

1. **ASSET LIABILITY MANAGEMENT (ALM) DISCLOSURES AS MENTIONED IN SEBI CIRCULAR NO. CIR/IMD/DF/ 12 /2014 DATED JUNE 17, 2014 AND CIRCULAR NO. CIR/IMD/DF/6/2015 DATED SEPTEMBER 15, 2015**

Details of overall lending by our Company as of March 31, 2022

A. Type of loans:

The detailed break-up of the type of loans and advances including bills receivables given by our Company as on March 31, 2022 is as follows:

		<i>(Rs. in crs)</i>
S. No.	Type of Loans	Amount
1.	Secured	41,142.04
2.	Unsecured	13,540.24
	Less: Impairment Loss Allowance	(1,074.83)
Total		53,607.46

B. Denomination of loans outstanding by LTV* as on March 31, 2022

Sl. No.	LTV	Percentage of AUM
1.	Upto 40%	16.43%
2.	40%-50%	7.76%
3.	50%-60%	7.20%
4.	60%-70%	8.61%
5.	70%-80%	6.77%
6.	80%-90%	2.70%
7.	Above 90%	50.53%
	Total	100.00%

C. Sectoral Exposure as on March 31, 2022

Sr No	Segment wise Breakup of AUM	AUM (Distribution %)
1	Retail	61%
A	Mortgages (HL & LAP)	24%
B	Gold Loans	-
C	Vehicle Finance	-
D	MFI	-
E	MSME	-
F	Capital Market Funding (LAS, MTF)	3%
G	Others	33%
2	Wholesale	39%
A	Infrastructure	20%
B	Real Estate (Including Builder Loan)	6%
C	Promoter Funding	3%
D	Any other Sector (as applicable)	10%
E	Others	1%
	Total	100%

D. Denomination of loans outstanding by ticket size as on March 31, 2022:

Sl. No.	Ticket size (in ₹)	Percentage of AUM
1.	Upto 2 Lakhs	2.64%
2.	2 to 5 Lakhs	3.37%
3.	5 to 10 Lakhs	2.99%
4.	10 to 25 Lakhs	5.53%
5.	25 to 50 Lakhs	3.85%
6.	50 lakh-1 Crores	3.54%
7.	1 - 5 Crores	14.63%
8.	5 - 25 Crores	20.79%
9.	25 - 100 Crores	25.98%
10.	Above 100 Crores	16.67%
Total		100.00%

E. Geographical classification of borrowers as on March 31, 2022:

S. No.	Top 5 States / UT	Percentage of AUM (March 31, 2022)
1.	Maharashtra	44.46%
2.	Delhi	18.00%
3.	Karnataka	7.91%
4.	Telangana	6.68%
5.	Tamil Nadu	6.56%
Total		83.60%

**F. (a) Details of top 20 borrowers with respect to concentration of advances as on March 31, 2022:
(Rs. in crs)**

Particulars	Amount
Total advances to twenty largest borrowers	4,791.74
Percentage of advances to twenty largest borrowers to total advances to our Company	8.76%

**(b) Details of top 20 borrowers with respect to concentration of exposure as on March 31, 2022:
(Rs. in crs)**

Particulars	Amount
Total exposure to twenty largest borrowers	4,828.45
Percentage of exposure to twenty largest borrowers to total exposure to our Company	8.56%

G. Details of loans overdue and classified as non-performing in accordance with RBI's guidelines as on March 31, 2022:

1. Movement of Gross NPAs

(Rs. in crs)

Sl. No.	Particulars	Amount
1.	Opening balance	1,422.47
2.	Additions during the year	1,185.99
3.	Reductions during the year	(652.42)
4.	Closing balance	1,956.03

2. Movement of provisions for NPAs (excluding provisions on standard assets)

(Rs. in crs)

Sl. No.	Particulars	Amount
1.	Opening balance	589.96
2.	Provisions made during the year	596.90
3.	Write-off / write-back of excess provisions	(413.96)
4.	Closing balance	772.89

3. Segment-wise gross NPA as on March 31, 2022: (complete)

Sr No	Segment wise Breakup of Gross NPA	GNPA %
1	Retail	2.68%
A	Mortgages (HL & LAP)	1.96%
B	Gold Loans	-
C	Vehicle Finance	-
D	MFI	-
E	MSME	-
F	Capital Market Funding (LAS, MTF)	5.39%
G	Others	2.95%
2	Wholesale	3.98%
A	Infrastructure	4.89%
B	Real Estate (Including Builder Loan)	-
C	Promoter Funding	-
D	Any other Sector (as applicable)	5.49%
E	Others	-
	Total	3.19%

H. Residual/ Asset Liability Management Maturity pattern of certain items of Assets and Liabilities (As of March 31, 2022)

(As of March 31, 2022) – RBI format

(Rs. in crs)

Particulars	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and up to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits	-	-	-	135.32	66.62	9.23	211.40	353.88	966.64	743.75	2,486.83
Advances**	83,784.56	12,876.43	47,057.64	1,16,252.21	1,37,157.41	2,01,516.45	7,85,802.36	11,32,784.79	7,38,434.62	15,04,076.89	47,59,743.36
Investments	-	-	-	15,420.71	56,892.50	-	-	4,427.17	2,122.34	428.19	79,290.90
Borrowings*	3,417.26	2,750.87	2,79,762.80	2,30,324.96	1,69,342.02	2,72,393.39	6,10,670.70	16,42,295.00	4,51,215.49	4,59,345.89	41,21,518.38
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities (also included in borrowings above)	-	-	-	84.34	-	57.89	-	1,46,974.50	-	-	1,47,116.73

- I. Our Company has not provided any loans/advances to associates, entities/person relating to the board, senior management, Promoter expect as provided for in the chapter titled “Related Party Transaction” in the Annual report of the Company (as on March 31, 2022).**

Onward lending to borrowers forming part of the “Group” as defined by RBI:

Name of the Borrower (A)	Amount of advances / exposures to such Borrower (Group) (₹ in Crore)	Percentage of exposure (C) = B/Total AUM
Waacox Energy Pvt Ltd	43.57	0.08%
Total	43.57	0.08%

2. Any change in promoter’s holdings in NBFCs during the last financial year beyond a particular threshold. At present, RBI has prescribed such a threshold level at 26% - **Nil**

3. Credit policy:

The credit policy of our Company, is the principal document for the credit operations of our Company, duly approved by the Board of Directors and serves as the guiding document of our Company. The broad objectives of the credit policy is to ensure efficient delivery of credit with focus on asset growth and quality along with continuous growth of loan assets which remains performing and standard at all times. The credit policy interalia provides indicative guidelines specifying the measures to be taken for improving the credit delivery and customer satisfaction and to strengthen the risk management systems for appropriate pricing of credit risks and ensure close monitoring of the credit portfolio. The credit policy of our Company as also prescribes measures to prevent fresh slippages into NPAs along with various functionalities to innovate and evolve competitive products based on market requirements and also to suit our Company’s risk appetite. While our Company has been making efforts towards the risk management practices on an on-going basis, the credit policy emphasizes on initiating a paradigm transition towards a completely integrated risk management system.

The Credit Risk Management of our Company focuses on identification, measuring monitoring and managing the assumed risks which interalia includes a documented loan policy /product program(s), robust approval mechanism, effective loan administration in order to ensure overdue management and bad asset detection and remediation, loan review mechanism and portfolio management tool to manage portfolio level risks. Our Company also relies upon formal and conventional risk assessment viz the capacity and willingness of borrowers to repay and dependence primarily on cash flows for repayment with security taken to provide a secondary source of repayment, depending on respective product programs.

The management of credit risk is undertaken at three levels, namely –

1. Strategic or portfolio level, so as to ensure that no single event can have any significant adverse impact. Portfolio performance by way of collections and delinquencies are continuously m
2. monitored through regular portfolio MIS analysis.
3. Established and market-benchmarked credit policy, wherein modifications/refinements to individual programmes are made whenever considered necessary or appropriate.
4. Reliance on the competency of staff to identify and make sound credit decisions.

The Risk Management Group (RMG) of our Company ensures that the loan portfolio in our Company is strictly in line with this credit policy and is always in compliance with all internal policies and regulatory guidelines with on-going improvement of the credit processes. It also tracks relevant sectors/industry and assess key industry risks on an on-going basis along with carrying detailed credit analysis and providing independent opinion to sanctioning committees which ensure that all risks are clearly identified and steps to mitigate are set out and adhered to. Our Company also does portfolio monitoring and portfolio “stress-testing” including proactively reviewing the portfolio based on market conditions and take corrective actions when such portfolio triggers are breached. The RMG also builds a robust ongoing credit coverage discipline on individual borrowers or a group of borrowers, as applicable to each business segment. Further, the RMG also facilitates setting up a Company-wide de-dupe repository and comprehensive defaulters’ list and the same is updated at regular intervals.

Any new product or variant of an existing product or review of any existing product is presented to the product approval committee in the form of a product program note, which is as per the format stipulated from time to time. The product program interalia covers the following areas/subjects – product objective, product/program limit, target category of customers, target market which covers business models prevalent in the target market/customers, specific characteristics of the target market/target customers, specific characteristics of the target markets/customers which

have a bearing on risk assessment, defined geographies, borrower profiles, etc. and product features along with methodology for assessment of limits/loan amounts with approval matrix and deviation approval matrix with security and monitoring/MIS/overdues/reporting of irregularities with portfolio controls and diversification/delinquency rates and portfolio triggers and risk containment measures.

The credit assessment/appraisal process and guidelines are kept in view before a credit facility is approved/renewed and all the credit proposals are rigorously appraised. The credit appraisal process interalia involves an in-depth study of the industry, financial, commercial, technical and managerial aspects of the borrower as warranted by the product program. The Risk Management Group of our Company independently carries out an in-depth credit analysis and market checks of the company/obligor/counterparties/guarantor/promoter/group companies/related parties and provides independent opinion on all the aspects as warranted by the product program. Appropriate credit filters are also designed to weed out cases with weak credit profile and filters are never a proxy to in-depth credit analysis and market reference checks. Each credit proposals are prepared in an appropriate format and placed before the appropriate sanctioning authority. Credit appraisal format are as per the format in respective product program along with guidance notes. De-dupe is carried out as a best practice to check if the Borrower is already having a relationship with the Company. Our Company also obtains information from multiple lenders/bankers so as to stay updated on Borrower's credit health and account conduct with various lenders. Our Company also obtains independent opinion from various sources, including, from the existing bankers/lenders in respect of all new borrowers/parties to the loan on a "best-effort" basis, which are recorded along with reference checks. Our Company uses prudent assessment criteria, such that our Company avoids taking up/financing a majority part of borrowers' credit needs. Suitable methodologies are developed and used by our Company-RMG to assess the risks in structured transactions, including vetting the transactions structure by legal group of our Company. The Risk Management Group also articulates the key risks in any structured transactions including operational/transactional risks, legal risks, compliance risks, market risks, reputation risks, etc. and suggest suitable mitigants for the same. As a prudent lending practice, all current relevant information about any borrower are glanced from the files and over-reliance on information stored in the minds of the dealing officer or his private files are avoided. A robust internal credit rating framework is vital for effective credit risk management.

Our Company follows the standard credit practices of analysing and monitoring credit limits and exposures to NBFC's. The below key areas are analysed for all NBFC's, besides the specific areas which are laid down in detail in the respective product programs and/or guidance notes-

- Earnings stability and business model sustainability
- Asset Quality
- Capital Adequacy and leverage
- Management quality and operational capabilities
- ALM, Liquidity and treasury management
- Systematic and regulatory areas
- Type of collateral /security and enforceability
- Reporting, control and risk management systems

As per our Company's Loan monitoring system, further disbursements/discounting/debit transaction is auto-prevented by the system once the limit expiry date is reached. Thus, further drawl is not be permitted by the system as there is no "auto-renewal" of credit facilities/limits, which have expired/lapsed. Renewal can be done one or more times in a year when the credit facility/limit expires or borrowers applies for new limit with enhancements or borrowers applies for revalidations of lapsed/expired credit facility/limit. Renewals can be with or without enhancement – it can also be with 'reduction' in credit limit, renewal of stressed cases are dealt with based on merits of the individual credit proposals. Renewals depend on the credit quality of the borrower at the time of renewal and the renewal is subject to the discretion of the sanctioning committee. Further, the facility type and amount sanctioned, terms and conditions stipulated, pricing/interest rate etc. approved at the time of renewal may be different from what the borrower enjoyed in the previous year/cycle. The Company also maintains the MIS of all credit approvals and their corresponding expiry dates, which are used to take necessary actions.

Express renewal policy is also applicable for accounts/borrowers satisfying certain criteria at the time of application for express renewal, wherein amount has to be 'regular' (based on repayment method), asset quality classification is 'Standard', internal credit rating/grading score is within 'Investment grade' as per our Company's internal credit rating model or valid external rating. In case of unrated accounts, approving authority decides on express renewal.