srinivas
Partner
M. No. 086761

N. Venkatesh
Managing Director
DIN : 01018821

D. Shivaprakash
Whole-Time Director
DIN : 02216802

Place: Bengaluru
Date: 21-04-2023

Anantha Kumar T
Chief Financial Officer

Manoranjan Biswal
Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 26. INTEREST INCOME

(₹ in Crores)

Particulars	Year Ended March 31,2023			Year Ended March 31,2022		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortized Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortized Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans	-	1,521.97	-	-	973.58	-
Interest on deposits with Banks	-	17.66	-	-	10.65	-
Total	-	1,539.63	-	-	984.23	-

NOTE 27. FEE AND COMMISSION INCOME

(₹ in Crores)

Particulars	Year ended March 31 2023	Year ended March 31 2022
	On Financial Assets measured at Amortized Cost	On Financial Assets measured at Amortized Cost
Income from Referral Fee	21.76	9.83
Income from Business Correspondents	56.72	7.21
Commission Income	20.09	8.25
Documentation Charges	2.10	0.80
Total	100.67	26.09

NOTE 28. NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTIZED COST CATEGORY :

(₹ in Crores)

Particulars	Year ended March 31 2023	Year ended March 31 2022
Bad debts recovered	12.73	2.47
Amortization of Interest only strip	93.20	-
Total	105.93	2.47

NOTE 29. OTHER INCOME

(₹ in Crores)

Particulars	Year ended March 31 2023	Year ended March 31 2022
Profit on sale of investments	7.01	7.02
Miscellaneous Income	0.27	0.12
Total	7.28	7.14

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 30. FINANCE COST

Particulars	(₹ in Crores)			
	Year ended March 31 2023		Year ended March 31 2022	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortized Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortized Cost
Interest on Debt Securities	-	50.71	0.06	78.28
Interest on subordinated liabilities	0.33	28.35	0.30	13.37
Interest on Borrowings	-	465.20	-	277.59
Discount on Commercial Paper	-	2.72	-	1.19
Interest Expense on Other borrowings	-	10.97	-	7.56
Amortization of Processing Fees	-	25.99	-	13.76
Interest on Lease Liability	-	1.05	-	0.68
Documentation Charges	-	0.21	-	0.26
Amortization of Debenture Issue Expenses	-	0.70	-	2.00
Other Borrowing Cost	-	0.75	-	0.06
Total	0.33	586.65	0.36	394.75

NOTE 31. NET LOSS ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTIZED COST CATEGORY

Particulars	(₹ in Crores)	
	Year ended March 31 2023	Year ended March 31 2022
Amortization of Interest only strip	-	6.74
Bad Debts Written off	450.91	131.84
Total	450.91	138.58

NOTE 32. IMPAIRMENT ON FINANCIAL INSTRUMENTS:-

Particulars	(₹ in Crores)			
	Year ended March 31 2023		Year ended March 31 2022	
	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortized Cost	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortized Cost
Loans - Expected Credit Loss	-	4.37	-	98.72
Total	-	4.37	-	98.72

NOTE 33. EMPLOYEE BENEFIT EXPENSES

Particulars	(₹ in Crores)	
	Year ended March 31 2023	Year ended March 31 2022
Salaries and bonus	345.37	207.00
Contribution to provident and other funds	28.41	18.28
Leave Encashment	6.10	3.94
Gratuity	2.23	1.51
Staff Welfare Expenses	11.76	5.92
Total	393.87	236.65

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 34. OTHER EXPENSES

Particulars	₹ in Crores)	
	Year ended March 31 2023	Year ended March 31 2022
Rent Expenses	21.57	12.78
Rates and Taxes	1.00	0.74
Exchange and statutory Charges	-	-
Marketing Expense	0.12	0.02
Bank Charges	17.53	9.52
Repairs and maintenance	2.02	1.11
Electricity	2.51	1.55
Communication Costs	5.38	3.95
Printing and stationery	8.81	2.82
Postage and courier	2.38	1.53
Advertisement and publicity	0.02	0.05
Payment to Auditors		
(i) As Auditors	0.17	0.09
(ii) For taxation matters	-	-
(iii) For Certification Works	0.01	0.01
(iv) Out of pocket expenses	0.03	0.02
Legal and Professional charges	14.67	9.51
Software Charges/ Technology Cost	16.49	10.57
Travelling and conveyance	40.09	22.21
Miscellaneous Expenses	12.83	7.59
Total	145.63	84.07

33.1 Gratuity Abridged Disclosure Statement as per Indian Accounting Standard - 19 "Employee Benefits" for the period 01/04/2022 - 31/03/2023

Details of defined benefit plan of gratuity are given below:

Particulars	₹ in Crores)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Changes in the Present Value of Obligation (PVO)		
PVO as at the beginning of the period	6.67	4.18
Interest Cost	0.38	0.22
Current service cost	1.96	1.35
Past service cost - (non vested benefits)	-	-
Past service cost - (vested benefits)	-	-
Liability Transferred In/ Acquisitions	-	-
Benefits paid	(0.47)	(0.07)
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial loss/(gain) on obligation -Due to Change in Demographic Assumptions	-	0.00
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(1.37)	(0.66)
Actuarial (Gains)/Losses on Obligations - Due to Experience	1.73	1.65
PVO as at the end of the year	8.90	6.67

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

ii) Changes in the Fair Value of Plan Assets

Particulars	(₹ in Crores)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Fair value of plan assets as at the beginning of the period	1.92	1.13
Interest Income	0.11	0.06
Contributions by the Employer	-	0.92
Benefits paid from the Fund	(0.47)	(0.07)
Return on Plan Assets, Excluding Interest Income	(0.07)	(0.12)
Fair value of plan assets as at the end of the period	1.50	1.92
iii) Amount recognized in the Balance Sheet and Related Analysis		
Present Value of Benefit Obligation at the end of the Period	(8.90)	(6.67)
Fair Value of Plan Assets at the end of the Period	1.50	1.92
Funded Status - Deficit	(7.40)	(4.75)
Net Liability recognized in the balance sheet	(7.40)	(4.75)
iv) Net Interest Cost for Current Period		
Present Value of Benefit Obligation at the Beginning of the Period	6.67	4.18
Fair Value of Plan Assets at the Beginning of the Period	(1.92)	(1.13)
Net Liability at the Beginning	4.75	3.05
Interest Cost	0.38	0.22
Interest Income	(0.11)	(0.06)
Net Interest Cost for the Period	0.27	0.16
v) Expenses recognized in the Statement of Profit or Loss for Current Period		
Current service cost	1.96	1.35
Net Interest Cost	0.27	0.16
Past Service Cost	-	-
Expected Contributions by the Employees	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses recognized in the statement of profit and loss	2.23	1.51
vi) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	0.36	0.99
Return on Plan Assets, Excluding Interest Income	0.07	0.12
Change in Asset Ceiling	-	-
Net Expense For the Period Recognized in OCI	0.43	1.11
vii) Principal Actuarial Assumptions (Expressed as weighted averages)		
Discount Rate	7.29%	5.66%
Salary escalation rate	8.00%	8.00%
Attrition rate	For service 4 years and below: 35%p.a For service 5 years and above: 10% p.a	For service 4 years and below: 35%p.a For service 5 years and above: 10% p.a
Mortality Rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Expected rate of return on Plan Assets	7.29%	5.66%

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Sensitivity Analysis

Particulars	(₹ in Crores)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Projected Benefit Obligation on Current Assumptions	8.90	6.67
Delta Effect of +1% Change in Rate of Discounting	(0.70)	(0.58)
Delta Effect of -1% Change in Rate of Discounting	0.77	0.69
Delta Effect of +1% Change in Rate of Salary Increase	0.81	0.66
Delta Effect of -1% Change in Rate of Salary Increase	(0.72)	(0.58)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.12)	(0.19)
Delta Effect of -1% Change in Rate of Employee Turnover	0.12	0.21

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes

Gratuity is payable as per company's scheme as detailed in the report.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

33.2 Leave Encashment

Particulars	(₹ in Crores)	
	FY 2022-23	FY 2021-22
Projected Benefit obligation	5.89	3.71
Expense recognized in the Statement of P&L	6.10	3.94
Discount rate	7.29%	5.66%
Salary Escalation rate	8.00%	8.00%
Attrition rate	For service 4 years and below: 35%p.a For service 5 years and above: 10% p.a	For service 4 years and below: 35%p.a For service 5 years and above: 10% p.a
Mortality rate During the Employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

33.3 Defined Contribution Plans:

The Company has recognized the following amounts as an expense and included in the Employee Benefit Expenses.

Particulars	(₹ in Crores)	
	FY 2022-23	FY 2021-22
Contribution to Provident fund	22.60	14.31
Contribution to ESIC	5.75	3.93
Contribution to Labour Welfare Fund	0.06	0.04
Total	28.41	18.28

NOTE 35. INCOME TAXES

Amounts recognized in profit or loss

Particulars	(₹ in Crores)	
	Year ended March 31 2023	Year ended March 31 2022
Current tax expense		
Current year	13.77	36.77
Changes in estimates related to prior years	(1.63)	(0.19)
Deferred tax expense		
Origination and reversal of temporary differences	18.19	(28.23)

Amounts recognized in OCI

Particulars	(₹ in Crores)					
	Year Ended March 31,2023			Year Ended March 31,2022		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	(0.42)	0.11	(0.32)	(1.11)	0.28	(0.83)

Reconciliation of Effective Tax Rate:

Particulars	(₹ in Crores)					
	Year Ended March 31,2023 (Rate)	Year Ended March 31,2023 (Amount)	Year Ended March 31,2023	Year Ended March 31,2022 (Rate)	Year Ended March 31,2022 (Amount)	Year Ended March 31,2022
Profit before tax			158.51			58.96
Tax using the Bank's domestic tax rate	25.17%		39.89	25.17%		14.84
Tax effect of:						
Non-deductible		2.40	0.61		1.63	0.41
Tax-exempt income		-	-		-	-
Changes in the Estimates Taxes to previous year		-	(1.63)		-	(0.19)
Interest for deferment of advance tax		-	-		0.11	0.02
Deductible Income		(35.71)	(8.99)		(27.07)	(6.81)
Changes in the Deferred Tax Assets/ Liabilities		1.80	0.45		0.30	0.08
Total income tax expense			30.33			8.35

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 36. CAPITAL, OTHER COMMITMENTS AND CONTINGENT LIABILITIES AT BALANCE SHEET DATE:

Particulars	(₹ in Crores)	
	Year ended March 31 2023	Year ended March 31 2022
Contingent Liabilities and Commitments(to the extent not provided for)		
Claims against the Company not acknowledged as debt*		0.00
Guarantee excluding finance guarantee	-	-
Other money for which a company is contingently liable	-	-
Total	-	0.00
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Other Commitments		-
Total	-	-

*Income Tax Demand

36.1 The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

36.2 As per the information available with us, the Company is not having any relationship with struck off Companies during the year.

36.3 During the year, the Company has not entered into any merger/amalgamations. Accordingly, Compliance with approved mergers is not applicable for the Company.

36.4 The Company does not have any undisclosed income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

36.5 During the year, the Company has not invested / traded in crypto currency or in virtual currency.

NOTE 37. EARNINGS PER SHARE:

Basic and Diluted Earnings Per Share ["EPS"] computed in accordance with Indian Accounting Standard - 33 "Earnings per share".

Particulars	(₹ in Crores)	
	Year ended March 31 2023	Year ended March 31 2022
Face value of equity shares in ₹ fully paid up	593.64	498.22
BASIC		
Profit after tax as per Statement of Profit and Loss (Total operations) A	128.18	50.60
Profit after tax (after minority)as per Statement of Profit and Loss from Continuing Operations B	128.18	50.60
Weighted Average Number of Equity Shares Outstanding C	51,18,17,250	41,37,40,803
Basic EPS (In ₹) (i) Total operations A/C	2.50	1.22
(ii) Continuing operations B/C	2.50	1.22
DILUTED		
Weighted Average Number of Equity Shares for computation of basic EPS	51,18,17,250	41,37,40,803
Add: Potential Equity Shares on Account conversion of Employees Stock Options.	-	-
Weighted Average Number of Equity shares for computation of diluted EPS D	51,18,17,250	41,37,40,803
Diluted EPS (In ₹) (i) Total operations A/D	2.50	1.22
(ii) Continuing operations B/D	2.50	1.22

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 38. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD – 24 “RELATED PARTY DISCLOSURE” FOR THE YEAR ENDED MARCH 31, 2023

(a) Name of the related parties with whom transactions have been entered during the year and description of relationship:

Nature of Relationship	Name of the Related Party
Holding Company	IIFL Finance Limited
Group company	IIFL Home Finance Limited
Others	IIFL Management Services Limited
	IIFL Investment Adviser And Trustee Services Limited
	IIFL Facilities Services Limited
	IIFL Wealth Management Limited
	IIFL Alternate Asset Advisors Limited
	IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)
	Key Management Personnel
Non Executive Director	Mr. Monu Ratra, Non Executive Director upto 07/09/22
Independent Directors	Mr. A. Vikraman, Independent Director
	Mr. A. Ramanathan, Independent Director
	Ms. Malini B Eden, Women Director
	Mr. Badrinarayan Seshadri, Independent Director

(b) Disclosure of Transactions and Outstanding Balances with Related Parties

Nature of Transaction	₹ in Crores	
	FY 2022-23	FY 2021-22
Service Fee on Business Correspondence- Income	-	-
IIFL Finance Limited	56.72	7.21
Interest Expense	-	-
IIFL Finance Limited	1.03	7.45
IIFL Home Finance Limited	9.94	-
IIFL Facilities Services Limited	-	0.00
IIFL Wealth Management Limited	0.37	-
IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)	0.56	1.97
	-	-
Dividend Paid	-	-
IIFL Finance Limited	3.71	-
IIFL Home Finance Limited	1.25	-
Narayanaswamy Venkatesh	0.01	-
Shivaprakash Deviah	0.00	-
Venkatakrishtnama Appanaidu Narayanaswamy	0.01	-
Anitha Shivaprakash	0.00	-
	-	-
Arranger Fee Expenses	-	-
IIFL Management Services Limited	0.50	-
IIFL Wealth Management Limited	-	0.68
	-	-
Brokerage Expense/Other Expense	-	-
IIFL Wealth Management Limited	0.09	-
	-	-
Reimbursement of Expenses	-	-
IIFL Finance Limited	0.03	0.66
Loans and Advances Received	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Nature of Transaction	(₹ in Crores)	
	FY 2022-23	FY 2021-22
Inter Corporate Deposit Received from IIFL Finance Limited	100.00	550.00
Inter Corporate Deposit Repaid to IIFL Finance Limited	100.00	550.00
Inter Corporate Deposit Received from IIFL Home Finance Limited	775.00	-
Inter Corporate Deposit Repaid to IIFL Home Finance Limited	775.00	-
	-	-
Share Capital and Securities Premium	-	-
Equity Share Capital Received	-	-
IIFL Finance Limited	95.42	133.06
IIFL Home Finance Limited	-	44.35
Securities Premium	-	-
IIFL Finance Limited	104.58	91.94
IIFL Home Finance Limited	-	30.65
Remuneration to Key Managerial Personnel	-	-
Sitting Fees paid	0.00	0.10
Short term Employee benefit	4.07	2.78
Outstanding Balance as on March 31 ,2023	-	-
Sundry Receivable - IIFL Finance Limited (after TDS deduction)	7.18	2.50
Market Linked Debentures	-	-
IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)	7.60	26.70
IIFL Wealth Management Limited	15.36	-
ICD / Loan Portfolio outstanding (Payable) / Receivable	-	-
IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)	-	1.97

Disclosures of Transactions Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015:

Name of the Entity	(₹ in Crores)	
	As at March 31, 2023	
	Outstanding Amount	Maximum Amount outstanding during the year
IIFL Finance Limited	-	100.00
IIFL Home Finance Limited	-	350.00

Name of the Entity	(₹ in Crores)	
	As at March 31, 2022	
	Outstanding Amount	Maximum Amount outstanding during the year
IIFL Finance Limited	-	350.00

NOTE 39. MATURITY ANALYSIS OF ASSETS AND LIABILITIES AS AT MARCH 31,2023

Particulars	(₹ in Crores)		
	March 31, 2023	Current	Non Current
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	227.11	226.82	0.29
(b) Bank Balance other than (a) above	382.39	201.74	180.65
(c) Derivative financial instruments	9.22	9.22	-
(d) Receivables			
Trade Receivables	17.98	17.98	-
(e) Loans	7,736.08	4,439.50	3,296.58
(f) Investments	160.42	-	160.42
(g) Other Financial assets	289.48	272.10	17.38

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	March 31, 2023	(₹ in Crores)	
		Current	Non Current
2 Non-financial Assets			
(a) Other non-financial assets	5.70	5.66	0.04
(b) Current tax assets (Net)	2.12	2.12	-
(c) Deferred tax Assets (Net)	45.04	-	45.04
(d) Investment Property	0.05	-	0.05
(e) Property, Plant and Equipment	20.36	-	20.36
(f) Right to Use	8.15	-	8.15
(g) Capital work-in-progress	-	-	-
(h) Other Intangible assets	-	-	-
Total Assets	8,904.10	5,175.14	3,728.96
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments	9.22	9.22	-
(b) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20.38	20.38	-
(c) Debt Securities	477.00	318.01	158.99
(d) Borrowings (Other than Debt Securities)	6,328.70	3,769.17	2,559.53
(e) Unsecured/ Subordinated Liabilities	464.60	91.00	373.60
(f) Lease Liability	9.21	1.90	7.31
(g) Other financial liabilities	232.80	232.80	-
2 Non-Financial Liabilities			
(a) Current tax liabilities (Net)	0.18	0.18	-
(b) Provisions	13.29	10.20	3.09
(c) Other non-financial liabilities	26.57	26.57	-
3 Equity			
(a) Equity Share capital	593.64	-	593.64
(b) Other Equity	728.51	-	728.51
Total Liabilities and Equity	8,904.10	4,479.44	4,424.66

Maturity Analysis of assets and liabilities as at March 31,2022

Particulars	March 31, 2022	(₹ in Crores)	
		Current	Non Current
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	455.08	455.08	-
(b) Bank Balance other than (a) above	255.56	123.65	131.91
(c) Derivative financial instruments	9.87	-	9.87
(d) Receivables			
Trade Receivables	8.48	8.48	-
(e) Loans	5,518.63	3,512.96	2,005.67
(f) Investments	0.05	-	0.05
(g) Other Financial assets	51.96	14.77	37.20

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	March 31, 2022	Current	(₹ in Crores)
			Non Current
2 Non-financial Assets			
(a) Other non-financial assets	14.11	13.64	0.47
(b) Current tax assets (Net)	1.64	1.64	-
(c) Deferred tax Assets (Net)	63.12	-	63.12
(d) Investment Property	0.05	-	0.05
(e) Property, Plant and Equipment	9.12	-	9.12
(f) Right to Use	6.75	-	6.75
(g) Capital work-in-progress	-	-	-
(h) Other Intangible assets	0.01	-	0.01
Total Assets	6,394.43	4,130.22	2,264.72
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments	9.87	-	9.87
(b) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	8.06	8.06	-
(c) Debt Securities	514.81	169.74	345.07
(d) Borrowings (Other than Debt Securities)	4,603.36	2,535.13	2,068.23
(e) Unsecured/ Subordinated Liabilities	140.72	4.65	136.07
(f) Lease Liability	7.42	1.14	6.28
(g) Other financial liabilities	91.36	91.35	-
2 Non-Financial Liabilities			
(a) Current tax liabilities (Net)	5.51	5.51	-
(b) Provisions	8.46	6.52	1.94
(c) Other non-financial liabilities	5.58	5.58	-
3 Equity			
(a) Equity Share capital	498.22	-	498.22
(b) Other Equity	501.06	-	501.06
Total Liabilities and Equity	6,394.43	2,827.68	3,566.74

NOTE 40. FINANCIAL RISK MANAGEMENT

a) Credit Risk

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

Trade Receivables and Other financial assets

Credit risk with respect to trade receivables and other financial assets are extremely low. Trade receivables are primarily from other services provided, historically company has not suffered any defaults. Based on the credit assessment the historical trend of low default is expected to continue. No provision for expected credit loss has been Trade Receivables and Other financial assets.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Loans

The following table sets out information about credit quality of loan assets measured at amortized cost based on Number of Days past due information. The amount represents gross carrying amount.

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Gross Carrying value of loan Assets		
Stage-1 (Less than 30 Days)	7,593.73	5,230.65
Stage-2 (30-90 Days)	235.46	364.62
Stage-3 (More than 90 Days)	169.35	177.45
Total Gross Carrying value on Reporting Date	7,998.54	5,772.72

Credit Quality

Financial services business has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loans assets under Expected Credit Loss (ECL) Model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

The Company categorizes loan assets into stages based on the Days Past Due status:

- i) Stage 1: 30 Days Past Due
- ii) 31-90 Days Past Due
- iii) More than 90 Days Past Due

Exposure at default (EAD) is the maximum exposure as on the date of provision which includes both principal outstanding and interest. Interest is the total of interest outstanding and interest Accrued but not due.

Loss given default (LGD) estimates the normalized loss which company incurs post customer default. It is computed through recovery observed in delinquent accounts over a period of time. It is always expressed as % of outstanding amount and not in count. LGD is common for all three stages and is based on loss in past portfolio.

Effective Interest rate (EIR) is the rate that discounts estimated future cash flows through the expected life of financial instrument.

Estimation Technique

Probability of default (PD) is the likelihood that customer will default on loan in time horizon. It is computed on count basis. The reason is customer defaulting on loan is captured by its count and there is no relationship with his outstanding dues.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the financial services business considers both quantitative and qualitative information and analysis based on the business historical experience, including forward-looking information. The financial services business considers reasonable and supportable information that is relevant and available without undue cost and effort.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

The financial services business uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the financial services business considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

Impairment loss

The expected credit loss allowance provision is determined as follows:

(₹ in Crores)				
Particulars	Stage 1	Stage 2	Stage 3	Total
Gross Balance as at 31-03-2023	7,593.73	235.46	169.35	7,998.53
Expected Credit Loss	141.57	10.61	105.04	257.22
Expected Credit Loss Rate	1.86%	4.51%	62.03%	3.22%
Net of Impairment Provision	7,452.16	224.85	64.31	7,741.31

(₹ in Crores)				
Particulars	Stage 1	Stage 2	Stage 3	Total
Gross Balance as at 31-03-2022	5,230.65	364.62	177.45	5,772.72
Expected Credit Loss	108.86	15.81	130.13	254.80
Expected Credit Loss Rate	2.08%	4.34%	73.33%	4.41%
Net of Impairment Provision	5,121.79	348.81	47.32	5,517.92

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
	(₹ in Crores)							
Opening ECL 01-04-2022	108.19	0.68	15.28	0.55	130.13	-	253.59	1.23
Incremental loans disbursed in FY 2022-23	124.58	1.74	6.46	0.57	47.95	-	178.99	2.30
Loans closed/written off during the year	(43.66)	(0.27)	(13.79)	(0.49)	(113.26)	-	(170.71)	(0.76)
Stage same in both years- change in provisioning	(44.39)	(0.14)	(0.29)	(0.00)	(1.93)	-	(46.61)	(0.14)
Movement of stages due to asset reclassification	(5.15)	(0.02)	2.12	0.22	42.17	-	39.14	0.20
Closing ECL 31-03-2023	139.58	1.99	9.78	0.85	105.04	-	254.41	2.84

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
	(₹ in Crores)							
Opening ECL 01-04-2021	73.53	0.54	6.29	0.31	74.78	-	154.60	0.84
Incremental loans disbursed in FY 2021-22	87.70	0.52	7.64	0.32	72.78	-	168.11	0.84
Loans closed/written off during the year	(30.81)	(0.21)	(3.15)	(0.18)	(59.35)	-	(93.31)	(0.39)
Stage same in both years- change in provisioning	(17.56)	(0.14)	(0.04)	(0.00)	(4.31)	-	(21.91)	(0.14)
Movement of stages due to asset reclassification	(4.67)	(0.03)	4.54	0.10	46.23	-	46.09	0.06
Closing ECL 31-03-2022	108.19	0.68	15.28	0.55	130.13	-	253.58	1.21

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

The following tables show reconciliations from the opening to the closing balance of the exposure at default (EAD) (Principal & Interest) by class of financial instrument.

Reconciliation of Exposure at default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
	₹ in Crores)						
Opening EAD 01-04-2022	5,230.66	35.63	364.63	13.14	177.44	-	5,772.73
Incremental loans disbursed in FY 2022-23	6,777.93	46.18	155.45	7.62	77.30		7,010.68
Loans closed/written off during the year	(2,111.78)	(14.26)	(329.11)	(12.09)	(154.45)		(2,595.34)
Stage same in both years- change in provisioning	(2,054.96)	(13.72)	(6.77)	(0.30)	(0.72)		(2,062.45)
Movement of stages due to asset reclassification	(248.11)	(0.95)	51.26	2.74	69.79		(127.07)
Closing EAD 31-03-2023	7,593.74	52.88	235.46	11.11	169.35	-	7,998.54

Reconciliation of Exposure at default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
	₹ in Crores)						
Opening EAD 01-04-2021	3,885.06	27.38	156.94	7.50	74.78	-	4,116.78
Incremental loans disbursed in FY 2021-22	4,238.67	27.74	182.33	7.78	99.24		4,520.24
Loans closed/written off during the year	(1,626.04)	(10.97)	(78.57)	(4.42)	(59.35)		(1,763.96)
Stage same in both years- change in provisioning	(1,014.31)	(6.86)	(1.48)	(0.12)	(0.87)		(1,016.67)
Movement of stages due to asset reclassification	(252.72)	(1.66)	105.41	2.38	63.64		(83.67)
Closing EAD 31-03-2022	5,230.66	35.63	364.63	13.14	177.44	-	5,772.72

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

b) Liquidity risk

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	(₹ in Crores)	
	Year ended March 31 2023	Year ended March 31 2022
Floating rate		
Expiring within one year	334	328
Expiring beyond one year	-	-
Total	334	328

(ii) Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

1. all non-derivative financial liabilities, and
2. net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities - 31-03-2023	(₹ in Crores)				
	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years
Non-derivatives					
Borrowings	1,104.24	1,154.02	1,905.64	2,857.45	175.00
- Term Loans - Banks	665.12	713.68	1,257.14	1,675.92	-
- Term Loans - Others	259.12	292.84	588.50	890.23	-
- Commercial Paper	-	-	-	-	-
- NCD-Secured	175.00	130.00	-	133.80	-
- NCD-Unsecured	5.00	17.50	60.00	157.50	175.00
- Cash Credit/Overdraft	-	-	-	-	-
- Securitisation	-	-	-	-	-
Trade payables	20.32				
Other financial liabilities	214.53	18.27			
Lease Liability	0.46	0.47	0.96	7.31	
Total non-derivative liabilities	1,339.55	1,172.76	1,906.60	2,864.76	175.00
Derivative liabilities					
Embedded Derivative	-	-	9.22		-
Total derivative liabilities	-	-	9.22	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

	(₹ in Crores)				
Contractual maturities of financial liabilities - 31-03-2022	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years
Non-derivatives					
Borrowings	721.56	690.14	1,290.35	2,509.31	-
- Term Loans - Banks	479.90	501.88	938.98	1,555.47	-
- Term Loans - Others	201.16	149.86	261.37	520.04	-
- Commercial Paper	-	25.90	-	-	-
- NCD-Secured	32.50	12.50	90.00	333.80	-
- NCD-Unsecured	5.00	-	-	100.00	-
- Cash Credit/Overdraft	2.99	-	-	-	-
- Secutization	-	-	-	-	-
Trade payables	8.36	-	(0.30)	-	-
Other financial liabilities	88.19	3.17	-	-	-
Lease Liability	0.28	0.28	0.57	5.20	1.08
Total non-derivative liabilities	818.38	693.59	1,290.62	2,514.51	1.08
Derivative liabilities					
Embedded Derivative	-	-	-	9.87	-
Total derivative liabilities	-	-	-	9.87	-

NOTE 40. FINANCIAL RISK MANAGEMENT

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

c) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	(₹ in Crores)	
Particulars	March 31, 2023	March 31, 2022
Variable rate borrowings	4,852.98	3,170.94
Fixed Rate of Borrowings	2,343.37	2,040.42
Total	7,196.35	5,211.36

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	March 31, 2023			March 31, 2022		
	Weighted Average Interest Rate	Balance	% of total loans	Weighted Average Interest Rate	Balance	% of total loans
Bank Loans	10.38%	4,852.98	67.44%	9.52%	3,170.94	60.85%

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

Particulars	Impact on profit after tax		Impact on other components of equity	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Interest rates – increase by 30 basis points	(11.77)	(8.17)	Nil	Nil
Interest rates – decrease by 30 basis points	11.77	8.17	Nil	Nil

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

d) Price Risk Exposure

The Company's exposure to assets having price risk is as under

Particulars	(₹ in Crores)	
	Equity Shares (Other than Subsidiary)	Mutual Funds
Market Value as on March 31, 2023	0.05	-
Market Value as on March 31, 2022	0.05	-

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity

The table below summarizes the impact of increases/decreases of the index on the Company's equity and profit for the period. The analysis is based on the assumption that the equity index had increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	(₹ in Crores)			
	Impact on profit after tax		Impact on other components of equity	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Increase by 5%	0.00	0.00	Nil	Nil
Decrease by 5%	(0.00)	(0.00)	Nil	Nil

e) Foreign Currency Risk Exposure

The Company is not exposed to foreign currency fluctuation risk for its External Commercial Borrowings (ECB).

NOTE 41. CORPORATE SOCIAL RESPONSIBILITY

During the year, the Company incurred an aggregate amount of ₹ 2.29 Crore (P.Y. ₹ 1.43 Crore) towards corporate social responsibility in compliance of Section 135 of Companies Act 2013 read with relevant schedule and rules made thereunder. The details of CSR Spend are given below:

Particulars	(₹ in Crores)	
	Year ended March 31 2023	Year ended March 31 2022
(a) Gross amount required to be spent by the Company during the Year	1.88	1.97
(b) Excess/(Shortfall) amount spent in previous financial year carried forward	(1.27)	(0.73)
(c) Net amount required to be spent during the year (a-b)	3.14	2.70
(d) Amount spent during the year**		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	2.29	1.43
(e) Excess/(Shortfall) at the end of the year (d-c)	(0.85)	(1.27)
(f) Total of previous year shortfall		
(g) Reason for shortfall	This unspent amount will be utilized for the ongoing project in the FY 2023-24	
(h) Nature of CSR activities,	All the CSR activities of IIFL Samasta Finance are aligned towards improving the quality of life of the community. However, Our CSR activities focuses on Livestock Development, Women empowerment, education, health and skill development .	
(i) Details of related party transactions	-	-
(j) Provision made during the year	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Details of Ongoing Project

(₹ in Crores)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
Within Company	In Separate CSR Unspent a/c		From Company's Bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent a/c
-	1.27	1.88	1.03	1.27	-	0.85

Details of Unspent amount

(₹ in Crores)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
1.27	1.27	1.88	2.29	0.85

NOTE 42. ADDITIONAL INFORMATION

a) Asset Classification & Provisioning:

As per MCA press release no 11/10/2009 CL - V dated January 18, 2016, the Company adopted Ind AS notified under Sec 133 of CA 2013, from April 01, 2018. Pursuant to which the Company has made provision for loss as per ECL under Ind As 109, Financial Instruments. Consequently the provision for loss is not on the basis of the Prudential Norms of the Reserve Bank of India.

b) Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CGM (PK)-2008 dated August 01, 2008

i) Capital to risk Assets ratio (CRAR) (computed as per the method prescribed by RBI)

Particulars	(₹ in Crores)	
	As on March 31, 2023	As on March 31, 2022
	₹	₹
Tier I Capital	1,097.86	869.18
Tier II Capital	296.73	108.55
Total Capital Funds	1,394.59	977.73
Total Risk Weighted Assets	8,138.62	5,484.09
CRAR - Tier I Capital (%)	13.49%	15.85%
CRAR - Tier II Capital (%)	3.65%	1.98%
CRAR (%)	17.14%	17.83%

ii) Exposure to Real Estate Sector (Direct & Indirect Exposure) – Nil (PY: Nil)

iii) Amount of Subordinated Debt raised as Tier II Capital – ₹175 Crore (PY: Nil)

iv) Exposure to Capital Markets – Nil

v) Ratings assigned during the year	(₹ in Crores)	
	As on March 31, 2023	As on March 31, 2022
a) MFI Grading	CRISIL M1C1	CRISIL M1C1
b) Bank loan rating	CRISIL AA-/Stable	CRISIL AA-/Stable
c) NCD rating-	CRISIL AA-/Stable	CRISIL AA-/Stable
d) MLD rating	CRISIL PP- MLD AA-/Stable	CRISIL PP- MLD AA-r/Stable
e) CP rating-	CRISIL A1+	CRISIL A1+

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

vi) Maturity Pattern of Assets and Liabilities

Maturity pattern of certain items of assets and liabilities as on March 31, 2023 (Amount in ₹)

Particulars	Liabilities					Assets			
	Borrowings from Banks	Borrowings from NBFC/FI	NCD-Secured / Commercial Paper	NCD-Unsecured	Cash Credit/ Overdraft	Advances (Loan portfolio outstanding)	FD with Banks (Free of Lien)	Investments	
Up to one month	167.87	39.48	115.00	-	-	333.39	-	-	
Over one month to 2 months	205.39	72.45	-	5.00	-	386.32	12.19	-	
Over 2 months up to 3 months	291.87	147.18	60.00	-	-	373.47	-	-	
Over 3 months up to 6 months	713.68	292.84	130.00	17.50	-	1,137.63	0.00	-	
Over 6 months to 1 year	1,257.14	588.50	-	60.00	-	2,182.91	-	-	
Over 1 year to 3 years	1,675.92	872.23	133.80	157.50	-	3,576.26	-	-	
Over 3 years to 5 years	-	18.00	-	-	-	7.72	-	-	
Over 5 years	-	-	-	175.00	-	0.84	-	-	
	4,311.87	2,030.68	438.80	415.00	-	7,998.54	12.20	-	

(₹ in Crores)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

c) Disclosure as required under DNBS (PD) CC. No. 300/03.10.038/2012-13 dated August 03, 2012

The cap on margins (as defined by Malegam Committee) and in compliance with RBI circular RBI/2012-13/161 DNBS (PD) CC.No.300 /03.10.038/2012-13 August 03, 2012 is 9.39% as at March 31, 2023 (9.39% as at March 31, 2022)

d) Details of average interest paid on borrowings and charged on loans given to JLGs :

Particulars	(₹ in Crores)	
	FY 2022-23	FY 2021-22
	Rate of Interest in % for microfinance loan	Rate of Interest in % for microfinance loan
Average Rate of Interest on Borrowings	11.85%	10.71%
Average Rate of Interest on Loans given	21.00%	19.47%
Net Interest Margin	9.15%	8.75%

NOTE 43. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION DNBS.193DG (VL) 2007 DATED FEBRUARY 22, 2007:

Sl No.	Particulars	(₹ in Crores)			
		As at March 31, 2023		As at March 31, 2022	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
		(₹)	(₹)	(₹)	(₹)
LIABILITIES					
1	Loan and Advances availed by the NBFC inclusive of Interest Accrued thereon but not paid:				
A	Debentures	-	-	-	-
	- Secured	477.93	-	492.18	-
	- Unsecured	481.20	-	145.76	-
	(Other than falling the meaning of Public Deposits)	-	-	-	-
B	Deferred Credits	-	-	-	-
C	Term Loan	6,360.45	-	4,625.06	-
D	Inter-corporate Loans & Borrowings	-	-	-	-
E	Commercial Paper	-	-	-	-
F	Public Deposits	-	-	-	-
G	Other Loans – Vehicle Loan	-	-	-	-
	Other Loans – Non Convertible Debentures	-	-	-	-

	Particulars	(₹ in Crores)	
		Amount Outstanding	Amount Outstanding
		March 31, 2023	March 31, 2022
2	Break-up of (1) (f) above (Outstanding public deposits inclusive of interest Accrued thereon but not paid)		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other Public Deposit	-	-
Assets			
3	Break-up of Loans & Advances including Bills Receivables [Other than those included in (4) below]		
	(a) Secured	37.24	65.67
	(b) Unsecured	7,956.06	5,707.76

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Crores)

Particulars	Amount Outstanding	Amount Outstanding
	March 31, 2023	March 31, 2022
4 Breakup of Leased and Stock on Hire and other Assets counting towards AFC activities		
(i) Lease assets including Lease rentals under sundry debtors:		
(a) Finance Lease	-	-
(b) Operating Lease	-	-
(ii) Stock on Hire including Hire Charges under sundry debtors:		
(a) Assets on Hire	-	-
(b) Repossessed Assets	-	-
(iii) Other Loans counting towards AFC Activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
5 Break-up of Investments Current Investments		
I Quoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
II Unquoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
Long term Investments		
I Quoted:		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	9.22	9.87
II Unquoted:		
(i) Shares: (a) Equity	0.05	0.05
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	160.37	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

6. Borrower Group wise classification of Assets Financed as in (3) and (4) above

SI No.	Particulars	(₹ in Crores)		
		As at March 31, 2023		
		Amount in (₹) (Gross of Provisions)		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other Related Parties	-	-	-
2	Other than related parties	37	7,961	7,999
	Total	37	7,961	7,999

SI No.	Particulars	(₹ in Crores)		
		As at March 31, 2022		
		Amount in (₹) (Gross of Provisions)		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other Related Parties	-	-	-
2	Other than related parties	66	5,707	5,773
	Total	66	5,707	5,773

7. Investor Group-wise classification of all investments (Current and Long Term) in Share and Securities (both Quoted and Unquoted):

SI No.	Category	(₹ in Crores)	
		Market Value / Breakup value or Fair Value or Net Assets Value	Book Value (₹)
1	Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other Related Parties	-	-
2	Other than related parties	170	170
	Total	170	170

8. Other Information

Particulars	(₹ in Crores)	
	As on March 31, 2023	As on March 31, 2022
	Amount	Amount
(i) Gross Non - Performing Assets		
(a) Related Parties	-	-
(b) Other than Related Parties	105	130
(ii) Net Non - Performing Assets		
(a) Related Parties	-	-
(b) Other than Related Parties	-	-
(iii) Assets acquired in Satisfaction of Debt	-	-

NOTE 44. THE COMPANY HAS NOT DISBURSED ANY LOAN AGAINST SECURITY OF GOLD.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 45. SECURITIZATION / ASSIGNMENT OF LOANS

During the year the Company has sold loans through direct Securitization / assignments. The information on direct assignment activity of the Company as an Originator / Assignor is as shown below:

Particulars	(₹ in Crores)	
	Year ended March 31 2023 (₹.)	Year ended March 31 2022 (₹.)
Total number of loans securitized / assigned		
a. Through Direct assignment	0.08	0.02
b. Through Pass through Certificates	-	-
Total	0.08	0.02
Total book value of loans securitized / assigned		
a. Through Direct assignment	2,580.76	555.56
b. Through Pass through Certificates	-	-
Total	2,580.76	555.56
Sale consideration received for loans securitized / assigned		
a. Through Direct assignment	2,307.48	500.00
b. Through Pass through Certificates	-	-
Total	2,307.48	500.00
MFI Loans Subordinated as Credit Enhancement on Assets Derecognized		
a. Through Direct assignment	-	-
b. Through Pass through Certificates	-	-
Total		
Income recognized in the statement of profit and loss		
a. Through Direct assignment	145.18	61.67
b. Through Pass through Certificates	-	-
Total	145.18	61.67
Income deferred on securitized transactions		
a. Through Direct assignment	93.20	(6.74)
b. Through Pass through Certificates	-	-
Total	93.20	(6.74)
Balance of loans assigned / securitized as at the balance sheet date		
a. Through Direct assignment	1,804.11	497.24
b. Through Pass through Certificates	-	-
Total	1,804.11	497.24
Cash collateral provided and outstanding as at the balance sheet date		
a. Through Direct assignment	-	-
b. Through Pass through Certificates	-	-
Total	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Disclosure to be made under Securitization guidelines issued by Reserve Bank of India vide policy no. DNBS. PD. No. 301/3.10.01/2012-13 dated August 21, 2012.

(₹ in Crores)			
SI No.	Particulars	As on 31.03.2023	As on 31.03.2022
		(₹)	(₹)
1	No. of SPVs sponsored by the NBFC for Securitization transactions		
	a. Through Direct assignment	10.00	2.00
	b. Through Pass through Certificates	-	-
	Total	10.00	2.00
2	Total amount of securitized assets as per the books of the SPVs sponsored by the Company		
	a. Through Direct assignment	2,580.76	555.56
	b. Through Pass through Certificates	-	-
	Total	2,580.76	555.56
3	Total amount of exposures retained by the Company to comply with MRR as on the date of balance sheet	-	-
	i) Off-Balance Sheet exposures		
	a) First Loss	-	-
	b) Others	-	-
	ii) On-Balance Sheet exposures		
	a) First Loss (in the form of Fixed Deposit)	-	-
	b) Others	-	-
4	Amount of exposures to securitization transactions other than MRR		

(₹ in Crores)			
SI No.	Particulars	As on 31.03.2023	As on 31.03.2022
		(₹)	(₹)
	i) Off-Balance Sheet exposures		
	a) Exposure to own securitization		
	First Loss	-	-
	Others	-	-
	b) Exposure to third party securitization transaction		
	First Loss	-	-
	Others	-	-
	ii) On-Balance Sheet exposures		
	a) Exposure to own securitization		
	First Loss	-	-
	Others	-	-
	b) Exposure to third party securitization transaction		
	First Loss	-	-
	Others	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 46. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION DOR (NBFC).CC.PD.NO.109/22.10.106/2019-20 DATED MARCH 13, 2020:

Asset Classification as per RBI Norms for the year ended March 31, 2023

MFI loan book

Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	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	
						5	6
	2	3	4	5	6	7 = 4-6	
Performing Assets							
Standard	Stage 1	7,064.16	131.61	6,932.55	104.18	27.43	
	Stage 2	221.03	10.05	210.97	3.26	6.79	
Subtotal		7,285.19	141.66	7,143.52	107.44	34.22	
Non Performing Assets (NPA)							
Substandard	Stage 3	167.06	103.94	63.12	2.46	101.48	
Doubtful- upto 1 Year	Stage 3	-	-	-	-	-	
1 to 3 Years	Stage 3	-	-	-	-	-	
More than 3 Years	Stage 3	-	-	-	-	-	
Subtotal for Doubtful		167.06	103.94	63.12	2.46	101.48	
Loss	Stage 3	-	-	-	-	-	
Subtotal for NPA							
Other items such as guarantees, Loan Commitments etc. Which are in the scope of IND AS 109 but not covered under current income recognition, Asset Classification, Provisioning (IRACP) norms	Stage 1	-	-	-	-	-	
	Stage 2	-	-	-	-	-	
	Stage 3	-	-	-	-	-	
Subtotal		-	-	-	-	-	
Total	Stage 1	7,064.16	131.61	6,932.55	104.18	27.43	
	Stage 2	221.03	10.05	210.97	3.26	6.79	
	Stage 3	167.06	103.94	63.12	2.46	101.48	
Total	Total	7,452.25	245.60	7,206.64	109.90	135.70	

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Non - MFI loan book

Asset Classification as per RBI Norms		(₹ in Crores)					
1	2	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	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
			3.00	4.00	5.00	6.00	7 = 4-6
Performing Assets Standard	Stage 1	9.96	529.56	9.96	519.61	7.81	2.15
	Stage 2	0.56	14.43	0.56	13.87	0.21	0.35
Subtotal		10.52	543.99	10.52	533.48	8.02	2.50
Non Performing Assets (NPA)							
Substandard	Stage 3	1.10	2.29	1.10	1.19	0.03	1.07
Doubtful- upto 1 Year	Stage 3	-	-	-	-	-	-
1 to 3 Years	Stage 3	-	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-	-
Subtotal for Doubtful		1.10	2.29	1.10	1.19	0.03	1.07
Loss	Stage 3	-	-	-	-	-	-
Subtotal for NPA							
Other Items such as guarantees, Loan Commitments etc. Which are in the scope of IND AS 109 but not covered under current income recognition, Asset Classification, Provisioning (IRACP) norms	Stage 1	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-
	Stage 3	-	-	-	-	-	-
Subtotal		-	-	-	-	-	-
Total							
	Stage 1	9.96	529.56	9.96	519.61	7.81	2.15
	Stage 2	0.56	14.43	0.56	13.87	0.21	0.35
	Stage 3	1.10	2.29	1.10	1.19	0.03	1.07
Total		11.62	546.28	11.62	534.67	8.05	3.57

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Asset Classification as per RBI Norms for the year ended March 31, 2022
MFI loan Book

Asset Classification as per RBI Norms		Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	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						4.00	5.00
Performing Assets								
Standard	Stage 1	4,868.61	102.72	4,765.89	106.03		(3.31)	
	Stage 2	343.18	14.96	328.22	7.47		7.48	
Subtotal		5,211.79	117.68	5,094.11	113.50		4.17	
Non Performing Assets (NPA)								
Substandard	Stage 3	132.76	97.55	35.21	2.89		94.66	
Doubtful- upto 1 Year	Stage 3	28.31	20.80	7.51	0.62		20.18	
1 to 3 Years	Stage 3	0.79	0.58	0.21	0.02		0.56	
More than 3 Years	Stage 3	-	-	-	-		-	
Subtotal for Doubtful		161.86	118.93	42.93	3.53		115.40	
Loss	Stage 3	-	-	-	-		-	
Subtotal for NPA								
Other Items such as guarantees, Loan Commitments etc. Which are in the scope of IND AS 109 but not covered under current income recognition, Asset Classification, Provisioning (IRACP) norms								
Subtotal		-	-	-	-		-	
Total		4,868.61	102.72	4,765.89	106.03		(3.31)	
	Stage 2	343.18	14.96	328.22	7.47		7.48	
	Stage 3	161.86	118.93	42.92	3.53		115.41	
Total	Total	5,373.65	236.61	5,137.03	117.03		119.58	

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NON MFI loan Book

Asset Classification as per RBI Norms		(₹ in Crores)					
1	2	Gross Carrying Amount as per IND AS 109	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	
		3.00	4.00	5.00	6.00	7 = 4-6	
Performing Assets							
Standard	Stage 1	362.04	6.14	355.90	7.88	(1.75)	
	Stage 2	21.45	0.85	20.59	0.47	0.39	
Subtotal		383.49	6.99	376.49	8.35	(1.36)	
Non Performing Assets (NPA)							
Substandard	Stage 3	15.22	10.93	4.29	0.33	10.60	
Doubtful- upto 1 Year	Stage 3	0.37	0.26	0.10	0.01	0.25	
1 to 3 Years	Stage 3	0.01	0.00	0.00	0.00	0.00	
More than 3 Years	Stage 3	-	-	-	-	-	
Subtotal for Doubtful		15.60	11.19	4.39	0.34	10.85	
Loss	Stage 3	-	-	-	-	-	
Subtotal for NPA							
Other Items such as guarantees, Loan Commitments etc. Which are in the scope of IND AS 109 but not covered under current income recognition, Asset Classification, Provisioning (IRACP) norms	Stage 1	-	-	-	-	-	
	Stage 2	-	-	-	-	-	
	Stage 3	-	-	-	-	-	
Subtotal		-	-	-	-	-	
Total	Stage 1	362.04	6.14	355.90	7.88	(1.75)	
	Stage 2	21.45	0.85	20.59	0.47	0.39	
	Stage 3	15.59	11.19	4.40	0.34	10.85	
	Total	399.08	18.18	380.89	8.69	9.49	

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 47. DISCLOSURES IN TERMS OF RBI/2019-20/88 DOR.NBFC (PD) CC. NO.102/03.10.001/2019-20 DATED NOVEMBER 04, 2019:

(i) **Funding concentration based on significant counterparty (both deposits and borrowings):**

As at March 31, 2023

(₹ in Crores)			
Number of Significant Counterparties	Amount	% of Total Deposits	"% of Total Liabilities"
28	5,875	Not Applicable	77.49%

As at March 31, 2022

(₹ in Crores)			
Number of Significant Counterparties	Amount	% of Total Deposits	"% of Total Liabilities"
23	4,383	Not Applicable	81.23%

(ii) **Top 20 large deposits (amount in lakhs and % of total deposits)** - Not applicable

(iii) **Top 10 borrowings**

(₹ in Crores)				
Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount	% of total Borrowings	Amount	% of total Borrowings
Top 10 Borrowings	3,540	49.19%	3,144	60.33%

(iv) **Funding concentration based on significant instrument / product**

(₹ in Crores)				
Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount	% of total Liabilities	Amount	% of total Liabilities
Borrowings (other than debt securities)	6,343	83.65%	4,612	85.48%
Debt securities	439	5.79%	469	9.17%
Subordinated liabilities	415	5.47%	131	1.95%

Notes: A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines

(v) **Stock Ratio**

(₹ in Crores)		
Particulars	March 31, 2023	March 31, 2022
Commercial papers as a % of total liabilities	0.00%	0.48%
Commercial papers as a % of total assets	0.00%	0.41%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%	0.00%
Other short-term liabilities as a % of total liabilities	59.08%	51.93%
Other short-term liabilities as a % of total assets	50.31%	43.82%

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

NOTE 48. HIGH QUALITY LIQUID ASSETS DISCLOSURE PURSUANT TO RBI/2019-20/88 DOR.NBFC (PD) CC. NO.102/03.10.001/2019-20 DATED 04 NOVEMBER 2019

(₹ in Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets				
Cash and bank balances	214.91	214.91	265.16	265.16
Unencumbered fixed deposits	12.19	12.19	115.14	115.14
Total	227.10	227.10	380.30	380.30
Cash Outflows				
Unsecured wholesale funding	-	-	-	-
Secured wholesale funding	-	-	-	-
Additional requirements, of which	-	-	-	-
Outflows related to derivative exposures and other collateral requirements	-	-	-	-
Outflows related to loss of funding of debt products	-	-	-	-
Credit and liquidity facilities	-	-	-	-
Other contractual funding obligations	601.81	692.08	292.85	336.77
Other contingent funding obligations	-	-	-	-
Total	601.81	692.08	292.85	336.77
Cash Inflows				
Secured lending	-	-	-	-
Inflows from fully performing exposures	333.39	250.04	262.26	196.70
Other cash inflows	313.69	235.27	155.74	116.80
Total	647.08	485.31	418.00	313.50

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Liquidity coverage ratio

Particulars	(₹ in Crores)	
	As at March 31, 2023	As at March 31, 2022
Total high quality liquid assets (a)	227.10	380.30
Total net cash outflows (b) (Refer, note below)	206.77	84.19
Liquidity coverage ratio (a)/(b)	109.83%	451.69%

Note Total net cash outflows over the next 30 days = Stressed Outflows - Minimum of (Stressed Inflows; 75% of Stressed Outflows).

Qualitative disclosures

The Reserve Bank of India has prescribed monitoring of sufficiency of NBFC's liquid assets pursuant to RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019. The Liquidity Coverage Ratio (LCR) is aimed at measuring and promoting short-term resilience of NBFCs to potential liquidity disruptions by ensuring maintenance of sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days. Liquidity of the Company is managed by the Asset Liability Management Committee (ALCO) under the supervision of Borrowings committee.

The ratio comprises of high quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by 1.15 times and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by 0.75 times.

The weighted cash outflows are primarily driven by secured and unsecured from banks, financial institutions, non-convertible debentures and securitization/direct assignment transactions. Borrowings contributed 46.58% and 52.20% of the total weighted cash outflows as at 31 March 2023 and 31 March 2022 respectively. The weighted cash inflows are primarily driven by unsecured micro loans and secured loans to MSME and individuals. The Company has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold. The average LCR for the year ended 31 March 2023 was 109.83% which is above the regulatory requirement of 60.00%.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 49. DISCLOSURES IN TERMS OF RBI/2022-23/26 DOR.ACC.REC.NO.20/21.04.018/2022-23 DATED APRIL 19, 2022:

Related Party Disclosure

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
	(₹ in Crores)													
Borrowings														
Balance at Year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Amt Outstanding during the year	100.00	350.00	-	-	-	-	-	-	-	-	350.00	-	450.00	350.00
Market Linked Debentures														
Deposits	-	-	-	-	-	-	-	-	-	-	22.96	26.70	22.96	26.70
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Share Capital	200.00	225.00	-	-	-	-	-	-	-	-	-	75.00	200.00	300.00
Purchase of Fixed/Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed/Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	1.03	7.45	-	-	-	-	-	-	-	-	10.87	1.97	11.91	9.42
Interest Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service Fee on Business	56.72	7.21	-	-	-	-	-	-	-	-	-	-	56.72	7.21
Correspondence- Income	-	-	-	-	-	-	0.02	-	0.01	-	1.25	-	4.98	-
Dividend Paid	3.71	-	-	-	-	-	-	-	-	-	0.50	0.68	0.50	0.68
Arranger Fee Expenses	-	-	-	-	-	-	4.23	2.89	-	-	-	-	-	-
Remuneration to KMP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	0.03	0.66	-	-	-	-	-	-	-	0.09	-	-	0.12	0.66

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 50. DISCLOSURES IN TERMS OF RBI/2022-23/26 DOR.ACC.REC.NO.20/21.04.018/2022-23 DATED APRIL 19, 2022:

Sectoral Exposure

(₹ in Crores)

Sectors	FY 2022-23			FY 2021-22		
	Total Exposure (includes on balance sheet and off balance sheet exposure)	Gross NPA	Percentage of Gross NPA to Total Exposure in that sector	Total Exposure (includes on balance sheet and off balance sheet exposure)	Gross NPA	Percentage of Gross NPA to Total Exposure in that sector
Agriculture & Allied Activities	4,877.33	46.50	0.95%	1,850.66	62.34	1.50%
MSME	3,121.21	122.86	3.94%	3,922.06	115.11	7.17%
Total	7,998.54	169.36	2.12%	5,772.72	177.45	3.07%

NOTE 51. LEASES

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 01, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company did not have contract qualifying as Lease as on April 01, 2019 except short term leases which are exempted from the application of Ind AS 116.

Impact of adoption of Ind AS 116 on the statement of profit and loss

(₹ in Crores)

Particulars	Year ended March 31 2023	Year ended March 31 2022
Interest on lease liabilities	1.05	0.68
Income recognized- Security deposit	0.08	0.06
Depreciation on Right to Use	2.23	1.26
Total cash outflow for leases	2.64	1.60
Lease expense on Low Value Assets / Short term assets	21.69	12.89

Impact of adoption of Ind AS 116 on the Balance Sheet

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Right to Use Asset	8.15	6.75
Lease Liability	9.21	7.42

The Company has discounted lease payments at weighted average borrowing rate which is 10.56%.

Maturity analysis of Lease Liabilities (valued on undiscounted basis)

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Year 1	2.77	1.86
Year 2	2.60	1.81
Year 3	2.36	1.72
Year 4	2.16	1.68
Year 5	1.55	1.58
More than 5 years	0.15	1.14

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 52. EMPLOYEE STOCK OPTION PLAN

- The Company's Employee Stock Option Plan - 2023 ("ESOP Plan") provide for the grant of stock options to eligible employees. The ESOPs are administered through Direct route by the Company. The Company transfers share to the eligible employees upon exercise of the options by such employees.
- The Company had an ESOP scheme called ESOP Plan 2023. The ESOP plan 2023 came into force on March 24, 2023.
- During the FY 2022-23, the Company has introduced a new stock option scheme namely "ESOS 2023" effective from March 24, 2023. The grant price shall be as decided by the Nomination and Remuneration Committee ('N&RC') of the Company. The number of options and terms could vary at the discretion of the N&RC. Till March 31, 2022, the Company has not granted any option under ESOS 2023.
- The total number of Employee Stock Options to be granted, which shall not exceed 5% of the Paid up share Capital of the Company, as expanded from time to time, comprising 2,96,82,152 (Two Crore Ninety Six lakhs Eighty Two Thousand One Hundred and Fifty Two) Options which shall be convertible into equal number of Shares

The Company has provided various equity settled share based payment schemes to its employees. The details are ESOP scheme are as follows.

(₹ in Crores)				
Particulars	Grant	Number of Options	Vesting period	Vesting Conditions
ESOP Scheme 2023	Grant I	84,41,758	3	20%,40% and 40% vests every year subject to continuance of services.

Exercise period for all the above schemes is 3 years from the date of grant of the options.

The details of activity under ESOP Scheme 2023 Plan with an exercise price for the year ended March 31, 2023 have been summarized as below:

Particulars	Grant
Date of Grant	31.03.2023
Date of Board / Committee Approval	24.03.2023
Number of Options Granted	84,41,758
Method of settlement	Equity
Graded Vesting Period	
At the end of 1st year from date of grant (Day following the expiry of 24 months from grant)	01-Apr-24
At the end of 2nd year from date of grant (Day following the expiry of 24 months from grant)	01-Apr-25
At the end of 3rd year from date of grant (Day following the expiry of 36 months from grant)	01-Apr-26
Exercise Price per Share	₹ 20.96
Number of options outstanding at the beginning of the year	NIL

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 53. FAIR VALUE MEASUREMENTS

Particulars	(₹ in Crores)			
	Carrying Value		Fair Value	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Financial assets				
Derivative Financial Instruments	9.22	9.87	9.22	9.87
Investments	160.42	0.05	160.42	0.05
Loans	7,736.08	5,518.63	7,736.08	5,518.63
Accrued interest on Fixed Deposits	4.38	4.57	4.38	4.57
Staff Loans	0.09	0.17	0.09	0.17
Security Deposits	9.67	6.35	9.67	6.35
Interest Strip Asset on Assignment	129.88	36.67	129.88	36.67
Other Receivable	145.46	4.20	145.46	4.20
TDS Receivable	-	-	-	-
Trade Receivables	17.98	8.48	17.98	8.48
Cash and cash equivalents	227.11	455.08	227.11	455.08
Bank Balance	382.39	255.56	382.39	255.56
Total Financial Assets	8,822.68	6,299.63	8,822.68	6,299.63
Financial liabilities				
Derivative Financial Instruments	9.22	9.87	9.22	9.87
Debt Securities	477.00	514.81	477.00	514.81
Borrowings	6,328.70	4,603.36	6,328.70	4,603.36
Subordinated Liabilities	464.60	140.72	464.60	140.72
Lease Liability	9.21	7.42	9.21	7.42
Trade payables	20.38	8.06	20.38	8.06
Other financial liabilities	232.80	91.36	232.80	91.36
Total Financial Liabilities	7,541.91	5,375.60	7,541.91	5,375.60

Fair value hierarchy

Ind AS 113, 'Fair Value Measurement' requires classification of the valuation method of financial instruments measured at fair value in the Statement of Balance sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 113 are described below.

Financial assets and liabilities measured at fair value - recurring fair value measurements -As at March 31, 2023	(₹ in Crores)				
	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Derivative Financial Instruments	-	9.22	-	9.22	9.22
Investments	-	-	-	-	-
(i) Mutual Funds	-	-	-	-	-
(ii) Government Securities	-	-	-	-	-
(iii) Debt Securities	-	-	-	-	-
(iv) Equity	-	-	-	-	-
Total financial assets	-	9.22	-	9.22	9.22
Financial liabilities					
Derivative Financial Instruments	-	9.22	-	9.22	9.22
Total financial liabilities	-	9.22	-	9.22	9.22

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements - As at March 31, 2022	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Derivative Financial Instruments	-	9.87	-	9.87	9.87
Investments	-	-	-	-	-
(i) Mutual Funds	-	-	-	-	-
(ii) Government Securities	-	-	-	-	-
(iii) Debt Securities	-	-	-	-	-
(iv) Equity	-	-	-	-	-
Total financial assets	-	9.87	-	9.87	9.87
Financial liabilities					
Derivative Financial Instruments	-	9.87	-	9.87	9.87
Total financial liabilities	-	9.87	-	9.87	9.87

(₹ in Crores)

Assets and liabilities which are measured at amortized cost for which fair values are disclosed - As at March 31, 2023	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Cash and cash equivalents	-	-	-	-	227.11
Bank Balance other than included above	-	-	-	-	382.39
Receivables					-
(i) Trade Receivables	-	-	17.98	17.98	17.98
Loans	-	-	7,736.08	7,736.08	7,736.08
Investment in Equity	-	-	0.05	0.05	0.05
Other Financial assets	-	-	289.48	289.48	289.48
Total financial assets	-	-	8,043.59	8,043.59	8,653.09
Financial Liabilities					
Trade Payables	-	-	20.38	20.38	20.38
Debt Securities	-	-	-	-	477.00
Borrowings (Other than Debt Securities)	-	-	6,328.70	6,328.70	6,328.70
Subordinated Liabilities	-	-	-	-	464.60
Lease Liability	-	-	9.21	9.21	9.21
Other financial liabilities	-	-	232.80	232.80	232.80
Total financial liabilities	-	-	6,591.09	6,591.09	7,532.69

(₹ in Crores)

Assets and liabilities which are measured at amortized cost for which fair values are disclosed - As at March 31, 2022	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Cash and cash equivalents	-	-	-	-	455.08
Bank Balance other than included above	-	-	-	-	255.56
Receivables					-
(i) Trade Receivables	-	-	8.48	8.48	8.48
Loans	-	-	5,518.63	5,518.63	5,518.63
Investment in Equity	-	-	0.05	0.05	0.05
Other Financial assets	-	-	51.96	51.96	51.96
Total financial assets	-	-	5,579.12	5,579.12	6,289.76

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Crores)					
Assets and liabilities which are measured at amortized cost for which fair values are disclosed - As at March 31, 2022	Level 1	Level 2	Level 3	Total	Carrying cost
Financial Liabilities					
Trade Payables	-	-	8.06	8.06	8.06
Debt Securities	-	-	-	-	514.81
Borrowings (Other than Debt Securities)	-	-	4,603.36	4,603.36	4,603.36
Subordinated Liabilities	-	-	-	-	140.72
Lease Liability	-	-	7.42	7.42	7.42
Other financial liabilities	-	-	91.36	91.36	91.36
Total financial liabilities	-	-	4,710.20	4,710.20	5,365.73

NOTE 54. MOVEMENT OF NON PERFORMING ASSETS (NPA)

		(₹ in Crores)	
Sl. No	Particulars	March 31, 2023	March 31, 2022
(i)	Net NPAs to Net Advances (%)		
(ii)	Movement of NPAs (Gross)		
	a) Opening balance	177.44	74.78
	b) Addition during the year	157.09	164.71
	c) Reduction during the year	165.18	62.05
	d) Closing balance	169.35	177.44
(iii)	Movement of Net NPAs		
	a) Opening balance	47.32	-
	b) Addition during the year	59.65	43.92
	c) Reduction during the year	42.65	(3.40)
	d) Closing balance	64.32	47.32
(iv)	Movement of provision for NPAs (excluding provision on standard assets)		
	a) Opening balance	130.13	74.78
	b) Provision made during the year	97.44	120.79
	c) Write off / write-back of excess provisions	122.53	65.44
	d) Closing balance	105.04	130.13

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

NOTE 55. DETAILS OF TERMS OF REPAYMENT - TERM LOANS FROM BANKS AND OTHERS

As at March 31, 2023

Type of instrument / institution	Frequency of Repayment	Original maturity of loan	Interest Range	Due within 1 year		Due within 1-2 year		Due within 2-3 year		Due within 3-4 year		Due within 4-5 year		Over 5 years		
				No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	
Debt securities	Monthly	1-3 years	10.00%-11.00%	4	50.00	-	-	-	-	-	-	-	-	-	-	
		1-3 years	11.00%-12.00%	-	-	3	12.50	9	37.50	-	-	-	-	-	-	
	Quarterly	1-3 years	10.00%-11.00%	4	20.00	4	20.00	-	-	-	-	-	-	-	-	
		Bullet	8.00%-9.00%	1	105.00	-	-	-	-	-	-	-	-	-	-	
			11.00%-12.00%	6	200.00	-	-	-	-	-	-	-	-	-	-	
		Above 3 Years	9.00%-10.00%	-	-	2	144.80	-	-	-	-	-	-	-	-	
			10.00%-11.00%	-	-	1	89.00	-	-	-	-	-	-	-	-	
			11.00%-12.00%	-	-	-	-	-	-	-	-	-	-	-	3	
	Term Loans- Banks	Monthly	1-3 years	8.00%-9.00%	79	231.69	11	20.75	-	-	-	-	-	-	-	-
				9.00%-10.00%	343	821.91	127	289.13	17	21.97	-	-	-	-	-	-
			10.00%-11.00%	307	691.27	241	617.58	2	4.17	-	-	-	-	-	-	
		Above 3 Years	11.00%-12.00%	12	12.63	12	13.38	12	5.97	-	-	-	-	-	-	
Quarterly		1-3 years	8.00%-9.00%	10	70.37	4	9.14	-	-	-	-	-	-	-	-	
			9.00%-10.00%	53	488.69	27	232.11	6	40.91	-	-	-	-	-	-	
			10.00%-11.00%	22	240.28	25	304.54	7	62.27	-	-	-	-	-	-	
		Above 3 Years	9.00%-10.00%	12	41.67	12	41.49	4	12.50	-	-	-	-	-	-	
Half-yearly			10.00%-11.00%	3	12.44	-	-	-	-	-	-	-	-	-	-	
			9.00%-10.00%	2	24.99	-	-	-	-	-	-	-	-	-	-	
Term Loans- Financial Institutions	Monthly	1-3 years	9.00%-10.00%	100	363.38	54	283.30	15	111.85	-	-	-	-	-	-	
			10.00%-11.00%	161	480.87	83	179.20	2	2.12	-	-	-	-	-	-	
	Quarterly	1-3 years	9.00%-10.00%	4	8.33	4	8.33	-	-	-	-	-	-	-	-	
			10.00%-11.00%	15	71.87	8	56.43	-	-	-	-	-	-	-	-	
			11.00%-12.00%	4	74.00	4	72.00	3	54.00	-	-	-	-	-	-	
		Above 3 Years	8.00%-9.00%	4	42.00	4	12.00	4	12.00	-	-	-	-	-	-	
	Half-yearly		9.00%-10.00%	4	52.00	4	42.00	4	24.00	3	18.00	-	-	-	-	
			11.00%-12.00%	2	30.00	2	15.00	-	-	-	-	-	-	-	-	
	Yearly		9.00%-10.00%	1	18.00	-	-	-	-	-	-	-	-	-	-	
				1,153	4,151	632	2,463	85	389	3	18	-	-	3	175	

Standalone

**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

As at March 31, 2022

Type of instrument / institution	Frequency of Repayment	Original maturity of loan	Interest Range	Due within 1 year		Due within 1-2 year		Due within 2-3 year		Due within 3-4 year		Due within 4-5 year		Over 5 years	
				No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount
CP Debentures	Bullet	Up to 1 Year	7.00%-8.00%	1	25.90	-	-	-	-	-	-	-	-	-	-
				4	50.00	-	-	-	-	-	-	-	-	-	-
	Quarterly	1-3 years	10.00%-11.00%	1	50.00	-	-	-	-	-	-	-	-	-	-
				2	30.00	-	-	-	-	-	-	-	-	-	-
	Bullet	1-3 years	7.00%-8.00%	1	50.00	-	-	-	-	-	-	-	-	-	-
				2	30.00	-	-	-	-	-	-	-	-	-	-
	Bullet	1-3 years	9.00%-10.00%	1	50.00	-	-	-	-	-	-	-	-	-	-
				2	30.00	-	-	-	-	-	-	-	-	-	-
	Bullet	1-3 years	11.00%-12.00%	1	50.00	6	200.00	-	-	-	-	-	-	-	-
				2	30.00	-	-	-	-	-	-	-	-	-	-
Above 3 Years	10.00%-11.00%	1	5.00	-	-	-	-	2	144.80	-	-	-	-	-	
		1	5.00	-	-	-	-	1	89.00	-	-	-	-	-	
Above 3 Years	16.00%-17.00%	1	5.00	-	-	-	-	-	-	-	-	-	-	-	
		1	5.00	-	-	-	-	-	-	-	-	-	-	-	
Term Loans- Banks	Monthly	1-3 years	8.00%-9.00%	81	272.12	67	213.43	9	17.71	-	-	-	-	-	
				312	817.33	155	464.94	21	107.99	-	-	-	-	-	
	Monthly	1-3 years	9.00%-10.00%	110	188.48	32	21.76	-	-	-	-	-	-	-	
				24	3.26	-	-	-	-	-	-	-	-	-	
	Above 3 Years	10.00%-11.00%	1	0.14	-	-	-	-	-	-	-	-	-	-	
			1	0.14	-	-	-	-	-	-	-	-	-	-	
	Quarterly	1-3 years	8.00%-9.00%	3	6.84	4	9.12	4	9.04	-	-	-	-	-	
				46	334.75	45	351.61	9	101.94	-	-	-	-	-	
	Quarterly	1-3 years	9.00%-10.00%	23	139.53	8	72.73	8	72.73	-	-	-	-	-	
				14	58.26	9	37.50	8	33.33	2	8.33	-	-	-	
Above 3 Years	9.00%-10.00%	4	16.67	2	8.32	-	-	-	-	-	-	-	-		
		4	16.67	2	8.32	-	-	-	-	-	-	-	-		
Half-yearly	1-3 years	9.00%-10.00%	2	25.00	2	25.00	-	-	-	-	-	-	-		
			2	25.00	2	25.00	-	-	-	-	-	-	-	-	
Bullet	1-3 years	9.00%-10.00%	3	58.38	-	-	-	-	-	-	-	-	-		
			7	35.00	-	-	-	-	-	-	-	-	-	-	
Monthly	1-3 years	5.00%-6.00%	34	81.92	32	83.00	8	36.08	-	-	-	-	-		
			78	103.13	59	95.96	-	-	-	-	-	-	-	-	
Quarterly	1-3 years	11.00%-12.00%	11	14.22	-	-	-	-	-	-	-	-	-		
			4	8.33	4	8.33	4	8.33	-	-	-	-	-		
Quarterly	1-3 years	9.00%-10.00%	8	23.33	8	23.33	-	-	-	-	-	-	-		
			3	5.97	-	-	-	-	-	-	-	-	-		
Above 3 Years	8.00%-9.00%	4	42.00	4	42.00	4	12.00	4	12.00	-	-	-	-		
		4	42.00	4	42.00	4	12.00	4	12.00	-	-	-	-		
Above 3 Years	9.00%-10.00%	4	64.00	4	52.00	4	24.00	4	24.00	3	18.00	-	-		
		1	32.50	-	-	-	-	-	-	-	-	-	-		
Half-yearly	1-3 years	10.00%-11.00%	2	30.00	2	30.00	-	-	-	-	-	-	-		
			2	30.00	2	30.00	-	-	-	-	-	-	-	-	
Above 3 Years	11.00%-12.00%	2	30.00	2	30.00	-	-	-	-	-	-	-	-		
		2	30.00	2	30.00	-	-	-	-	-	-	-	-		
Yearly	1-3 years	7.00%-8.00%	2	112.00	-	-	-	-	-	-	-	-	-		
			1	30.00	-	-	-	-	-	-	-	-	-	-	
Yearly	1-3 years	8.00%-9.00%	1	30.00	-	-	-	-	-	-	-	-	-		
			1	30.00	1	18.00	-	-	-	-	-	-	-	-	
Yearly	1-3 years	9.00%-10.00%	793	2,699	444	1,757	84	690	10	44	3	18	-		
			793	2,699	444	1,757	84	690	10	44	3	18	-		

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 56. ASSET LIABILITY MANAGEMENT

Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2023:

Particulars	(₹ in Crores)										
	1 to 7 days	8 days to 14 days	15 days to 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks, Financial institution and NBFCs	35.28	60.48	111.59	277.84	439.04	1,006.52	1,845.64	2,548.15	18.00	-	6,342.55
Market Borrowings	-	-	115.00	5.00	60.00	147.50	60.00	291.30	-	175.00	853.80
Securitization	-	-	-	-	-	-	-	-	-	-	-
Total	35.28	60.48	226.59	282.84	499.04	1,154.02	1,905.64	2,839.45	18.00	175.00	7,196.35
Assets											
Advances	100.02	133.35	100.02	386.32	373.47	1,137.63	2,182.91	3,576.26	7.72	0.84	7,998.53
Investments	-	-	-	-	-	-	-	160.37	-	0.05	160.42
Total	100.02	133.35	100.02	386.32	373.47	1,137.63	2,182.91	3,736.63	7.72	0.89	8,158.95

Particulars	(₹ in Crores)										
	1 to 7 days	8 days to 14 days	15 days to 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks, Financial institution and NBFCs	27.89	39.86	108.06	257.27	250.97	651.73	1,200.33	2,013.21	62.33	-	4,611.66
Market Borrowings	-	-	-	-	37.50	38.40	90.00	433.80	-	-	599.70
Securitization	-	-	-	-	-	-	-	-	-	-	-
Total	27.89	39.86	108.06	257.27	288.47	690.13	1,290.33	2,447.01	62.33	-	5,211.36
Assets											
Advances	52.45	157.36	52.45	286.71	290.11	884.22	1,769.97	2,255.44	20.09	3.91	5,772.72
Investments	-	-	-	-	-	-	-	-	-	0.05	0.05
Total	52.45	157.36	52.45	286.71	290.11	884.22	1,769.97	2,255.44	20.09	3.96	5,772.77

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share capital and other equity. Debt includes term loans from banks, NBFC and debentures net of cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Particulars	(₹ in Crores)	
	As at Mar'23	As at Mar'22
Borrowings	7,196.35	5,211.36
Cash and bank balance	609.50	710.64
Net Debt (A)	6,586.85	4,500.72
Equity share capital	593.64	498.22
Other equity	679.21	475.30
Total Equity (B)	1,272.85	973.52
Net Debt to Equity Ratio	5.17	4.62

NOTE 57. FINANCIAL RATIOS

Ratio	Numerator	Denominator	(₹ in Crores)			
			As at March 31, 2023	As at March 31, 2022	% Change	Reason for variance
			Ratio	Ratio		
Current ratio	Current assets	Current liabilities	1.16	1.46	(20.90%)	Due to increase in current liabilities by 58% YoY and increase in current assets by 25% YoY
Debt-equity ratio	Total debt [Non-current borrowings + Current borrowings]	Total equity	5.65	5.37	5.19%	
Debt service coverage ratio	Earnings before depreciation and amortization and interest [Earnings = Profit after tax + Depreciation and amortization expense + Finance costs (excluding interest on lease liabilities)]	Interest expense (including capitalized) + Principal repayment (including prepayments)	NA	NA	NA	
Return on equity ratio	Profit after tax	Average of total equity	0.11	0.06	81.02%	Due to increase in profitability by 153% YoY
Inventory turnover ratio	Costs of materials consumed	Average inventories	NA	NA	NA	
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	NA	NA	NA	
Trade payables turnover ratio	Purchases	Average trade payables	NA	NA	NA	

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Crores)

Ratio	Numerator	Denominator	As at	As at	% Change	Reason for variance
			March 31, 2023	March 31, 2022		
			Ratio	Ratio		
Net capital turnover ratio	Revenue from operations	Working capital [Current assets - Current liabilities]	2.51	0.78	222.80%	Due to increase in revenue from operations by 72% YoY and reduction in Capital employed by 46% YoY.
Net profit ratio	Profit after tax	Revenue from operations	0.07	0.05	47.95%	Due to increase in profitability by 153% YoY
Return on capital employed	Earnings before depreciation and amortization, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortization expense + Finance costs (excluding interest on lease liabilities)]	Capital employed [Total assets - Current liabilities + Current borrowings]	0.09	0.07	19.87%	Due to increase in EBITDA by 64% YoY
Return on investment	Profit after tax	Equity share capital + Instruments entirely equity in nature + Securities premium	0.13	0.07	100.11%	Due to increase in profitability by 153% YoY

NOTE 58. DETAILS OF FINANCIAL ASSETS SOLD TO SECURITIZATION/RECONSTRUCTION COMPANY FOR RECONSTRUCTION

The details of stressed loan transferred during the year ended March'2023 (Previous Year ended March'2022-NIL) to ARCs are given below:

(₹ in Crores)

Particulars	NPA	SMA	Write Off
No. of Accounts	1,32,425	1,688	1,60,825
Aggregate principal outstanding of loans transferred (₹ in Crore)	432.19	4.10	341.90
Weighted average residual tenor of the loans transferred (in years)	1.51	1.61	-
Net book value of loans transferred (at the time of transfer) (₹ in Crore)	175.63	3.87	-
Aggregate consideration (including interest) (₹ in Crore)		194.00	
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

The Company has reversed ₹ 16.46 Crore provision on account of the sale of stressed loans.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 59. DISCLOSURES OF FRAUDS REPORTED DURING THE YEAR VIDE RBI/DNBS/2016-17/49 MASTER DIRECTION DNBS. PPD.01/66.15.001/2016-17 DATED ON SEPTEMBER 29, 2016

(₹ in Crores)

Particulars	Less than ₹ 1 lakh		₹ 1 - 5 lakhs		₹. 5 - 25 lakhs		Total	
	No. of Accounts	Value ₹.	No. of Accounts	Value ₹.	No. of Accounts	Value ₹.	No. of Accounts	Value ₹.
	A) Person involved							
Staff	330	0.52	31	0.60	4	0.44	365	1.56
Customer	-	-	-	-	-	-	-	-
Staff and Customer	-	-	-	-	-	-	-	-
Total	330	0.52	31	0.60	4	0.44	365	1.56
B) Type of fraud								
Misappropriation and Criminal breach of trust	330	0.52	31	0.60	4	0.44	365	1.56
Fraudulent encashment / Manipulation of books of Accounts	-	-	-	-	-	-	-	-
Unauthorized credit facility extended	-	-	-	-	-	-	-	-
Cheating and forgery	-	-	-	-	-	-	-	-
Total	330	0.52	31	0.60	4	0.44	365	1.56

NOTE 60. DISCLOSURE PURSUANT TO RBI/2022-23/26 DOR.ACC.REC.NO.20/21.04.018/2022-23 DATED APRIL 19, 2022

Customer complaints

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
1. Number of complaints pending at beginning of the year	4	38
2. Number of complaints received during the year	1,498	667
3. Number of complaints disposed during the year	1,470	701
3.1 Of which, number of complaints rejected by the Company	-	-
4. Number of complaints pending at the end of the year	32	4
Maintainable complaints received by the Company from Office of Ombudsman		
5. Number of maintainable complaints received by the Company from Office of Ombudsman	20	10
5.1 Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman	20	10
5.2 Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	-	-
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
Current Year					
Disbursement	-	355	482%	6	-
Loan Repayment	2	149	414%	19	-
Insurance	-	593	126%	5	-
CB Dispute	2	204	308%	-	-
Staff Misbehaviour	-	36	300%	-	-
Others	-	161	(0.36)	2	-
Total	4	1,498	126%	32	-
Previous Year					
Disbursement	8	61	-	-	-
Loan Repayment	-	29	-	-	-
Insurance	24	262	-	2	-
CB Dispute	1	50	-	-	-
Staff Misbehaviour	1	9	-	2	-
Others	-	252	-	-	-
Total	34	663	-	4	-

Details of registration with financial regulators

Regulator	Registration No
Ministry of Company Affairs	U65191KA1995PLC057884
Reserve Bank of India	B-02.00250

Disclosure of penalties imposed by RBI and other regulators : There are no penalty imposed by Reserve Bank of India and other regulators during the financial year.

NOTE 61. COVID-19 PANDEMIC

The outbreak of the COVID-19 pandemic had led to a nation wide lockdown in April - June 2020. This was followed by localized lockdowns in areas with a significant number of COVID-19 cases. Following the easing of lockdown measures, there was an improvement in economic activity in the second half of fiscal 2021. Since then India experienced two waves of the COVID-19 pandemic following the discovery of mutant coronavirus variants, leading to the reimposition of regional lockdowns which were subsequently lifted.

The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The disruptions following the outbreak, impacted loan originations, and the efficiency in collection efforts resulting in increase in customer defaults and consequent increase in provisions and write off there against.

India is emerging from the COVID-19 pandemic. The extent to which any new wave of COVID-19 will impact the Company's results will depend on ongoing as well as future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 62. PREVIOUS YEAR FIGURES

Previous year's figures have been reclassified to conform with the current year's classification / presentation wherever applicable.

Accompanying notes are an integral part of these financial statements

As per our attached report of even date.

**For Brahmaya & Co.,
Chartered Accountants**
Firm No. 000515S

**For and on behalf of the Board of Directors
of IIFL Samasta Finance Limited**

G.Srinivas
Partner
M. No. 086761

N. Venkatesh
Managing Director
DIN : 01018821

D. Shivaprakash
Whole-Time Director
DIN : 02216802

Place: Bengaluru
Date: 21-04-2023

Anantha Kumar T
Chief Financial Officer

Manoranjan Biswal
Company Secretary



IIFL Samasta Finance Limited
(Erstwhile Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884
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